

To: The Wellesley College Community  
From: Andy Evans, Vice President for Finance and Treasurer  
Subject: Wellesley Helps Establish Group to Manage Healthcare Costs  
Date: May 9, 2013

I am pleased to announce that Wellesley has joined 22 other Massachusetts colleges and universities in establishing a collective, named the Collaborative Educational Ventures of New England (CEVoNE), that will look at ways our institutions can join together to save money. One way is by controlling the cost of healthcare. As such, CEVoNE has created a new health insurance entity, EdHealth, to help curb the cost of healthcare for faculty and staff. As you are aware, healthcare accounts for some of the largest costs faced by colleges today.

Wellesley is among a select group of CEVoNE schools who will implement health insurance under the EdHealth umbrella; additional schools are expected to join in the coming years. EdHealth has selected two insurance providers, including Harvard Pilgrim, to provide health insurance for participating schools, which means that effective July 1, the change to EdHealth will be invisible to Wellesley faculty, administrative staff, and union staff who are enrolled in the College's health insurance program.

Believed to be the first of its kind in American higher education, EdHealth marks an innovative step in helping to control the rising cost of healthcare. It is an important moment to do so at Wellesley, especially as the College works to restructure and redirect funds in the operating budget and seeks new sources of revenue to be able to better fund all of our institutional priorities.

By taking a group approach to purchasing and managing health insurance, we will be able to improve our ability to bargain better plans and lower costs. Currently, the 23 founding members of CEVoNE spend a total \$280 million annually on health insurance and costs are rising. (At Wellesley, the cost of health insurance is \$14.8 million this year.) By joining EdHealth and reducing unnecessary overhead costs through economies of scale, Wellesley and participating colleges expect to save an average of 4 percent of current costs. These savings are expected to increase as more educational institutions enroll.

The idea to begin CEVoNE has its roots here at Wellesley. In the 1990s, the College envisioned ways for local schools and universities to collaborate in an effort to reduce costs and avoid redundancy. Thus was born the Boston Consortium, a group that took on the task of investigating and developing the structure that would become CEVoNE.

In addition to Wellesley, the founding CEVoNE members include: Assumption



College, Babson College, Bentley University, Berklee College of Music, Boston College, Brandeis University, Emerson College, Emmanuel College, Endicott College, The College of the Holy Cross, Lasell College, Northeastern University, Olin College of Engineering, Regis College, Simmons College, Smith College, Springfield College, Tufts University, Wentworth Institute of Technology, Western New England University, Wheaton College, and Worcester Polytechnic Institute.

