

Council of University of California Retiree Associations (CUCRA)

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John Dahl (UCLA), Treasurer
Bob Daly (UCR), Information Officer
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April 15, 2022

An Update to Our Membership: Spring 2022

From John Meyer, Chair, CUCRA

On behalf of the CUCRA Executive Committee, I am pleased to provide this summary of issues and activities being addressed by the association. While I will speak to many of the challenges that have been present since our last conference, let me begin with a few positive new initiatives

INITIATIVES

New member orientation. Based on comments received during the “open conversation” section of our last conference, we will embark on a program to provide an orientation to new representatives to CUCRA. Developed and led by Vice Chair Sue Abeles and Past Chair Marianne Schnaubelt, a first orientation session is scheduled for Monday, April 25 prior to our spring conference. The program will review the formation and purpose of the Association as well as how to best engage in activities. After assessing this first session, I would expect future orientations to be offered as needed.

CUCRA Retiree Reports. Under the leadership of Information Officer Bob Daly, I hope you have noticed the new Retiree Reports arriving by email. These increasingly frequent communications are intended to advise members of current issues and activities more routinely. They also often include links to gain more information about issues. We welcome your feedback about these outreach efforts.

CUCRA Reserve Funds Policy Group. Jim Dolgonas, President of the President’s and Regents’ Retiree Association (PARRA) sent a letter raising issues about large fund balances that could accrue to CUCRA should Travel Program income increase as the pandemic becomes more manageable. In response to these appropriate questions, I have appointed a study group to develop recommendations for the use of any reserves and how these may affect future association dues and other expenses. The charge letter for this group which also includes its membership is posted on our website with other conference materials.

CUCRA IRS Tax-Exempt Status. As some may recall from discussion at recent conferences, CUCRA Treasurer John Dahl has been pursuing designation of CUCRA as a tax-exempt organization by the Internal Revenue Service. Little did John know the Catch 22 situation he would find himself in. Saving the details for another time, I’m pleased to report that John Dahl’s perseverance and seemingly unlimited patience have produced a good outcome. He can share more at our conference.

Conversation with Retiree Directors. Another suggestion from our conversation at the last conference was to better engage with retiree center directors. Early this year, we conducted an online session with directors. While typically a positive group, directors expressed exasperation with unplanned workloads resulting from various program changes at the UC Office of the President (UCOP). I will address issues at the RASC and the new Pharmacy Benefit Manager (Navitus) but suffice it to say that retiree centers were overwhelmed with calls from retirees unable to receive timely or satisfactory responses on numerous issues from UCOP. This, in turn, kept retiree center directors from pursuing their own workplans on schedule. It is also disheartening as it places retiree center staff in the position of constantly having to address member problems and difficulties rather than more positively engaging retirees.

OFFICE OF THE PRESIDENT SERVICES AND ISSUES

One of the primary missions of CUCRA is to serve as a central point of contact, communication, and advocacy with the Office of the President. Perhaps it's just me, but it does seem as if there has been a near constant stream of issues. And while some seem near resolution another issue emerges that becomes all consuming. And more frustrating is that some of these issues seem like self-inflicted wounds that could have been avoided with more outreach and thoughtful planning.

Retirement Administration Service Center (RASC). We have long discussed service delivery issues within the RASC. New retirement application processing delays, significant pension payment interruption for survivors and extraordinary delays in answering calls remain serious issues. However, as previously reported, I am encouraged with the new leadership and management at the RASC. There now seem to be plans in place to resolve shortcomings. Additional resources and staff have been provided to assist these efforts. While progress is taking longer than many would desire, problems have been acknowledged and steps identified to remedy shortcomings. Certainly, the proof will be in future performance, but recent management changes and plans are encouraging.

That said, issues emerging from outside of RASC's control such as selection of a new Pharmacy Benefits Manager (more below) have dramatically increased call volume into the RASC. Because of problems emerging from this change call response time for all issues is delayed. It seemed just as RASC was turning the corner in addressing call times an unanticipated administrative change tripped them up. Even though this change was initiated from another unit within the Office of the President it appears clear that coordination and planning could have been greatly improved. The result is that service to retirees was degraded.

Concerns with New Pharmacy Benefits Manager (Navitus). As mentioned above, some health plans experienced a change in their Pharmacy Benefit Manager. It is my understanding that this is the 5th such change in 7 years. Local associations reported many members having serious issues with the continuity of their pharmacy benefits. While this is a complex issue to be sure, it seemed to lack sufficient planning and testing that a conversion to a new vendor would be smooth. It has also long been my opinion that having some health plans administered by UC Health and some by UC Human Resources can lead to a lack of coordination and even an unevenness in the principles deployed in making such plan decisions.

My compliments to members within PARRA who had many representatives doggedly pursue the underlying cause for the many disruptions caused by this change. UC has communicated with members

having plans with Navitus and has acknowledged problems and instituted some changes. What is unclear is whether such changes have resolved outstanding issues and member challenges.

UC Retirement System (UCRS) Advisory Board. The CUCRA Chair has an ex officio seat on the UC Retirement System Advisory Board. In contrast to the issue above, exposure to leadership within this group provides great confidence in how pension funds and programs are administered. Some may recall Chief Investment Officer **Jagdeep Singh Bachher** spoke at our fall conference. Due to the positive response to his remarks, a subsequent Zoom session was held on April 1 with over 250 participants registered. The session is also available for viewing on YouTube. Hearing of the values considered in making UC investments left me with great pride in being a member of the UC community.

UCOP Compensation and Benefits Executive Recruitment. Vice President Cheryl Lloyd has embarked on a recruitment process for a new executive who will oversee both benefits and compensation. As this position will oversee the RASC and at least some health insurance programs, this recruitment is of extreme importance to retirees. I am pleased to serve of the recruitment advisory committee for this new position on behalf of retirees and emeriti. The new position is entitled Associate Vice President for Total Rewards. It is anticipated the committee will have identified final candidates in May.

RELATIONSHIP STATUS

Emeriti Association. I am pleased to report that CUCRA continues to have much engagement and cooperation with our parallel Council of UC Emeriti Associations (CUCEA). This ongoing partnership makes our influence much stronger as we coordinate with CUCEA and its network through the Academic Council.