

CORRECTED**MINUTES****FACULTY SENATE MEETING**

December 12, 1995

Ferguson Forum

3:30 p.m.

- **President's Report**
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 - [Resolution RE: HMO Options Should be Examined Carefully](#)

Members absent and not represented by an alternate: Harold Selesky, Paul Allen, Eugene Cooper, Edward Merrill, Harvey Kline, Frank Page, John Evans, Mark Weaver, Diane Kimoto, Ron Banaszak, Will Schreiber, Stuart Bell, Martin Parker, Peggy Jessee, Jerry Hoffman, Ruby Morrison, Patsy Riley, Paul Stuart.

The [minutes for November 1995](#) were approved after the following corrections: The Provost's name is spelled 'Taaffe' and line 4 of the third paragraph on page 3 should read "spent in narrowly defined ways." In addition, there were several wording changes to the president's report. A copy of the corrected minutes is attached.

President's Report**HMO CONCERNS**

Faculty Senate President Norm Stein reported his deep concern over the proposal of a Health Management Organization (HMO) as an alternative to Blue Cross/Blue Shield. While it has been suggested that the faculty wanted this, Stein has not encountered any faculty who have spoken in favor of it. Stein is planning to write a letter to Dr. Sayers on this issue, and invited senators to provide input.

UNIVERSITY RESTRUCTURING PLANS

The Senate Academic Affairs Committee had given Provost Taaffe a set of questions about coping with future budget cuts. Stein, Senate Secretary Marcus Brown and Academic Affairs Committee cochairs Gene Dobson and Margaret Garner met with Provost Taaffe. The discussion covered possible changes to the direction of the University which had been suggested and the process by which such changes would be considered and implemented. Stein took notes and confirmed the accuracy of these notes with Taaffe. According to Stein's notes, Taaffe believes that the University must

make careful and far-seeing changes. Across-the-board budget cuts will hobble the University. Instead, it must redefine itself, identify its strengths and fortify them, and rethink many basic questions. Taaffe believes that we are now in the information gathering stage, where many different ideas and approaches should be considered. The Office of Academic Affairs would like to see these issues discussed in the appropriate committees and other forums such as the Council of Deans and the Faculty Senate. Taaffe would appreciate the Senate setting up appropriate forums for discussion of these options and conveying our ideas to his office.

After gathering as many ideas as possible, the Office of Academic Affairs will try to come up with a plan to implement the ideas. The plan will be presented to the Committee on University Plans, the Resources and Priorities Committee, the Council of Deans and the Faculty Senate for discussion and comment. It is likely that the plan would have phases of implementation. Academic Affairs will absorb all these comments and suggestions and prepare a revised plan. The revised plan will again be presented to the Council of Deans and the Faculty Senate for further comment and suggested revisions. Finally, Academic Affairs will revise and implement the plan. It is possible that the plan might be divided into several pieces, but the development and implementation of each piece would follow the same basic process. Taaffe suggested that implementation of the first steps could begin in August of 1997, although some steps might begin as early as August 1996. It is possible that the decision making process could be revised, but this represents the current concept of how the decisions would be made.

Taaffe mentioned that many ideas are currently under discussion, some of which are serious and some are not so serious. One serious idea is to move the University's resources away from the first two years of college and limit the freshman class. This would likely involve a greater emphasis on the upper and graduate level studies.

The Presidential Search is going well. Faculty and senators are invited to suggest more candidates.

Stein also reported that the Senate's mentoring program is going well.

Reports from Senate Committees

UNIVERSITY RESTRUCTURING PROCESS

Margaret Garner, cochair of the **Academic Affairs** Committee, reported that the major outcome of meeting with Taaffe was to pin down the process by which these decisions would be made. She noted that even with clearly defined plans, a process does not always follow through to the expected conclusion. She noted that we are now in an information-gathering phase. The Academic Affairs Committee will meet with in January and hopes to be ready to give him feedback. One of the proposed approaches is that the Senate or Academic Affairs foster some focus groups to gather faculty input and ideas, to get broad-based input. Once the Academic Affairs Committee meets with Taaffe, senators need to generate the widest possible support from their constituents to get input into these discussions.

FACULTY PARTICIPATION IN DISCIPLINE COMMITTEES

On the state-wide discipline committees to be set up as a part of the Articulation Agreement, Garner reported that Taaffe has agreed verbally to allow and encourage faculty participation in selection of the University's nominees to these committees.

1st TWO YEARS OF UNIVERSITY CEDED TO JUNIOR COLLEGES ??

Garner noted that the Office of Academic Affairs seems to have concluded that we have lost the first two years to the junior colleges. Perhaps the University needs to rethink its approach to the first two years. Should we hire cheaper non-tenure-track teachers for the first two years, and limit the tenured and tenure-track professors to upper classes and graduate research?

Ginny Raymond suggested that the Faculty Senate should be proactive in trying to work on these issues: Should we look for additional revenue sources? Should the Senate develop recommendations for downsizing the University? When Dr. Crump addressed the Senate, he suggested that the current funding problems are not short term problems, but rather long term problems. If this is the case, we need to make long-term plans. Ali Iran-Nejad reminded the Senate that there are several long-term committees in different colleges and that these might be a good resource for

such plans.

Stein noted that Taaffe has worked from a set of assumptions and tried to come up with ideas which he believes would save money without harming the quality of the University. If faculty members don't agree with his assumptions or conclusions, we need to come up with alternative approaches.

Scott Bridges suggested that the University refuse to give up programs, but rather find our own funding. Stein responded that it may be time to make a significant increase in tuition charges. This would be one form of increasing the funds under our control.

Pam Parker related her experience with the Community Medical Foundation being 'out of money.' Out of that experience, she suggested that we need to move ahead and take a proactive role, but realize that great caution is often needed in these situations.

