

**COUNCIL OF UNIVERSITY OF CALIFORNIA EMERITI ASSOCIATIONS
COUNCIL OF UNIVERSITY OF CALIFORNIA RETIREE ASSOCIATIONS**

Joint Zoom Meeting

April 24, 2024

Hosted by UC San Diego

ATTENDEES

UC Berkeley: Marian Gade, Amy Block Joy, Caroline Kane, Camille Koue, Steve Martin, Patti Owen, Kenneth Polse, Cary Sweeney, Louise Taylor, Elise Woods

UC Davis: Jo Anne Boorkman, Jim Chalfant, Amanda Crisman, Juliane Crowley, Emily Galindo, Dianne Gregory, Suad Joseph, John Meyer, Larry Thao

UC Irvine: Craig Behrens, Ken Chew, Cindy Fern, Jeri Frederick, Jill Halvaks, Kenneth Kraemer, George Miller, Emil Nguyen, Bill Parker, Pat Price, Marianne Schnaubelt, Jessica Utts, Jill Vidas

UC Los Angeles: Sue Abeles, Sue Barnes, John Dahl, Ayesha Dixon, Adrian Harris, Dan Mitchell, Jack Powazek, Judith Tuch

UC Merced: Not represented

UC Riverside: Mary Gauvain, Dan Hare, Andy Plumley, Cristina Otegui, Raymond Russell

UC San Diego: Steven Adler, Vania Bailon, Rick Boland, Mae Brown, Joel Dimsdale, Peter Gourevitch, Christine Hunefeldt, Phyllis Mirsky, Barbara Parker, Henry Powell, Kim Signoret-Paar, Nancy Wilson

UC San Francisco: Louis Gutierrez, Gail Harden, Susan Janson, Eric Vermillion, Wanda Wara, William Wara

UC Santa Barbara: William Ashby, Denise Bielby, John Gilbert, George Hopwood, Robert Mann, Ellen Pasternack, Kim Summerfield, Murial Zimmerman

UC Santa Cruz: Judith Aissen, Roger Anderson, Christy Dawley, Lee Duffus, Kathy Foley, Bill Parro, Eli Silver, Frank Trueba

LANL: David Schiferi

LBNL: Nancy Brown

LLNL: Jeff Garberson

UCOP: Nathan Brostrom, Jennetta Brown, Thomas Carthron, Jim Dolgonas, Susan Pon Gee, Bernadette Green, Diana Henderson, Jay Henderson, Bill Newton, Mary, Sanchez, Richard Townsend, Ming Wung

Call to Order and General Overview

Jo Anne Borkman called the meeting to order at 8:30. She introduced the CUCRA and CUCEA officers and the participants.

Peter Gourevitch, the President of the UCSD Emeriti Association, welcomed everyone and introduced the Chancellor, Pradeep Khosla. He welcomed the participants and offered a number of statistics about the students, staff, and faculty. He noted the rapid growth of the campus and its rankings. He commented that none of the accomplishments would be possible without retirees and their many years of service to the campus.

Minutes

Phyllis Mirsky presented the minutes of the October 25, 2023, Joint Meeting held in person and via Zoom. They have been distributed, reviewed, and amended and reflect all comments and corrections received to date. She moved that they be adopted. The minutes were approved as presented.

Welcome and Introduction

John Meyer thanked Jo Anne for her service and efforts. He noted that she approached everything with calmness, positivity, and offered solutions. Jo Anne said that it was an unexpected four years of adventures.

Executive Vice President and Chief Financial Officer

John then introduced Nathan Brostrom. Nathan, first spoke about the compact with the state. The compact included 5% increases for growth and a buy down of tuition at 3 campuses to reduce out of state students to 18%. He described the current state of the budget and the cause of the \$38 billion deficit. Only 25% of the state budget is discretionary with most of that going to higher education and corrections. In the January budget, UC is being held flat for 2024-25, with restoration of the permanent funds the following year, as well as a “make whole” allocation. The University has ongoing concerns and may look to bonds. There are two education bills in the Legislature, with UC getting a small piece. Nathan is a fan of bonds, and there is an expectation of issuing one in the near future.

