

**Council of the University of California Retiree Associations (CUCRA)
Meeting Minutes, April 24, 2019, UC San Diego
OFFICERS, CENTER DIRECTORS, ASSOCIATION REPRESENTATIVES AND OTHERS
IN ATTENDANCE:**

Sue Abeles (UCLA), Shem Ablake Tof-Clow (UCSD), Carmen Ayala (UCSD), Lynn Bailiff (UCB), Sue Barnes (UCLA), Mae Brown (UCSD), Robert Cahn (LBNL), Sandra Camp (UCSB), John Dahl, Treasurer (UCLA), Bob Daly (UCR), Christy Dawley (UCSC), Jim Dolgonas (UCOP), Lee Duffus, Past President ((UCSC), Jeri Frederick (UCI), Marian Gade (UCB), Jill Halvaks (UCI), Gail Harden, Secretary (UCSF), Adrian Harris (UCLA), Mary Johnson (UCR), Joe Lewis, Vice Chair (UCOP), Robert Mann (UCSB), John Meyer (UCD), Sandra Norberg (UCSF), Rosemary Norling (UCSD), Patti Owen (UCB), Pat Price ((UCI), Karen Rasmussen (UCSB), Marianne Schnaubelt, Chair (UCI), Rod Seeger, Information Officer (UCSF), Cary Sweeney (UCB), Bernadette Strobel (UCI), Antonia Sweet (UCB), Frank Trueba (UCSC).

1. Call to Order

Chair Marianne Schnaubelt called the meeting to order at 12:30 pm.

2. Chair's Comments - Marianne Schnaubelt

- * Marianne updated us on a UCRS Advisory meeting she attended with Joe Lewis and Caroline Kane. The CFO reported on the financial stability of UC.
- * Bob Daly was thanked for his work on the web site. He is working to improve readability on a smart phone.

3. Secretary's Report - Gail Harden

The minutes were accepted unanimously with one correction.

4. Information Officer's Report - Rod Seeger

Rod thanked the Retirement Associations for sending in their reports on time.

5. Treasurer's Report - John Dahl

* Reports: John presented the Council's financial statements. First he reviewed the Balance Sheet, the Income and Expense/Cash Flow Statement, the projected variance report as of December 31, 2018 and a financial trend analysis from 2012-2018. John also reviewed the Balance sheet and the Income and Expense/Cash Flow Statement as of March 31, 2019. Then John reviewed two informational pages, the approved 2019 budget and the future dues schedule through 2022.

* Retiree counts: John sent the RAs requests for retiree counts from their campus/lab. He received 6 out of the 14 requests for information that he sent, and only 4 were helpful. He will resend the requests. We need this information to compare it to the counts we get from the new Redwood system. It was pointed out that only campuses with centers would have this information. Joe Lewis suggested asking RASC to run a report based on location code, but Sue Barnes related that the numbers RASC sent to UCLA didn't match the numbers sent to John.

6. Vice Chair's Report - Joe Lewis

At the time of the next CUCRA meeting at Davis, there will be two open positions: Information Officer and Treasurer. Executive Officers have a 2 year term limit with the exception of the Treasurer. If anyone is interested in running for either of these positions, please let Joe or anyone in your association know.

7. Travel Program

Marianne introduced Rosemary Norland, the original travel coordinator, who is here as a guest.

8. Health Insurance

* Marianne pointed out a letter in our packets from Rachel Nava. A new committee is being appointed: the Health Benefit Advisory Committee (HBAC). The scope of the committee has been expanded from the prior Retiree Health Benefits Working Group (RHBWG) to include all health benefits, not just those of retirees. John Meyer has been chosen to Chair that committee.

* John began by giving us the history behind where we are now. Several years ago, UC committed to gradually decreasing their contributions to the cost of health care insurance premiums to a floor of 70%. About 2 years ago, soon after that floor of 70% was reached, a draft Regents item was prepared to eliminate any requirement for such a floor. Given that there was no prior communication or rationale provided, this action was met by much upset from retirees. In January, 2018, the RHBWG was formed with representatives from various backgrounds, including a consultancy team with knowledge of UC's insurance plans. There were two retiree representatives. The recommendation from the group was that we should spend more time talking about principles, and also not make changes for 2019 because cost increases were forecasted to be less than 2%. The July 2018 report also recommended modifying the contributions of non-Medicare retirees over 65, and to make no other plan changes, but to continue to address long-term issues.

- * Another UC committee which was reviewing organizational issues related to the UC Health enterprise issued a report with a recommendation that all health benefits be reviewed—that led to the appointment of this new committee to be appointed.
- * Concurrently, a request for proposal (RFP) to move to a Medicare Advantage PPO plan was issued without broad knowledge of the RHBWG. Representatives from CUCRA, CUCEA, the Academic Senate and UC Health are on the RFP evaluation team.
- * The RFP will need to be evaluated by the new committee. There are still many open questions: If a plan is chosen, what does that mean? What will it replace? How is it different? John does have a good feeling about the people working on the project and feels we are in a better place today than we were two days ago, before the letter from Rachel Nava.
- * Marianne reported that HR, UC Health, and UC legal subject matter experts will support, but not be part of, the committee.
- * Joe Lewis requested that the ~300 people, mostly veterans, who have the PPO plan without RX be supported.
- * Jim Dolgonas requested that a clear statement of what UCOP is trying to accomplish be provided.
- * Frank Trueba spoke about the RFP for an insurance plan to replace some current UC plans with a Medicare Advantage plan. Bidders are being asked to bid on three scenar-

ios, replacing one, two or three current plans. Eric Vermillion is the CUCRA co-rep on the team and Joel Dimsdale is the CUCEA rep. Frank anticipated that a decision will be made in late May or early June after site visits have been conducted. Customizations will need to be made to support UC requirements i.e. coverage for hearing aids which are not covered by Medicare.

