

UT-AAUP NEWSLETTER

Healthcare Grievances & Unfair Labor Practices (ULPs)

Allotta|Farley Co., LPA has filed three unfair labor practices (ULPs) and two grievances on behalf of UT-AAUP's Tenured, Tenure-track, Lecturer's, and the College of Law Faculty bargaining units over the unilateral changes that the University made to members' healthcare. The body of all of these ULPs and grievances contain substantially the same information including the following examples of changes that were made that we believe violate the public sector labor laws and the collective bargaining agreements:

- Members can fill only one 14-day prescription of a maintenance medication per person, per year, at any "retail pharmacy." A "retail pharmacy" is defined as any pharmacy other than the UTMC pharmacy. Prior to this change, Members could fill an unlimited number of prescriptions for a maintenance medication at retail pharmacies.
- The prescription drug co-payment structure was also changed. Prior to this change, Members paid a fixed co-payment each time they filled a prescription. The co-payment was based on the Tier that applied to the medication. For example, in 2020 the Rx co-payment for any Tier 2 drug was \$18.15. Now, the co-payment is based on a percentage of the underlying cost of the medicine (i.e., the "co-insurance"). This new payment structure applies to co-payments filled at both of the UTMC pharmacies and also at retail pharmacies.
- The University also increased the co-payments at both the UTMC pharmacies and retail pharmacies. This increase was created by two separate modifications. First, the fixed co-payment for Tier 1 drugs were increased. Second, the benefit structure described above also dramatically increased out-of-pocket costs to Members. For example, the co-payment for Tier 2 medications is now 20% of the co-insurance, capped at \$60.00.
- The University also limited the types of drugs covered under the health plan's Rx formulary by shifting to a "performance formulary." Now, drugs that were previously covered are excluded and others that were covered under a lower Tier have been elevated. While the University has offered alternative medications to those affected by these changes, there is currently no appeals program for those who are medically unable to take an alternative medication.
- In addition to the prescription benefits, the medical benefits were also changed to the detriment of Members. The co-insurance percentage that the health plan pays on covered benefits was reduced. Simultaneously, the deductibles, maximum out-of-pocket limits, and co-payments that Members pay for both office visits and emergency room visits were all increased.
- The University also discontinued the extra Health Savings Account ("HSA") contribution they previously made for those that enrolled in their Consumer Driven Health Plan (also

commonly referred to as a High Deductible Health Plan). This contribution was up to \$600 for those that participated in the health plan's wellness program and was a strong incentive to enroll in this option.

We will continue to oppose these unprecedented cost-shifting changes that the University made without notice or discussion with UT-AAUP and continue to update you on our progress. Comments are welcome.

UT-AAUP Executive Board