He then addressed the debacle of FAFSA and the causes. As a result, UC is concerned about the profile of the enrolled students. The State opened up the Dream Act since many of those students were impacted. The number of Pell Grants to UC may also be affected.

Q. Phyllis Mirsky asked Nathan to comment on the relationship with the Governor and the Legislature.

A. The relationship is at an all time high. UC is working with the state on innovative ideas, alongside CSU and the Community Colleges. He attributes these efforts to President Drake.

Q. Caroline Kane asked about the general obligation bond on the November ballot and whether the electorate would thumb its nose at Higher Education.

A. They are putting elements of climate change in the bonds and not in the budget. It is incumbent of higher ed to partner with K-12.

Q. Barbara Parker inquired about enrollment drops because of FAFSA.

A. CSU and the Community Colleges are worried about drops. It will most like change the socio-economic profile. There will be a waterfall impact on under-enrollment at campuses UC wants to grow. Campuses will depend more on the waitlists.

Q. Joel Dimsdale commented on the costs of protests at Columbia. How will UC manage?

A. There is currently an encampment at Berkeley and rumors at others. It will be hard to get mutual aid from other UCs.

Q. Roger Anderson had 2 questions: 1) Are there any new initiatives for faculty/staff housing? 2) What efforts are there to help other UCs with political interference, like DEI?

A. 1) There have been many plans for housing—UCSD, Irvine, UCSB, and UCSC. Some have been sidelined due to commercial credit. At the May Regents, they will discuss construction lending now and finance later. We can't wait for the market since the cost of housing is an impediment to recruitment and retention. UCLA bought a downtown office building and some Google space for research.

2) Nathan talked to his Texas counterpart and noted that UC is pretty immune. It is a Red State/Blue State divide.

Q. Jo Anne asked how will budgets be affected at individual campuses. Is the budget stress equally distributed?

A. The State provides 10% of funding. Tuition is 23% of the budget at UCSF, but 80% at Merced. They try to bolster all campuses. TRIP income was 14% and STIP 5%, which has helped stem the pressures arising from recent compensation increases for graduate students, AFSCME, and UPTE. UC is providing 4.2% increases for policy staff, but there is no permanent funding. There are higher than expected job vacancy rates which means fewer staff to support the quality of life.

Associate Vice President—Total Rewards

After the Break, John M. introduced Jay Henderson, Associate Vice President-Total Rewards, noting that he has engaged with groups on benefits, recruitments, and RFPs. According to Jay, they are currently reviewing the Anthem RFP and interviewing the bidders. John asked what Anthem does. It is a third party administrator which provides physicians, passing through of payments, and processing of transactions. Jack Powazek is representing CUCRA, and John Swartzburg is representing CUCEA on the RFP review committee.

In the fall there will be a survey covering the areas of: 1) staff engagement 2) a total remuneration study, 3) development of an exit survey, and 4) a benefits survey. It would be ideal to have one vendor, but they may have 4. They went out for a public RFP, but changed to a private one. For full transparency, they reposted the RFP for another 2 weeks. For those organizations which already submitted bids, UC asked for any changes/updates. UC asked some responders to beef up their responses based on initial reviews. Sue Abeles is representing CUCRA and Robert May, Dan Hare and Vicki Mays are representing CUCEA.

Q. Ken Chew asked for the purpose of these RFPs.

A. Every few years, the administration looks at the issues. Since there is a new HR team, this is a good time for a full reset.

Q. Dan Mitchell noted that the Academic Council was concerned that the methodology might be different from prior surveys.

A. The Comp 8 will be used, but there is a question if something different should be used, i.e. AAU.

Q. Roger Anderson asked if total remuneration for retirees will be included, e.g. Via Benefits. And how did the RFP process go from public to private to public?

A. Yes, all benefits for employees and retirees will be included. There was no clear reason for the RFP process change.

Q. John M. noted that retirees are having trouble finding dentists through Delta Dental.

A. UC is continuing to work with Delta. The percentage decrease in numbers is small but some areas are impacted more. An RFP for dental will be issued in 2025.