Chuck Hobby suggested that we can address duplication with the other large universities in the state by finding areas where politics won't prevent it. As an example, he gave the already existing joint UA/UAB/UAH Math Ph.D. program which has worked well for many years.

Stein asked the Academic Affairs Committee to propose a method for bringing our own proposals to the table, rather than simply responding to proposals from the administration or other sources.

UNIVERSITY BUDGET ASSESSED

Charlie Haynes, cochair of the **Financial Affairs** Committee reported that the committee met with Bob Wright concerning the fund balances in the University budget. Wright noted that most of the funds under the University's control are encumbered or previously committed so that they are not available for unrestricted uses. Wright offered to meet with the Senate and answer our questions.

HIGH-TECH TEACHING

Don DeSmet reported that the **Planning and Operations** Committee has been discussing the proposed changes in direction for the University which had already been under discussion. One encouraging point in the proposals was that advocating the use of the latest technology in teaching and research.

FACULTY WORKLOAD EVALUATION

Nick Stinnett reported that the **Research and Service** Committee will meet in January to talk about evaluating faculty workload. Stein suggested that this may be major concern with respect to the Legislature, whose members sometimes suggest that we do not work full time hours.

Bob Sigler said that the **Student Affairs** Committee has up to date copies of the proposed new SGA constitution.

Senate Operations had no report.

LOBBYING EFFORTS

Scott Bridges and Amy Ward reported that the ad hoc Legislative met with the University lobbyists, who suggest that ACHE may be strengthened and given the power to eliminate programs. There is a plan to garner support with the public and the legislature. One approach to this is to coordinate rallies around the state which would show support for the whole system of higher education, collecting faculty, alumni and friends from all the universities. There is a plan to identify faculty and alumni to write letters to legislators. The lobbyists feel that the issue of faculty workload and program duplication will surface again at a later date.

Reports from Senators on University Committees

STRIP TO BE REVAMPED

Matt Winston reported that the Master Plans Committee has expressed a desire to revamp the Strip and convert the old

University Church of Christ and Wesley Foundation property into a retail outlet.

HMO CONTROVERSY

Ginny Raymond reported that the Faculty and Staff Benefits committee has been marked by controversy recently. They wanted to hire consultants to consider the question of adding an HMO to the health benefits package, but the \$100,000-200,000 fee required was prohibitive. The committee has recommended covering mammograms and prostate exams in the standard health insurance package. She noted that she had heard reports that a specific company had already secured the contract for an HMO at the University. Raymond stated that there should be publicity on the HMO alternative, with a clear statement of what has been decided and what remains to be settled.

There was no old business.

New Business

RESOLUTION RE: HMO OPTIONS SHOULD BE EXAMINED CAREFULLY

Resolution from the Financial Affairs Committee:

"Whereas, the delivery of comprehensive, cost-effective health care is of vital interest to the University of Alabama community; and

Whereas, apparent confusion exists concerning the possible addition of a health maintenance organization (HMO) to the University's insurance package; and

Whereas, modifications in the University's health care provision could adversely affect retirees and the catastrophically and chronically ill; and

Whereas, changes in the current plan could ultimately raise the cost and lower the quality of health care delivered to the University community; and

Whereas, the Financial Affairs committee of the Faculty Senate has been charged with investigating the funding of health care delivery on campus; therefore

Be it resolved, that the Board of Trustees and University officials involved in selecting a health care provider and/or designing a benefit plan proceed with caution and in a manner that includes taking the following steps:

1. Current and retired employees of the University be informed of the Trustees' intent to modify existing health insurance benefits; and
2. Information be disseminated throughout the University community concerning known costs and benefits of health care as delivered by health maintenance organizations vs. traditional health insurance plans; and
3. Representatives of the Faculty and Staff Benefits Committee and Faculty Senate permitted to attend deliberations of University officials concerning the issue of health care delivery."

Stein stated his plans to add a cover letter which would include the following statement: "If the University does consider an HMO, safeguards are put into place to insure that the HMO shoulders part of the cost of the more expensive customers of the BCBS plan. This isn't just a choice that affects one person, but all others in the larger plan(s)." His letter is already drafted, and several senators suggested additions. Stein noted that the addition of an HMO option would have enormous effects, not only on those employees who choose the HMO, but also on those who do not.

Pam Parker stated that this is being driven by a political agenda. There are enormous political repercussions to this decision. She feels that HMOs are here to stay, but we should not rush into this plan.

Claudia Johnson made a motion to substitute for the resolution under consideration to authorize Norm to write a letter expressing our strong misgivings. This seemed to be motivated by a desire for a stronger expression than the resolution

but the motion failed, due in part to the desire to have a formal resolution.

There was an amendment to modify 'the Trustees' in the 'A' clause to 'any'. The amendment passed.

Another amendment was proposed to add a 'D' clause to direct the president of the Senate to write a cover letter expressing the sentiment of the Senate. This amendment passed. This left the amended version of the last portion of the resolution as follows:

"Be it resolved, that the Board of Trustees and University officials involved in selecting a health care provider and/or designing a benefit plan proceed with caution and in a manner that includes taking the following steps:

1. Current and retired employees of the University be informed of the Trustees' intent to modify existing health insurance benefits; and
2. Information be disseminated throughout the University community concerning known costs and benefits of health care as delivered by health maintenance organizations vs. traditional health insurance plans; and
3. Representatives of the Faculty and Staff Benefits Committee and Faculty Senate permitted to attend deliberations of University officials concerning the issue of health care delivery.
4. Direct the president to write a letter to Dr. Sayers expressing the Senate's deep misgivings."

The amended resolution passed by a large margin.

There being no further business, the Senate adjourned at 5:26PM.

Respectfully Submitted,

Marcus Brown

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