

UNIVERSITY COMMITTEE ON FACULTY WELFARE

Approved Minutes of the Meeting

June 20, 2005

I. Chair's Announcements**John Oakley, UCFW**

General Meeting Announcements. Chair Oakley welcomed Shane White, the alternate representative from UCLA. Professor White will serve as UCLA's divisional representative on the 2005-06 committee.

Meeting with SVP Mullinix. Chair Oakley reported that he had recently met with Senior Vice President Mullinix in connection with his role as chair of an ad hoc Academic Council subcommittee on executive compensation. During their discussion, Chair Oakley raised the matter of campus parking programs, noting that this was one issue that continues to be an irritant to faculty. SVP Mullinix agreed to meet with the 2005-06 UCFW Chair, Raymond Russell, in the fall with the aim of developing a set of parking principles that both the administration and UCFW could endorse, and that the systemwide administration could distribute to the campuses. The document would closely resemble the principles that were endorsed by UCFW in June 2002. Two issues that need to be negotiated are replacement parking and the percentage of the parking fees that can be used for related parking programs. (See also Item IX below.)

II. Consent Calendar

Action: The minutes of the May 20, 2005 meeting were approved as submitted.

III. UCFW Health Care Task Force (HCTF) Report on June 8, 2005 Meeting**Harold Simon, HCTF Chair****Michele French, HR&B Executive Director-Policy/Program Design****Robert Newcomer, UCSF Representative**

Health Care Task Force Chair Harold Simon reported as follows on the task force's June 8 meeting.

Tribute Memorial to Judy Gruber. The task force began its meeting with a tribute to Professor Judy Gruber (UCB), who recently passed away after an extended illness. Gruber was a past vice-chair and chair of UCFW and an invaluable member and contributor to the Health Care Task Force.

Tribute to Michele French on the Occasion of her Retirement. There was also a special tribute paid to HR&B Executive Director Michele French, who will be leaving her post at the end of June.

Long Term Care Insurance Option for UC. UCFW charged the HCTF with exploring the possibility of providing UC employees an option for long-term care insurance. The HCTF will focus on the feasibility of: 1) extending the "elimination" period (i.e., the waiting period between the development of a covered condition and the receipt of insurance coverage for that condition); 2) combining long-term care insurance with a form of life insurance; and, 3) combining long-term care insurance with disability insurance. The HCTF has asked HR&B Director Mark Esteban to explore long-term care insurance options with UC's existing carriers, and UCFW member Robert Newcomer, who also serves on the HCTC, agreed to develop a draft plan for an information campaign on long-term care insurance for UC faculty and staff. The draft plan will be presented to the task force in the fall.

Health Maintenance Program. HCTF member Lester Breslow and his subcommittee have been working with UC's major health care carriers (Blue Cross, Health Net, Kaiser and

PacifiCare and to a lesser extend Definity Health) on establishing a UC standard for health maintenance programs. It is anticipated that this project will be completed by early next year.

Delta Dental Issues. Delta Dental has clarified that it will pay toward implants an amount equivalent to the traditional Delta covered treatment available. On another Delta Dental issue, Director Esteban plans to meet this month to discuss, among other things, increasing the Delta Dental annual maximum.

UC Medical Center Pharmacy. As of July 1, Health Net and PacifiCare will be offering the same special option as Blue Cross at UC Medical Center Pharmacies: to wit, providing a three-month supply of prescription drugs for the cost of a two-month supply. The HCTF has asked UCSF to re-open its on-campus pharmacy, but it has not yet agreed to do so.

2006 Request for Renewals of UC Health Care Medical Plans. Director Esteban distributed confidential estimates on the 2006 health care premiums. The figures represent the initial quotes that HR&B has received from UC's health and welfare vendors for 2006. The HMO rates have increased in the low double-digits, but there will be a general reduction in the Medicare rates due to the implementation of Medicare Part D – the drug coverage that will be provided beginning January 1, 2006. These rates reflect the current 2005 plan design. With respect to the non-medical plans, there will be an increase in the cost of Delta Dental Plan coverage. There were no increases in the vision plan rates or the voluntary insurance plans. The 2006 health and benefits premiums will be considered by the Health Care Task Force in a teleconference meeting when negotiations with plan providers are completed in late August/early September. The UCFW Chair and Vice-Chair will represent the full committee.