Q. Joel Dimsdale said that procurement is troubling, with RFPs being of direct importance. Can our group participate on how they do things?

A. HR is working closely with procurement and they are good partners. Jay will pass along the concerns.

Executive Director Benefits (Interim)

John M. introduced Susan Pon Gee. She outlined that she would cover 1) Medicare Advantage plan changes in 2025 due to the Inflation Reduction Act, 2) Delta Dental: Network providers, and 3) Open Enrollment 2025.

- 1) CMS will decrease payments to plans in 2025. This will impact premium rates and contributions. IRA changes represent a major Part D overhaul. It will eliminate coverage gap phase; CMS funding shifting from an insurance environment to direct subsidy which means more risk; UC

won't know the subsidy until August and thus can't fund plans; maximum out of pocket is capped at \$2,000/year; and the prescription model change, with the risk score decreasing.

Susan went over a number of slides comparing 2024 to 2025 costs.

Q. Ken Chew asked what the impetus is for these changes.

A. They are legislated mandates, and we have to incorporate them

Q. Caroline Kane asked if there are any guestimates in Medicare Choice.

A. UC is in the renewal process. There are no responses from plan vendors. and we won't know until late May or early June.

Q. Roger asked about the changes in increased cost for Medicare Advantage and about the decreases in out-of-pocket costs shown on the slides.

A. They have not received the rates yet. The slide was illustrative and not specific to UC. When the initial rates are received, they will be reviewed, and UC will meet with the vendor and challenge on a number of points to negotiate plan design changes that are mandated and those that UC wants.

- 2) Delta Dental. UC requested data for UC users. 9% terminated as of January 1, 2024. Delta Dental is making an aggressive effort to contract with more providers. They looked at the top 3 reasons for attrition: higher number of retirees; not practicing any longer, and moved out of the area. More dentists are opting for billing directly.

Q. Joel noted that the Delta termination rate is misleading; there are ghost providers who are no longer taking patients. He urges that UC look at different levels of coverage. They have better coverage available, even if it means paying a premium.

A. She will ask Delta for a list of providers who are not seeing new patients. As to coverage, the current UC plan is not base. Typically, when offering a second plan, it doesn't increase the network. UC will be going out for bid next year, and they can ask them to price higher levels or option to go to non-network providers.

Q. Jo Anne asked if users can pay out fully and then get reimbursed by the dentist.

A. This is a burden on the dentists, many of whom are short staffed.

Susan reiterated that an RFP will go out in 2025 and there will be representatives from CUCRA and CUCEA.

JOINT BENEFITS COMMITTEE REPORT

Cheryl Lloyd was unable to join the meeting, but sent her Chief of Staff Diane Henderson. Roger thanked Susan for addressing the issues with Delta Dental. He noted that the Emeriti-Retiree Advisory Committee (ERAC) is a good thing. He wondered if there should be expanded principles, but the conclusion was that the next 6 months would show how ERAC and the JBC can coordinate.

There are continuing concerns regarding RASC. How can campus resources be utilized regarding benefits and how can RASC better coordinate with campuses?

Q. Is the Experian program a permanent benefit and can it be extended to spouses and partners? Who was involved with the RFP?

A. Susan Pon Gee said that the program is permanent. The RFP looked at partners and dependents, but based on the budget, only employees and retirees are covered. The RFP was issued quickly by IT because the contract was expiring. President Drake wanted it continued before the expiration, and no outsiders were included for the RFP review.

John M. commented that there are consequences when there are glitches with rollouts—RASC and the Retirement Centers were hammered. UC thought Experian was on board, but UC did not supply Social Security Numbers. Suad Joseph noted there are still glitches; the old coverage ended, and no one can get into the new coverage. Susan asked that those who can't register, contact her. Barbara Parker noted that there needs to be a communication that the original message was valid. Others expressed concerns about the process. Jeri Frederick said that Center Directors have a list of issues and have created a Q&A sheet. John M. noted that Jeri is retiring and thanked her for her help and engagement.

