

UNIVERSITY OF CALIFORNIA

ACADEMIC SENATE

UNIVERSITY COMMITTEE ON FACULTY WELFARE

**MINUTES OF MEETING  
FRIDAY, NOVEMBER 4, 2005  
UCOP ROOM 5320**

**I. Chair's Welcome and Announcements**

- Raymond Russell, UCFW Chair

Chair Russell welcomed committee members, guests and consultants to the meeting, and requested input on the meeting agenda and priorities for today's discussion topics.

**ACTION: Committee members agreed to move the UCFW-TFIR report to Executive Session.**

**II. Consent Calendar**

- Minutes of the October 7, 2005 UCFW meeting

**ACTION: The minutes of the October 7, 2005 UCFW meeting were approved with amendments.**

**III. Report: UCFW-Health Care Task Force**

- Harold Simon, UCFW-TF Chair
- Lester Breslow, UCFW-TF Member (Los Angeles)
- Dan Bikle, UCFW-TF Member (San Francisco)
- Randy Scott, Executive Director, Policy & Program Design, HR&B
- Mark Esteban, Director, Health & Welfare Policy

**REPORT A – Report of the UCFW Health Care Task Force – Health Maintenance Subcommittee.** Task force members Bikle and Breslow introduced the health maintenance report and plan which the HCTF has been working on for the past three years. The comprehensive health maintenance service program is expected to enhance health, reduce long-term medical expenditures, and improve employee productivity and morale through the use of health risk assessments, employee incentives, and follow-up services by the health plans, to start. Please see the full report (agenda enclosure 2) for more details. The HCTF requests that UCFW endorse this report and its recommendations for implementation by UCOP.

**DISCUSSION:** UCFW members questioned the cost-benefit analysis of the program, and the existence of peer-reviewed journal articles on this subject. Member Breslow responded that there are many convincing publications showing that one gains \$8 for every \$1 invested in a health maintenance program, as also evidenced by the adoption of such programs by big industry companies for decades, and more recently by some universities. Chair Russell pointed out that UCOP is not resisting the proposal, and is awaiting further instructions to run cost projections for a UC plan. Other UCFW members expressed privacy concerns for personal employee information which would be gathered through the health risk assessment process. Member Bikle assured the committee that HCTF has studied this issue and concluded that the assessment would

best be administered by the health plans, which would refer patient information to personal physicians, and forward UC statistical information only. Employees will most likely not experience a reduction in their medical premiums upon implantation of this plan. UCFW members then discussed differing implementation scenarios, with continued concern about privacy issues involving the health risk assessment, whether to initially target certain populations, and cost-benefit questions. Some UCFW members preferred careful targeting of the health risk assessment portion of the program to ensure a higher chance of success.

**ACTION: UCFW will request that UCOP-HR&B begin to design a comprehensive health maintenance program as outlined by the UCFW Health Care Task Force and under advisement of the concerns raised in today's discussion, for further consideration and study by UCFW.**

**ACTION: The UCFW Health Care Task Force will continue to study the comprehensive health maintenance program and the UCOP-HR&B plan design when it is completed, ensuring the concerns raised today are properly addressed.**

**REPORT B – *Health Savings Accounts and Health Care Reimbursement Accounts Report.***

HCTF Chair Simon introduced the report (see enclosure 3), written by HCTF Vice Chair Robert May, which was approved by the HCTF at its October 19, 2005 meeting. This report is intended to address many questions from the UC community concerning the characteristics and availability of Health Care Reimbursement Accounts (HCRAs) among the health care plan options available to UC employees, and the distinction between HCRAs and Health Savings Accounts (HSAs), which are not currently offered to UC employees at this time. The HCTF requests that UCFW endorse the report for referral to the Academic Council and broad dissemination throughout UC.

**ACTION: UCFW members unanimously approved the report, *Health Savings Accounts and Health Care Reimbursement Accounts*, for referral to the Academic Council and eventual broad dissemination to interested UC faculty, staff and appropriate individuals.**

**REPORT C – *Medical Center and UC Faculty and Health Care Provider Issues.***

HCTF Chair Simon explained the ongoing situation at the UCI and UCLA Medical Centers which the HCTF believes could be assisted by a face-to-face meeting including health care administrators and the center directors to discuss issues existing across all campuses. The HCTF requests that UCFW write a letter to the Council Chair requesting that discussions be initiated with the Provost and Vice President Gurtner in order to arrange an appropriate meeting.

