

MSU Faculty and Staff:

We hope that your semester is moving along well, and we appreciate the dedication and flexibility many of you have shown as we navigate through this academic year.

We wanted to provide you with a few quick updates:

- Employee Health Care: As you know we established a Health Care Taskforce composed of faculty and staff members that met last spring to review our health care plans, costs, and structure, to provide recommendations for efficiencies and cost savings for our 2019 plan design – to start January 1.

It is important to note that health care seems, at least historically, to be an ever rising cost each year – both for the employer and the employee.

The Taskforce recommended a variety of options for MSU to consider for 2019 – and were charged with saving a million and a half dollars along the way. The Taskforce should be commended for conducting an in-depth discussion of our plans and making several recommendations.

Presently, MSU operates with an internally funded (self-insured) health insurance plan. In order to explore all of our options we also bid out our plan to external, 3rd party insurance companies, and our bids for external insurance came back significantly higher than our current plan. So, for 2019 we will be keeping the same health care plan and company (Anthem), same plan design, as well as retaining our Wellness Program in its current form.

Additionally, one of the options presented by the Taskforce was to modify the employer/employee premium for 2019 to be 70% paid by the employer and 30% paid by the employee. With that said, and through some present year belt tightening, we will be operating with a split for 2019 of 78% paid by the employer and 22% paid by the employee. In order to retain a 78/22% split, MSU will be diverting an estimated \$450,000.00 + additional employer dollars into health care, of which will go a long way in helping mitigate the rising costs on our employees. The split of 78/22% also places MSU around the cost structure of other employers. However, the 78/22% does come with some shared increase of costs to our employees for health care.

We will also be adopting several of the recommendations of the Taskforce, which include an increase in the tobacco user surcharge, as well as increasing the spousal surcharge for spouses on our MSU plan who have the option to obtain coverage on their employer plans. (Note: If a spouse does not have an option for health coverage from their employer, there is no spousal surcharge.)

In order to navigate the ever increasing costs of health care, our approach to 2019 health care, even under a strained budget, was a “shared approach” to which MSU put in additional and new dollars, and the employee cost also made up a portion of the increase.

We recognize that health care is important to our employees, and want to offer reasonable plans – of which we believe our plans for 2019 will accomplish. Our MSU Office of Human Resources will be conducting 2019 Open Enrollment in November and will be communicating with you soon.

- Butler Hall: Our Board of Regents recently approved the razing of Butler Hall in our residential living area. This will allow us to continue to reduce our facility costs, and return areas to greenspace. As you are likely aware, Butler Hall has not been utilized for housing for some time, and has dutifully served the campus well over several decades. With that said, during our upcoming Winter Break our Facilities Management staff will begin the process of razing and clearing the building. Our hope is to complete this process by the time students return in January for the Spring Semester, and soon thereafter return the space to grassed greenspace in the spring with a few trees to commemorate the site. Once Fall Commencement takes place, we would encourage you to stay away from the site for the first few weeks, as large equipment and trucks will be prevalent in the area. Should you have any logistical issues related to the razing, please contact the Office of Facilities Management and let them know within the next week or two.
- Fall Enrollment: Our various offices continue to put together our final Fall enrollment details. In short, our new entering student/freshmen numbers are up around 9-10% for this fall over last fall – which is a testament to the good work our staff and faculty have done. However, due to the nature of having some small classes, as well as graduating a large senior class last year, our overall numbers will be a few percentage points down. The bright point is obviously entering new/freshmen students are up, and with another year or two of good work and strong entering classes we could look good. We will have a more accurate report once we get all our dual credit students into the system.
- Student Retention: One of our major initiatives and pushes has been student retention, and it will continue to be. I am pleased to relay to campus that due to the good work of many, that our preliminary student retention rates (freshmen last year returning this year) are up roughly 4%. This places our retention rate somewhere around 73.8%, up from 69%. This is a very good rate and trend and I believe that we can push it even higher with this year's freshmen cohort. This rate is not only good for our students, but also good for our University in a variety of ways. Please continue to keep an eye on students who may need help.
- Homecoming: As Homecoming approaches we hope that you will try to attend one or more of the events on campus that week. A calendar may be found at:<https://www.moreheadstate.edu/homecoming>

We would like to once again thank each of you for what you do each day and your flexibility as we try to shift things around to make our University run as smooth as possible.

Jay Morgan
President