RASC UPDATE

Bernadette Green reported that the peak retirement season began April 1. They are down to 28 days for processing. She showed data by campus and location. She then provided data regarding calls and scheduled appointments. Tier 1 calls had decreased by 30%. Tier 2 was fully staffed as of October. The Survivor intake team is also fully staffed. She is not yet satisfied even though calls were reduced and for Tier 1 and Tier 2, 95% were answered. Tier 1 processes routine transactions, password resets, receipt of forms, etc. Tier 2 is more detailed support and is averaging 12 minutes per call. Secure Messaging through UCRAYS was fully caught up by December 23. In March, 72% of messages closed within 2 business days. The Survivor Intake team started last March, and they focused on the backlog and training. They are averaging 12 business days to get a packet out to the survivor. They receive about 160 death notices per month.

Retirement Counseling is live. Over 2,000 appointments have been scheduled, with 58 members asking for interpreters. They conducted campus roadshows, some live and others in person.

On January 2, 2024, they launched the RASC Portal and are posting videos on various topics related to retirement. As of April 16, there were 60,000 visits. They are planning a Spanish translation and are continuing to add content. Bernadette shared a video from the portal on how to make an appointment.

Q. Do they have the correct resources for peaks?

A. When the scheduler was launched, over 6,000 appointments were made. However, not everyone is asking for an appointment for true counseling. They are also looking at the bandwidth of the counselors. As a result, they are looking at other webinars they can present which are counseling specific. Kevin Kennedy from RASC noted that the retirement process through UCRAYS is self-service. Counseling is not a pre-requisite.

Q. How does one put the RASC portal link on campus/location websites?

A. RASC sent out email communication to campus editors.

Q. Joel thanked Bernadette for the progress being made on Survivor benefits. However, he noted that it appears a survivor has to call 6 times before the case is adjudicated.

A. Janetta Brown, the team lead for Survivors, said that a lot of follow up is required for documentation and forms. There are still too many escalations, and they are trying to get information out and into the system.

Suad stated that 8 Retirement Counselors is not sufficient and encouraged RASC to add more. Further, she added that retirees were getting bad or illegal information.

Q. Jack Powazek asked if the numbers on Survivor calls were steady state.

A. It is somewhat steady state, although the numbers increased after communications were sent out.

Bernadette then described the CEM firm they are using for benchmarking to be best in class. CEM surveys and benchmarks large higher education pension systems. They are comparing UC with CSU,

CalPers, and CalStrs. RASC can learn about themselves but also see how others are doing and leverage their knowledge. IT is also playing a bigger role in pension administration. Customer experience has become more critical, and Ming Wung is joining the team in this area. They just had their first submission with 650 questions which covered 2022-23. They'll receive baseline results in June. In August, there will be their first submission to see how they are performing. RASC is becoming more than a call center.

Bernadette introduced Ming Wung who leads RASC operations.

John acknowledged that RASC has come a long way and called out Janetta who is so responsive and so engaged.

Peter Gourevitch asked how CEM measures performance and noted he was uncomfortable with CEM. Bernadette responded that the focus will be on member satisfaction, cost, service, customer experience, and plan experience.

OVERVIEW OF TRAVEL PROGRAM

Sue Barnes noted that the program is in its 20th year and that she has tried to reinvigorate it since the pandemic. Sandra Norberg, one of the escorts is retiring. There are two new escorts, Elise Woods (UCB) and Sabina White (UCSB). The program is getting new incentives from the travel agencies. Sue reported that in 2024 they are expecting 260 travelers on 18 trips. There are 10 trips scheduled for 2025.

FALL MEETING AT SANTA CRUZ

Eli Silver announced the next meeting will be at Santa Cruz on October 30-31. They are anticipating that it will be a hybrid meeting.

Jo Anne thanked CUCRA for her blue and gold bouquet. She adjourned the meeting at 12:03.

Respectfully submitted,
Patti Owen, CUCRA Secretary

October 29, 2024