

Official says high premiums require Aetna switch

By Steve Miller

A switch in insurance companies was described as the only suitable alternative UNL had to an expected 26 percent increase in premiums paid to Blue Cross and Blue Shield of Nebraska, according to a UNL official.

William D. Jones, director of personnel services at UNL, told the Nebraska Legislature's Banking, Commerce and Insurance Committee Thursday that employees would have had to pay an additional \$15 a month had the contract with Blue Cross been renewed.

Williams told the committee that a research firm had been hired to evaluate the insurance program and provide specifications for a new one.

Insurance bids reviewed

Bids from several companies were reviewed and the new contract was awarded to Aetna Life and Casualty.

"We tried to think of alternatives to paying the increase to Blue Cross," Williams said. "And the only alternative was to reduce employee benefits. This was not acceptable."

Although the University pays an additional \$7 per employee with Aetna, employees will not pay an increase.

Williams called the new program with Aetna a minimum premium program. Under this plan only \$300,000 a year is paid to Aetna. The rest of the money paid in

premiums is put in a trust fund with First National Bank of Lincoln.

Aetna offers trust fund

All claims are paid out of the trust fund, Williams said, and the University is allowed to use the money in trust as an insurance company would.

Williams said that if the claims went over the amount in trust, Aetna was liable.

"The money we pay them is to assume administrative work and to assume the risk in claims going over the amount in trust," Williams said.

Committee Chairman, Sen. John DeCamp of Neligh, said he was a bit confused by the role that Aetna played in the program, and wanted to know exactly what would happen if claims exceeded the amount in trust.

"I just want to know if this isn't going to double back and the taxpayers aren't going to have to pay," DeCamp said.

Trust fund reimbursements

Tom Schulte, Aetna representative, said that Aetna would continue to pay claims. The University would then reimburse the company out of the trust fund.

"If claims exceed the amount in trust, Aetna has the right to recoup losses when the contract is renewed," Schulte said. The following year Aetna would receive a greater sum to handle the program.

"The university has the right not to renew the con-

tract though," Williams said. "We (Aetna) would then have to eat those losses."

DeCamp said he had been concerned that Aetna may have made low claim estimations and that claims would total more than the trust. He said that other companies had estimated higher claims in their bids.

Sen. DeCamp asked Schulte if the decrease in cost from that of Blue Cross had been accomplished by cutting services.

"The Blue Cross plan was fat up front," Schulte said, "the part that covers in-hospital bills. We cut that fat part off the front and moved it around to the rear."

Employees now have to pay the first \$100 and 10 percent thereafter for hospital bills. Aetna reduced the liability for doctor and medicine bills to \$700.

Aetna also provides dental coverage that Blue Cross did not, Schulte said.

The committee was informed by an Omaha psychiatrist that the new program cut out-patient services to mental patients.

"The university is giving up an excellent mental health payment plan," said Dr. William Reid, associate professor of psychiatry at the NU Medical Center.

Reid said that treatment can be very expensive and he represented a great number of employees who feared to speak on their own behalf.

Teacher says budget pressure to end Centennial

By Bill Graf

Centennial College will be eliminated at the end of the 1980-81 school year, a senior fellow at the college said.

"For sure it's our last year. We were done in," Robert Fuller said.

The Five-Year Plan for the university, which was passed by the UNL Board of Regents July 26, states in section two (UNL recommendations) that Centennial College will be the first academic program to be phased out due to budget pressure. Other programs named for possible elimination are general engineering at UNL and the undergraduate program at UNL's Teachers College.

Fuller said the plan's working is "fuzzy" because he interpreted the plan to mean that further analysis would be made before the college was eliminated. However, he added, he recently received a letter from the chancellor's office asking him to develop a plan for the elimination of the college.

Lack of power

Fuller said he feels the college was eliminated because of its lack of power and not because it was the best place to make the cut.

"Straight power got us. It's a shabby deal all the way around," he said.

However, Ezekiel Bahar strongly disagreed. Bahar, a professor of electrical engineering and a member of the Academic Planning Committee, voted to recommend that

Centennial be the first program eliminated in case of budget trouble.

"I didn't perceive any of that (political struggle). No one was trying to pick on anyone, or trying to be sadistic. There was no pettiness in our decision. Also I want to emphasize that no one on the committee said Centennial wasn't a good quality program.

"But what we had to decide was: What would be the impact if we took \$100,000 from Centennial or from another program, such as the library? It was a very distasteful task."

Dollar support declines

Bahar said the cut is a direct result of the decline in the real dollar support that the university receives.

"If the student and their parents care, they would not let this go on. No one wants to pay the taxes. But everyone wants the benefits.

"They tell us to run the university like a business, but I can't think of any business with a better return."

Another member of the committee, John Bean, said there was a general agreement among the committee members that Centennial was a good program. But it was felt that the elimination of Centennial would be the best place to cut the budget and maintain the best overall quality of the university.

"Centennial has lost its original importance, which is offering interdisciplinary programs. Now they're (interdisciplinary programs) all over the place," he said.

