

**REPORT FROM THE JBC TO CUCEA & CUCRA  
AT THEIR MEETINGS - AT UCLA - 4/27-28/2011**

CUCEA and CUCRA function, among other things, as partners and advisors to the Office of the President on matters relating to retirees, annuitants, and retirement benefits. JBC, as an agent of both Associations, advises CUCEA and CUCRA by providing insights and information to aid in their partnership with the Office of the President.

JBC is gratified that COLAs for those who took the PERS/VERIP have now been implemented, following its inclusion as a recommendation in the report from the Post-Employment Benefits Task Force, and subsequent Regental action in December 2010.

With respect to various issues related to Health Care, we have a number of concerns and questions that we hope can be clarified by representatives of OP attending our April 2011 meetings.

(1) A questionnaire has been circulated by the Health Care Task Force of the University Committee on Faculty Welfare (UCFW) with copies finding their way into the hands of individuals involved with the leadership of CUCEA, CUCRA and the JBC, asking for views on how the limited amounts of money to be provided for Health Care should be used with respect to premium costs vs. deductibles and co-payments; and health care vs. dental and vision care. It was unclear if this survey was meant for those who have already retired as well, or only for active employees. We have made our feelings known in past reports. Our retirement payments are fixed, and will not increase in order to cover additional costs of health care. Further, older people generally require far more doctor's visits and prescription drugs, so the higher the co-payments become, the greater impact on annuitants. Further, we do not have the ability to fund health care costs from before-tax income, as do active employees through Flexible Spending Accounts. It would be good to know the forward thinking of OP people regarding annuitant health care coverage and costs we will be expected to cover, as well as the intent of the questionnaire.

(2) Recently, there has been a concerted effort to foster "preventive medicine," including inducements for individuals to participate in personal health assessments, one-on-one coaching, etc. through the UC Wellness Program. Have such efforts brought about the expected cost savings envisaged by the Health Benefits Task Force?

(3) It would be useful to have included as a member of UCFW's Health Care Task Force, at least one retired faculty member who is attuned to and concerned with aging and geriatric health, including health insurance and prescription drug issues. This would also allow for information sharing with members of CUCEA and CUCRA. Perhaps the Chair of CUCEA, as a member of the University Committee on Faculty Welfare, can be supported in this request by members of the President's Office staff

(4) The impact of national Health Care Reform on the University's program is unclear. Several proposed actions under discussion in Washington D.C. could materially change the current program. Decisions made today can be materially impacted by future changes. Hopefully, the uncertainty of the future situation will make for more cautious current decisions. What is the forward thinking at the Office of the President on these possibilities?

(5) Concern has continued with respect to the rapid movement from brand-named drugs to generics, resulting from the expiration of drug patents. The quality of generics, many produced in a variety of foreign countries, varies widely, resulting in different results from using the brand-named drugs. It is our belief that UC should have only the highest standards for accepting generic drugs.

(6) There have been reports of annuitants receiving bills 2 - 3 months after a prescription is filled demanding significantly higher patient payments. Communication is essential, so that individuals need not pay amounts beyond what is required by University contracts. We would suggest that the entire University family be advised that they should not pay any bill that they cannot confirm is accurate. The Health Care Facilitators should be well informed in order to proactively advise retirees, if this practice cannot be stopped.

There is an item for discussion on the agenda of the joint CUCEA/CUCRA meeting, leading from very recent actions at UCLA, which could be of great benefit to all local associations, and to CUCEA and CUCRA. The two UCLA associations recently signed Affiliation Agreements with the campus Administration, which formally allows them to use the name UCLA. However, it does not bring with it insurance for activities or board members. Eddie Murphy, the Director of the UCLA Emeriti and Retiree Relations Center (ERRC) has been working with a group of administrators in the Office of the President who are supportive of creating a new Affiliation category for our organizations, which would include full recognition and hopefully University provided insurance as well. As long as such an arrangement does not disturb current positive arrangements such as those at UCSD and UCSC, it would appear to be a "win-win" proposition, and we support such a move.

One last point. Three members of the JBC have been working on a paper that describes the various actions of the past that have materially affected where we are now with our Retirement Program and Health Care. It is currently a "work in progress," and will hopefully be available in the near future as a "memorial to the past" and a "reminder for the future." We believe many of those who are currently leading the University have not had the benefit of institutional knowledge about how we have gotten to where we are, and we hope they will benefit from this paper.

We continue to look forward to cordial and cooperative relations with OP staff with whom

we deal, for the mutual benefit of the University and its family of annuitants.

Adrian Harris, Chair, UCLA, Julian Feldman, UCI; Jack Fisher, UCSD; Charles Hess, UCD; Richard Jensen, UCSC & UCSB; Louise Taylor, UCB; Ex-Officio: Marian Gade, UCB; Lee Duffus, UCSC; Doug Morgan, UCSB; Ernest Newbrun, UCSF  
[Note: Member Larry Pitts is on temporary leave.]

P.S. At the meetings, an additional matter came up which lead to the following recommendation: “We propose that the open enrollment packets in future years include cost data for personal use in comparing various health plans. The spreadsheet formerly included was apparently eliminated because of cost. We believe a very low-cost document could be prepared and distributed in an economical way.” This recommendation was approved for inclusion in this report by the eight members of the JBC in attendance, and was also approved by CUCEA and CUCRA.