Random Audit. Director Esteban reported that HR&B's random audit was progressing smoothly and that no problems were reported.

Update on Healthcare Spending Accounts (HSAs). HCTF Chair Simon distributed a handout on Health Care Reimbursement Accounts and Health Savings Accounts. Changes in the Health Care Reimbursement Accounts were highlighted in the handout. Simon urged members to convey this information to their local committees. He added that at this time UC has no plans to offer Health Savings Accounts because they must be linked to health plans that offer less coverage than those currently offered by UC.

Blue Cross Physician Referrals and Formulary Concerns. Chair Simon distributed an inquiry from UCSD on Blue Cross coverage and asked UCFW members to ascertain if there were reports of similar problems at their campuses. The administration's efforts on this issue were detailed in the handout.

IV. Consultation with Judy Boyette-Associate Vice President-HR&B

LANL RFP. Assoc. Vice President Boyette distributed printed copies of a slide presentation that was given on June 10 to LANL employees on the status of the current contract, the RFP process, and LANL employee benefits as contained in the RFP. The information contained in the slides is consistent with what Boyette reported at the May meeting. Boyette noted that UC would be engaged with the DOE on how to transfer UC's vested employees to the new pension plan. UC's primary concern will be to maintain the integrity of the Plan. Nothing will be transferred until after UC receives a ruling from the IRS and the Department of Labor. There is no reference in the RFP with respect to assets in UC's voluntary retirement plans. To date most of those employees have expressed an interest in keeping their money in the UC plans.

State Pension Reform. UC continues to monitor the State pension reform issue.

State Budget Impasse and Employee Salaries. At the invitation of Assoc. Vice President Boyette, David Birnbaum from the OP Office of the General Counsel joined the meeting to explain how UC employees would be paid in the event of a budget impasse. This question was raised because of a recent California Supreme Court case that found that in the event of a

budget impasse, state employees will earn their salaries but not in a timely manner because the controller is not authorized to draw money from the Treasury until there is an appropriation from the Legislature. OGC has consulted with outside counsel on this issue and determined that given UC's constitutional autonomy it *can* pay all of its employees on time but cannot use State Treasury resources to do so. UC would have to draw on other unrestricted funds, and to the extent it can do that, the university can pay salaries on time to everyone. The State will reimburse the university, once the Legislature makes an appropriation to the Treasury.

VI. Report from the Vice President-Budget Larry Hershman

2005-06 State Budget. Vice President Hershman reported that the legislative leadership and the Governor are continuing their talks on the stalled state budget proposal and initiatives on the November 8 special election ballot. Student academic preparation and the Math and Science Initiative are two issues in UC's budget that are controversial. UC is concerned that it could lose funding for both of these programs during the budget negotiations.

2006-07 UC Budget. UC has begun to plan for the 2006-07 budget. Based on the "compact," UC will continue to expect, among other things, funding for enrollment growth and full funding for all of the campuses' summer programs. And, as agreed with the Governor, UC will increase fees by 8% next year. The combination of merits, COLA and benefits should equal about 4% for 2006-07. A top priority is faculty salaries, and UC continues to explore strategies on how those might be improved.

V. Update on Revisions to the Sick Leave/Medical Leave APMs Ellen Switkes, Asst. Vice President-Academic Advancement

Issue: At the April meeting, UCFW formed a subcommittee to work with Academic Advancement staff to modify drafts of certain proposed new and revised APM policies that had been submitted to the Senate for informal review. The policies in question would govern faculty sick leave, medical separation and leaves of absence. The subcommittee is seeking to make them more equitable to faculty. At the May meeting, the subcommittee reported that it had made good progress on the revisions. At today's meeting, Asst. Vice President Switkes reported on the next steps in the review process.

Discussion. Asst. Vice President Switkes noted that these policies were important because for the first time faculty and campus administrators will have guidance on paid sick leave for faculty. Switkes reported that her staff had consulted closely with the UCFW subcommittee and is also continuing to receive comments from other reviewers. In another month, she will assess whether a second informal review is necessary or whether Academic Advancement can go forward with a formal review in the fall, as planned. One member noted that the policy was silent on non-senate faculty and faculty who are funded from sources other than state dollars, and questioned whether there was another process in motion to address this question. Switkes responded that all faculty were covered by the policy, except those covered by the Health Sciences Compensation Plan. For those faculty, each program unit in the Health Sciences Compensation Plan is required to develop its own sick leave policy. She noted, however, that many felt unable to guarantee the same level of paid sick leave as do the general campuses.