**DISCUSSION:** Some UCFW members requested assurances that the committee would remain neutral in its request to initiate such a meeting. Other members saw this request as a beneficial means for opening dialogue between the negotiating parties, now and into the future, and pointed out that a similar meeting had occurred in the past. One UCFW member noted that the letter should make clear that UCFW regards the continuing availability of medical services at UC medical centers as of vital importance to faculty.

**ACTION: UCFW approved the draft letter (see enclosure 4) with amendments, for submission to Council Chair Brunk.**

**REPORT D – *Health Care Task Force Meeting of October 19, 2005.*** HCTF Chair Simon reported on the following topics addressed at the subcommittee's last meeting:

1. November Open Enrollment: As of today, 5,000 confirmations of actions have been received through the open enrollment website, with over 3,000 enrolling in supplemental disability and 442 of whom were faculty members. One UCFW member questioned the committee members regarding each campus's method of disseminating information to their faculty colleagues. UCFW Vice Chair French offered to email the committee a copy of the UCLA Senate office's "Faculty Welfare Alert" email which is sent to UCLA faculty on a monthly basis.
2. Long Term Care Insurance Options: The HCTF has asked UCOP-HR&B to explore LTC options in current health plans and to pursue the possibility of group LTCI plans. The HCTF expects a report from HR&B in the near future with that information.

**IV. Report: UCFW-Task Force on Investment and Retirement**

- Robert Anderson, UCFW-TFIR Chair

**ACTION: The TFIR report was moved to Executive Session, Item XIII, of the agenda.**

**V. Consultation with UCOP – Budget Update**

- Larry Hershman, Vice President, Budget

**REPORT:** Vice President Hershman provided a report to UCFW concerning the UC budget that will be presented to the Regents this month. The budget includes a commitment to fund for enrollment growth, an agreement on fee increases for undergraduate, graduate and professional school students, and a four percent increase package for salaries and benefits (three percent from the state, and one percent from student fees). The four percent salary bump still leaves UC with a 10 to 10.5 percent lag behind comparator institutions and a 20 percent lag behind private institutions. UC plans to catch up on salaries within the bounds of the Compact and not fall further behind, and looks forward to granting a 5 to 5.5 percent salary increase in 2007-08. UC must also plan for continued increases in undergraduate enrollments, and to work on increasing graduate and professional school student enrollments. UC will continue to prioritize decreasing the student-faculty ratio and receiving more state funding per student. UCOP looks forward to utilizing funding gained from the strategic sourcing initiative to eliminate non-resident tuition for graduate students who have advanced to candidacy. Finally, the budget office is expecting an announcement from the governor in January concerning a possible education or state infrastructure bond which could assist UC's capital outlay projects.

**DISCUSSION:** UCFW members questioned Vice President Hershman on the rationale for paying non-resident tuition from faculty research grants, how to track such expenditures, and how to provide campuses with more local budget flexibility. Other members questioned the Regents' ten-year plan for raising salaries to competitive levels given the fact that the state typically experiences a recession about every five years. Vice President Hershman noted that salaries can be leveled in less than ten years if UC receives more money from the state; otherwise, the Regents must commit to raising student fees as outlined in the Compact. This issue was noted along with other faculty quality of life concerns, including housing, benefits, salaries, child care, etc. The committee also briefly discussed the impact of UCRP contributions to faculty and staff salary consideration, and issues involving alternative compensation plans.

## **VI. Childcare and Adoption Benefits, Tuition Fee Waivers**

**ISSUE:** In October, Chair Russell had requested that all divisional committees on faculty welfare review the following four proposals and to report back to UCFW the results of those discussions: adoption benefits, emergency back-up child care, coordinating and optimizing resources for child care, and an educational fee waiver for faculty dependents. UCFW is especially interested in hearing from divisional committees about: (1) the relative priority that they recommend that UCFW assign to each of the four proposals; and (2) any difficulties or complications that they foresee in attempting to implement the proposals on their own campuses. Members will report their findings at the January 13, 2006 UCFW meeting.

