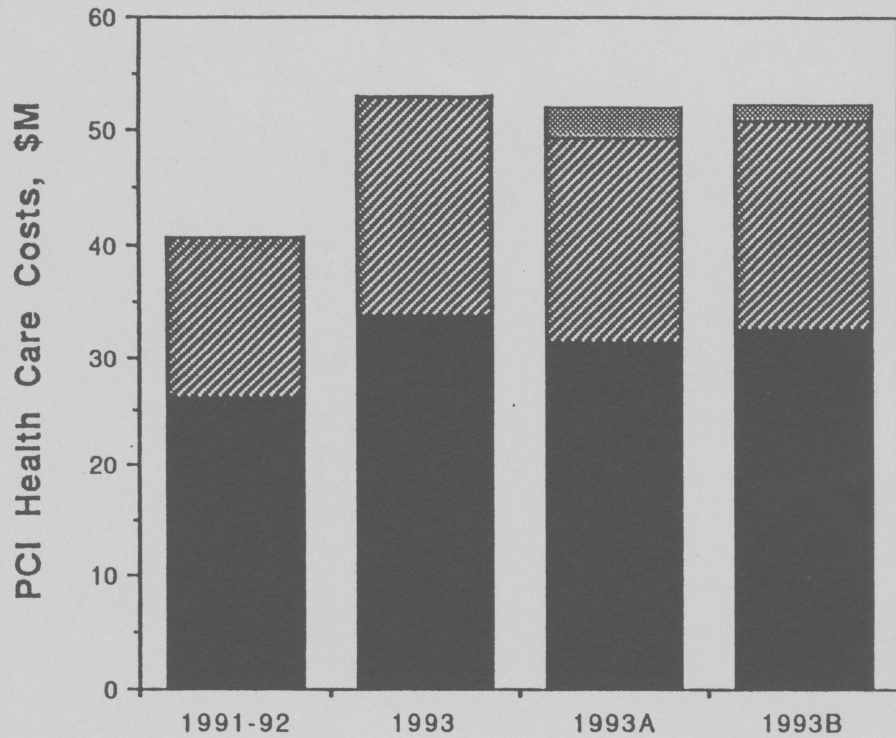


**What are IU's Health Costs (PCI, Including retirees)?**



- University Payments (70% of claims of actives)
- ▨ Participant Payments for Claims (monthly payment)
- ▤ Additional Participant Payments (deductible, copayment)

**Notes:**

- 1.Plans 1993A and 1993B reduce total medical costs by \$0.9M and \$0.6M respectively due primarily to decreased usage. However, additional deductible and copayment costs to the participants have unfavorable tax status.
- 2.Lower paid employees would continue to be subsidized. The 1993 level would be \$0.6M in both plans, 1993A and 1993B.
- 3.In the FBC plan (1993B) retirees under age 65 would be provided COBRA until age 65.