Action: Asst. Vice President Switkes said that Academic Advancement would explore the possibility of funding faculty benefits from grants/extramural monies. This will be one of the issues on UCFW's 2005-06 agenda.

VII. Update on Revisions to the Draft Bulletin on the Supplemental Disability Plan Option to be offered in November's Open Enrollment

Jill Slocum, Coordination-Academic Advancement

Anne Wolf, Sr. Public Information Representative

Issue: At the May meeting, UCFW reviewed a draft bulletin on the one-time option to enroll in the Supplemental Disability Plan, which will be available during November's Open Enrollment. UCFW believes that those faculty who are not already enrolled in the plan should be urged to take advantage of this opportunity. To that end, UCFW is working with staff from HR&B and Academic Advancement to develop an information bulletin, which will target the cohort of unenrolled faculty. The draft bulletin has been revised since the May meeting to reflect the changes suggested by UCFW. At this meeting, UCFW reviewed and commented on the revised draft.

Discussion. Sr. Public Information Representative Anne Wolf highlighted the changes that had been made since the committee last reviewed the document. Definitions for terms such as covered compensation, eligible earning, final salary, etc. were added. Information was also added to the Questions and Answers section, and Example 2 was changed from pregnancy leave to new hire leave.

Suggested Modifications:

- Pregnancy should not be omitted from the example section since HR&B has had many problems with newly hired women not understanding the policy. To indicate that pregnancy can give rise to covered disability, it was suggested that the language be modified as follows: "Faculty member is a new hire and is disabled incident to pregnancy during the first three months of employment."
- Bullet one needs further clarification on why those older than age 60 might consider not enrolling in Supplemental Disability.
- There was also a suggestion made at the last meeting, and reiterated again at this meeting, that a separate bulletin be developed for the health sciences faculty.

Action: UCFW Chair will circulate the draft bulletin via email to UCFW members for additional review and comment. Responses will be requested by July 15. These will be forwarded to Jill Slocum and Anne Fox. The goal is to have a document completed by September 1 so that it can be mailed with the letter to faculty who are not currently enrolled in the plan. That mailing is scheduled for October 1.

Action: Slocum and Fox will also be drafting a very short, high-impact bulletin on the Supplemental Disability Plan. Since this was UCFW's last meeting until fall, the committee will be asked to review the shorter version via email over the summer.

Action: Director Esteban will explore the feasibility of identifying local faculty who are not enrolled in the disability plan and providing that information to department chairs and MSOs who can follow up with their respective department faculty.

VIII. Electronic Communications Policy – May 27, 2005 Revision

John Oakley, UCFW Chair

Kristine Hafner, Associate Vice President-IR&C

Jacqueline Craig, Director of IR&C Policy

Issue: UCFW reviewed this draft policy in March at the request of the Academic Council and recommended to the Academic Council that it withhold endorsement until the draft was substantially revised for greater clarity and accuracy. Since then, the policy has undergone several revisions, the last of which occurred just a few days prior to this meeting as a result of a teleconference between UCFW Chair Oakley and IR&C Director Craig and Associate Vice President Hafner. The resulting June 17 version was considered by UCFW at this meeting.

Discussion: Assoc. Vice President Hafner distributed two handouts that contained highlights of the changes. She noted that one of the major concerns expressed by UCFW during its initial review was that Search Warrants and Subpoenas were combined in one provision. In the newest version, these are separated to make it clear that the requirements for issuing each of these are different. With respect to monitoring practices, the policy has been revised to require personnel who are engaged in system monitoring to post their monitoring practices. Hafner said that the Academic Council had reported that the faculty felt this policy should be a firm systemwide policy, and that there should be a systemwide oversight body with strong faculty participation that provides guidance. To address this concern, the policy is now designated as a Presidential Policy, which means that every member of the UC community is expected to comply. In response to the recommendation that there should be some systemwide oversight with faculty involvement, IR&C is proposing that the ECP campus coordinators consult regularly with their local faculty and that the systemwide IR&C Director facilitate regular systemwide consultation between the campus coordinators and systemwide faculty representatives. Hafner reported that there were no plans to form a new oversight group. She also offered to provide regular consultation with UCFW in the future.