Continued on Page 6

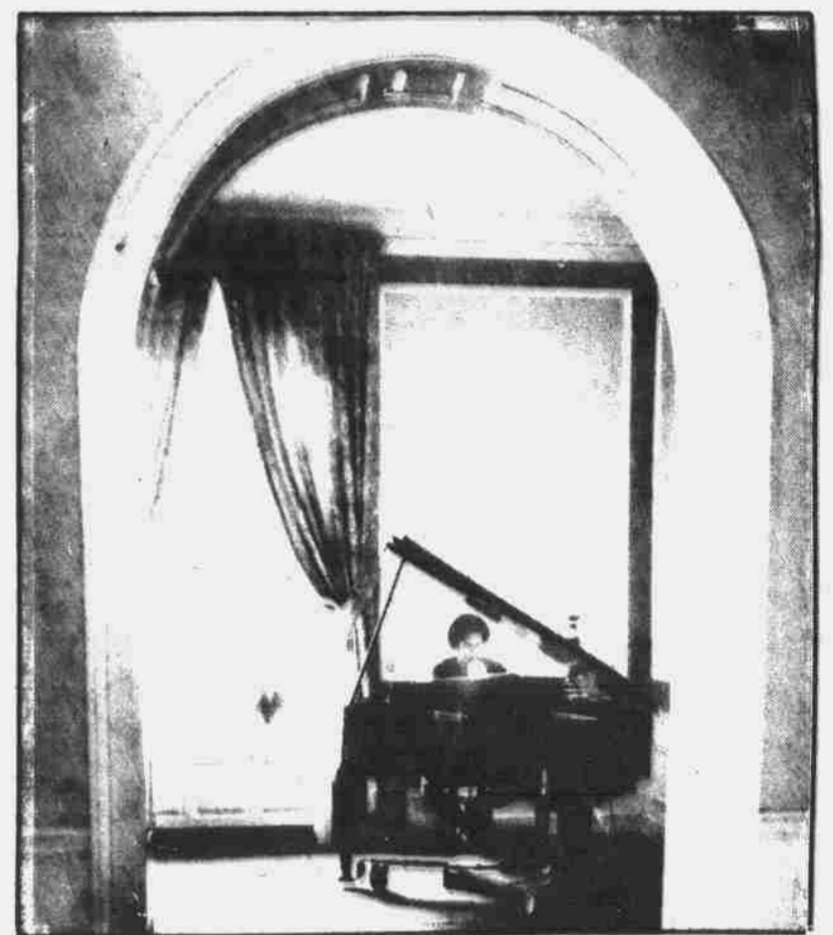


Photo by Mark Billingsley

Randy Collins, a Centennial student, plays the piano in Love Hall where Centennial classes are taught.

GLC resignations prompt chairperson search

By Kathryn Haugstatter

The Government Liaison Committee, ASUN's lobbying agency, has begun the semester without members or even a chairperson.

ASUN President Renee Wessels said Wednesday, "It's a definite advantage to have the GLC functional over the summer, but I don't consider it a problem. The chair (person) changes every year with the ASUN president anyway."

Last April, Wessels appointed Kate Joeckel GLC chairperson and Maurice Higgins vice chairperson. But Joeckel resigned because she is working for a consulting and lobbying firm in Lincoln, Wessels said.

Higgins resigned, Wessels added, because he had to increase his work schedule to cover expenses.

Although the Nebraska Legislature is in session for only a few months in the beginning of the year, committees study issues and plan the legislative calendar during the rest of the year.

Lack of members uncommon

Dan Renn, a UNL sophomore and form-

er GLC member, said the lack of continuing membership is unusual.

"The GLC usually perpetuates itself, Renn said. But last year a big graduation into other parts of ASUN and just graduation left GLC empty."

Renn said he is waiting to hear about another position in student government before deciding to rejoin.

Wessels said her first goal is to get the leadership established. The application deadline for the positions has been extended from Aug. 28 to Sept. 3, she said.

"I hope to announce the chair(person) and vice chair(person) by Sept. 10," she added.

Familiarity with UNL impeachment

Mark Hirschfeld, former GLC chairman and now first vice president of ASUN, said he has seen six or eight applications for the positions, "and a couple look super. The key to the organization is to pick a chair(person) who's been around the university awhile."

Hirschfeld said the group acts as an intermediary between students and the

Legislature, the NU Board of Regents and the Lincoln City Council. Since members often use GLC as an entry into student government, he said, the chairperson provides information and education about the processes and major participants involved in academic and legislative issues.

"After they learn the processes, they investigate, ask questions," Hirschfeld said. "When the time comes for a public hearing on an issue, a member will present a written position paper to the appropriate committee."

Reorganization, direction GLC goals

Hirschfeld said the student senate will set up a priority legislative agenda listing major areas of concern in late October or November, "when we get a sense of what legislation will be up."

But members with interests in other areas can apply to the senate for approval to work in those areas, he added.

"For example, if landlord-tenant legislation isn't on our agenda and they can get it approved, they can do their research in that area," he said. "It's a volunteer-

based organization and very flexible. It functions better that way."

Wessels said one of her goals as ASUN president is to build up the GLC, which she said was weak last year.

Renn said GLC is in a stage of reorganization and he's not sure what the ASUN will do with it.

"It needs to find its new direction and go on from there, Renn said. (ASUN) will have to move quickly, but GLC will be effective if it's organized soon. I've seen lots of people picking up applications, which I think is great," he said.

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Fewer Magazines: UNL libraries cut \$100,000 worth of periodicals. . . Page 7
Creature From The Blue Lagoon: Reviewer finds movie tedious despite the ideal setting. Page 8
Winning Atmosphere: The Missouri Tigers plan to change their pre-game routine this season. Page 10