**DISCUSSION:** The committee briefly discussed strategy for dealing with the four proposals. Most campuses reported that they would like to go forward with the adoption proposal, but that they needed more information on the other issues, such as costs and liabilities, concerns about prioritizing these proposals in light of other faculty quality of life issues, and hidden costs. Two campuses requested specific figures regarding the adoption proposal, and most campuses also want figures for the other three proposals as well. Also, a majority of reporting campuses wished to stress the point that all four proposals are important; however they would not rank them above other issues for competing resources such as increasing salaries, eliminating non-resident tuition, and faculty housing issues. One member noted that the proposals should be viewed as fringe benefits to address recruitment, retention and diversity issues, and resources could be strategically targeted in that way. Members then discussed whether to submit a proposal for adoption benefits now, separately from the other three proposals, or wait until January. Most members recognized the need to prioritize these proposals along with other faculty quality of life issues before any proposal is submitted to HR&B for further action.

**ACTION:** UCFW members will report on final campus recommendations concerning these issues at the January 13, 2006 UCFW meeting, at which time the committee will decide on a course of action and list of priorities.

## **VII. Consultation with UCOP – Office of Loan Programs**

- Steve Mathews, Deputy Assistant Vice President and Director, Office of Loan Programs

**ISSUE:** UCFW wished to receive an updated on possible loan program modifications under consideration by the New Financial Programs Subcommittee of the UC Housing Task Force and the campus home loan coordinators.

**REPORT:** Deputy Assistant Vice President Mathews distributed a packet of PowerPoint slides regarding the Housing Program update. Mr. Mathews reviewed details of the UC Mortgage Origination Program (MOP), the Supplemental Home Loan Program (SHLP), and the Housing Allowance Program. Mr. Mathews reported that the New Financial Programs Subcommittee, which includes UCFW appointees, are looking at and moving forward proposals to UCOP, and thereafter to the Regents in March 2006 or later.

**DISCUSSION:** UCFW members discussed local campus issues regarding faculty housing, the rate of demand for the various loan programs, and the use of loan programs in recruitment and retention of new faculty hires. Some UCFW members expressed concern for the lack of knowledge of these programs among the faculty in general, and across the ten campuses as well. Other members wished to find out who is responsible for disseminating this information, and the

approval process. The committee noted that it wished to collect data from the campuses regarding the levels of access to these programs, and report back to the full committee.

#### **VIII. Consultation with the Treasurer of the Regents**

- Marie Berggren, Interim Treasurer and Interim Vice President for Investments

**REPORT:** Interim Treasurer Berggren offered a report to the committee on various performance aspects of the UC Retirement Plan (UCRP), referring to a distribution sheet on the subject.

**DISCUSSION:** Members asked questions about the investment performance figures listed in the tables that were distributed, and discussed the asset allocation tables as well. Finally, the committee discussed UCRP's general outlook for the year.

#### **IX. Consultation with UCOP – Academic Advancement**

- Jill Slocum, Director, Academic Advancement

**REPORT:** Director Slocum provided a report to the committee on the following topics:

1. November Open Enrollment – Supplemental Disability: Director Slocum has received encouraging feedback from the November Open Enrollment and thanked the committee for their hard work in communicating to faculty about the importance of this issue.
2. Faculty Recall Policy: Director Slocum reviewed Enclosure 12 of the meeting agenda, which includes data elements provided by UCOP and the campuses that will be incorporated into her Recall Tracking Report. At present, her office is tracking basic data from the past two years, contacting faculty and academic personnel directors, and collecting anecdotal information. The report will also include salaries, and is expected to be completed sometime in February 2006. Director Slocum also reported that campuses are responsible for distributing the policy to interested parties.

**DISCUSSION:** One UCFW member requested that the faculty recall policy be made available to campus benefit offices for faculty members interested in pre-retirement counseling, retirement fairs, etc. UC Berkeley offers a very successful pre-retirement counseling program that might be offered to other campuses in the future. Members noted that it would be beneficial to learn more about the UC Berkeley program.

**ACTION:** UCFW will invite a representative from the UC Berkeley pre-retirement counseling program to a future UCFW meeting for a presentation and further discussion.

#### **EXECUTIVE SESSION**

**Note: Minutes, aside from action items, are not prepared for this portion of the meeting**

#### **X. Systemwide Senate Review: UCAAD Statement on Diversity**

**ACTION:** UCFW approved the UCAAD Statement on Diversity and will submit a letter to this effect to Council Chair Brunk.

#### **XI. Chair's Report**

- Raymond Russell, UCFW Chair

#### **XII. UCFW Member Items to Pursue & 2005-06 Priorities**

**XIII. REPORT: UCFW-Task Force on Investment and Retirement**

**Meeting adjourned at 4:00p.m.**

Attest: Raymond Russell, UCFW Chair

Prepared by: Michelle Ruskofsky, UCFW Analyst