- * Comments and questions followed from the group:
 - Only 1/6 of UC health costs are incurred by retirees, so how much are we really going to save, especially considering the disruption?
 - How will this impact the quality of UC in the long run?
 - People working longer will have an impact.
 - Some people specifically came and stayed at UC for the benefits.
 - Would people be willing or able to contribute to keep their current plans?
 - How will the RAs communicate with their members? John has discussed with Rachel the need for a person who specifically works on communication.
 - The main reason that the Medicare Advantage PPO plan would save money over the current plans is that drug costs are handled differently. It is a fully insured plan with its own card. The provider would pay the bill, not Medicare.
 - The HBAC can make recommendations to the Executive Steering Committee (ESC) with information about consequences, although consequences are difficult to quantify. The ESC doesn't have to listen.
 - There are still many unknowns about the amount of disruption this could cause.
 - Marianne reiterated the main questions we have: 1) When and how should we get the word out to retirees: now? after the HBAC meeting? after we find out more specific information? after a "Communications" person has been identified so we all have the same talking points? It was suggested that CUCRA put a memo together.
 - Frank believes that the RFP group will choose a vendor and Health and Welfare will make the decision re: which plans will be replaced.
 - John Meyer made the suggestion that we use the letter from Rachel Nava as the basis for our communications, express concern, and promise to keep folks informed.
 - Suggestions were made to 1) amend and circulate the JBC report, 2) that John M. and Frank write a communication, 3) that Rachel write another memo to all retirees rather than using the memo she wrote to the RHBWG, 4) that New Dimensions cover the insurance question in depth, 5) that CUCRA and CUCEA should say the same thing, and 5) that Michael Baptista help craft the communication.
- * Marianne requested nominations for the CUCRA representative to the HBAC. Names proposed are Eric Vermillion, Larry Herschman and Frank Trueba. Marianne requested that anyone else who is interested in serving on the Committee should contact her.

9. Redwood/RAYS transition impacts

Marianne and Caroline communicated to the OP and RASC the topics that we want covered at the joint meeting:

- * Health Care Facilitators and their access to information
- * Update on transition to Redwood/ROOTS
- * Update on implementation of RAYS replacing AYS
- * April pension check issues - are there controls being put in place to prevent a recurrence?
- * Pension thefts

- * Need for notification of changes to AYS, i.e. the ability to edit beneficiaries
- * Issues with withholding changes
- * Multistep authentication process in RAYS
- * Communication of changes to all retirees
- * Providing associations with e-mail addresses - we want to work with RASC on a script

10. Joint Benefits Committee Report - Marianne Schnaubelt

- * There was discussion about including some of the issues mentioned in section 9 above in the JBC report. It was concluded that since those issues were not discussed at the JBC meeting they should not be included in the report.
- * Jim Dolgonas is concerned with the lack of a written response to the report from OP. In the past, response to the report has been inconsistent. Roger Anderson joined the meeting. He related that the report was sent to Gary Schlinggen and Ellen Lorenz and said that he would like to see a response with dates for expected actions. Roger is comfortable with the OP group responding to the JBC report at the joint meeting, with open issues documented.
- * Two actions are possible: to amend issues to the current JBC report or take these issues up at the next JBC meeting.

11. Joint Statement of Purpose (Document available on the CUCRA website.)

An ad hoc committee was formed to write a one page document to summarize the purpose and activities of CUCRA and CUCEA. Discussion ensued with suggested modifications. It was agreed to accept the Joint Statement of Purpose with edits.

12. Travel Program - Sue Barnes

CUCRA received a good response to the survey Sue sent out with preferences for length of travel, land vs water tours, accommodations and destinations. The next seven trips will be with Collette and information about them is on the CUCRA web site. The program name will be changed from CUCRA travel to UC Retirees Travel with a new logo. Sue will be writing an e-newsletter to distribute to folks who provide e-mail addresses. Sue suggested that associations organize a travel interest group. She will send information to the centers electronically. Marianne added that if travel becomes a strong revenue generator as it has in the past, we can make some decisions about how that money can be spent.

13. Closing Comments - Marianne Schnaubelt

Marianne asked for feedback re: order of the meetings with respect to what is on Wednesday and what is on Thursday. Also, meeting locations through 2025 are posted on the CUCEA website. Comments can be sent to Marianne and the schedule will be on the next meeting agenda.

Meeting was adjourned by Marianne Schnaubelt at 3:25.

Minutes written by Gail Harden, CUCRA Secretary