Action. UCFW Chair Oakley noted that the June 17 version was a dramatic improvement from the earlier versions, but because UCFW members have not had the opportunity review this newest version, they will be asked to provide feedback via email following this meeting. If any problems with the policy surface at that time, the UCFW Chair will contact the IR&C leadership. The June 17 version is posted as follows.

Full text of the Policy:

<http://www.ucop.edu/irc/policy/ecp/documents/ECPpolicy.rev.6.17.05.doc>

Implementation Guidelines:

<http://www.ucop.edu/irc/policy/ecp/documents/ECPatt2.rev.5.27b.05.doc>

User Advisories:

http://www.ucop.edu/irc/policy/ecp/documents/ECPatt2.rev.6.16.05_000.doc

Action: UCFW Chair Oakley expressed a concern about there not being a proposal for a more centralized oversight group. This is an issue that will need to be revisited together with other specific issues once the policy is implemented.

Action: UCFW Chair Oakley will take the necessary steps to have IR&C Director Jacqueline Craig and IR&C Associate Vice President Haftner designated as approved UCFW consultants.

IX. Parking Principles

Raymond Russell, UCFW Vice Chair

Sally Ness, UCR Division Representative

Issue: This year, UCFW undertook an assessment of how well the campuses were doing in their implementation of the UCFW Parking Principles that were approved by the Academic Council in June 2002 in order to determine what further steps were needed help campuses more effectively implement these principles.

Overview. UCFW Vice-Chair Russell directed attention to agenda enclosures 5 and 6 -- the Academic Council's June 2002 Parking Principles and the OP administration's April 2002 "Transportation Systems and Parking Program Principles," respectively. Vice-Chair Russell reminded members that he and UCR representative Sally Ness had been charged by UCFW at the May meeting to systematically compare the two documents. Vice-Chair Russell summarized their findings as reported in a June 10 memo to the UCFW Chair. He noted that paragraphs one and two of the memo identified the two major differences between the documents. These are: 1) The UCOP principles assume that the parking system will bear the costs of replacement parking

when state funds are being used to fund development, while the Academic Council's principles do not; and, 2) The Academic Council's principles state that the accommodation of faculty and staff parking needs are distinct from student and public parking needs, while UCOP makes no such distinction. OP administration has agreed to meet with UCFW to try and reconcile these differences so that a single, mutually endorsed set of principles can be developed that will provide campuses with strong systemwide direction on parking policy. Vice-Chair Russell sought guidance from the committee on how he should proceed with this effort.

Discussion: UCFW set the following priorities:

- Credit for existing parking structures that can be applied toward replacement parking
- Replacement cost for non-state funded projects
- All or a portion of the replacement costs from yet to be identified sources for state-funded projects
- Responsible use of parking fees

Action: At Vice-Chair Russell's request, Chair Oakley agreed to participate with Vice-Chair Russell in negotiations with SVP Mullinix on the parking principles to begin in fall 2005. At that time Professor Russell will be the Chair of UCFW and Professor Oakley will be the Vice-Chair of the Academic Council.

X. Issues for the 2005/06 UCFW Chair

John Oakley, UCFW Chair

Raymond Russell, Incoming 2005/06 UCFW Chair

Issue: UCFW members were asked to suggest issues for the 2005-06 agenda.

February 2006 Meeting Date. At the beginning of this discussion, Vice Chair Russell asked members for their approval to change the February 3, 2006 meeting date to February 10, 2006.

Action: Members agreed to change the February meeting date to February 10, 2006.

The following issues were suggested as priority discussion items for the 2005-06 UCFW:

- Systemwide Parking Policy
- Campus Childcare Facilities for Faculty
- Course and Faculty Evaluations
- Faculty Liability Related to Student Records
- Faculty Housing
- Faculty Salaries
- Deals that the Health Care Providers make with UC Medical Centers – continuing to include an option to allow UC employees to be treated at UC medical centers
- Restart of Contributions and a Policy on Employer's Contribution to the UCRP
- Pension Reform/Restructuring
- Funding of Faculty Benefits from grants/extramural monies
- Continuing Discussions with IR&C on the Implementation of the Electronic Communications Policy

Action: Associate Vice President Boyette agreed to request reports from local HR&B staff on the status of campus childcare facilities for UCFW's information/review.

The meeting adjourned at 4:00 p.m.

Attest: John Oakley, Chair

Betty Marton, Committee Analyst