

# Our University

A NEWSLETTER FROM THE UNIVERSITY OF CALIFORNIA PRESIDENT FOR THE UC COMMUNITY



October 2010

UNIVERSITY OF CALIFORNIA

**HEALTH  
BENEFITS  
OPEN  
ENROLLMENT**

**2011**  
**YOU HAVE CHOICES TO MAKE  
AND ACTIONS TO TAKE**  
OCT. 25, 8 AM – NOV. 23, 5 PM

Read about new medical plans, how to enroll children up to age 26, and other important actions you can take.

## **Make choices, take action during Open Enrollment**

As UC's annual Open Enrollment period begins this week, faculty and staff face a number of choices as medical premiums continue to rise and federal health care reform gives the opportunity to enroll children up to age 26 in medical plans.

Employees have until 5 p.m. Tuesday, November 23 to make changes, which are effective January 1, 2011.

UC continues to confront the challenges of rising health care costs and California's budget crisis. To address these issues, the Human Resources department last February began working diligently to negotiate the best possible medical plan rates for 2011 and to look for innovative ways to offer employees lower-cost options.

UC worked proactively with providers and the university medical enterprise to develop two new health plans for 2011 that give employees high-quality, low-cost alternatives.

The Health Net Blue & Gold HMO provides the same benefits as the standard Health Net HMO but has a custom network of providers-including 13 of UC's largest provider groups and all of the UC medical centers and medical groups-at a lower premium than the Health Net HMO.

UC also is replacing the CIGNA Choice Fund with the Anthem Lumenos PPO with HRA. By changing carriers and making some modest plan changes, UC can offer the plan with a significantly lower premium and Anthem's much larger provider network.

"We're aware that it may present complex choices for people looking to take advantage of these new lower-cost options. We developed the best plan we could for the greatest number of UC employees," said Dwaine Duckett, vice president of human resources.

"If we had not developed the Health Net Blue & Gold HMO, all Health Net members would have seen increases comparable to those in the standard Health Net HMO," he said. "This would have had a greater negative impact on even more employees."

Duckett also noted that, despite the financial challenges UC faces, the university continues to protect lower-paid workers by setting premiums based on pay bands and giving employees a wide range of plans to choose from—all with the same comprehensive benefits coverage. "We also provide the same coverage for dependents as for employees, which is very different from the approach of other large employers who cover around 70 percent of the cost versus our 87 percent," Duckett said.

UC has also expanded on the requirements of national health care reform to allow faculty and staff to enroll their children up to age 26 in all health plans for which children are eligible. That includes dental, vision, legal, and life, and accident insurance—in addition to medical insurance.

Complete details on Open Enrollment choices and changes are available on the Open Enrollment website: [http://atyourservice.ucop.edu/open\\_enrollment](http://atyourservice.ucop.edu/open_enrollment)

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## **A letter from President Yudof regarding proposed changes to UC retirement benefits**

Dear Colleagues:

I am writing to share with you the recommendations I plan to discuss in November with the UC Board of Regents about changes to the University's post-employment benefits programs.

When I established the Post Employment Benefits Task Force, I made clear that the proposed changes needed to satisfy two critical objectives: Help address our financial challenges, and preserve good post-employment benefits in support of UC's commitment to excellence and in recognition of the vital role our faculty and staff play in the quality and delivery of UC's service to the public. I believe these recommendations achieve these goals.

As you know, for the past two months senior UC leaders and I have been engaged in extensive discussions with faculty, staff and administrators about how to ensure the financial sustainability of UC's retiree health and pension programs while still providing attractive retirement benefits.

Those discussions are continuing, but the feedback we've received to date has been very consistent, particularly as it relates to the design of a pension tier for future faculty and staff.

My recommendations – which have the support of the chair and vice-chair of the Academic Senate, UC's Staff Advisors to the Regents, and leadership of the Council of UC Staff Assemblies – reflect that feedback.

In short, I am proposing a new pension program for future employees hired after July 1, 2013 that will preserve good pension benefits while also reducing UC's long-term costs. Many elements are similar to the current UCRP program, including:

- A defined benefit or "pension" plan;
- A five-year vesting period;
- A pension benefit formula based on an employee's highest average compensation over 36 months; and
- A maximum pension benefit equal to 100 percent of an employee's working salary.

There are also some distinct differences that make it a more conservative pension plan than the State of California offers its employees, including proposals to raise the minimum retirement age from 50 to 55 and the retirement age for maximum pension benefits from 60 to 65.

I will also recommend that we no longer subsidize survivor benefits and that we eliminate the option of a lump sum cash out.

**This recommendation does not affect pension benefits for current UC employees, or those hired between now and July 1, 2013 – only future employees.**

The annual cost to UC and its future employees for this proposed new pension program is 15.1 percent of annual payroll, 2.5 percent lower than the 17.6 percent that our current UCRP pension program costs UC and its faculty and staff.

New employees and UC will together pay the full 15.1 percent cost of the new plan, with future faculty and staff contributing 7 percent of annual pay and UC paying 8.1 percent.

I think this is a very fair and balanced approach, and one that, if adopted by the Regents, will allow UC's retirement benefits to continue to be an important component in attracting and retaining excellent faculty and staff.

Although the new pension tier would affect future employees, I will also recommend changes to our retiree health program that will directly affect current faculty and staff.

Most notably, I will propose that the Regents adopt in full the recommendations from the Post-Employment Benefits Task Force on changes to our retiree health program including:

- Reduce UC's contribution to retiree health premiums over time to a floor of 70 percent;
- Change retiree health care eligibility rules, effective July 2013, so that UC's contributions to retiree health care premiums are offered on a graduated scale based on

years of service and employee age at retirement;

- Allow faculty and staff to remain under the current retiree health care eligibility rules if, on July 1, 2013, they have five years of UCRP service credit and their age and years of UC service together equal 50 or greater.

I will also recommend a course of action to erase the UC Retirement Plan's \$12.9 billion unfunded liability.

One of the most important components of that plan requires UC to increase its annual contributions to the UCRP by 2 percent per year, until UC is contributing roughly 20 percent of annual payroll to UCRP.

There is no question that without state funding support, it will be difficult for UC to find the resources necessary to contribute such a large amount to the UCRP each year. But given the size of our current unfunded pension liability, it is essential that we find a way to do so.

Although the state has not yet agreed to pay its share of the UCRP, we have made some important strides on that issue this year, and we will continue to press our case in Sacramento. In the meantime, we must take sensible action now to address our unfunded liability.

The Regents will hear and discuss my proposals at their board meeting in November, and will possibly take action at a special meeting in December. The full details on my recommendation will be contained in a Regents item that will be available in early November.

In closing, I want to thank you for your thoughtful input and suggestions on these difficult issues. And I encourage you to stay involved. Together we are doing the hard work that is essential to preserving this great institution.

With best wishes, I am,

Sincerely yours,

Mark G. Yudof

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### **UC considers eligibility changes for the Retiree Health Program**

As UC considers the Post-Employment Benefit Task Force recommendation to change the eligibility criteria for provisions of the UC retiree health program, one of the most common questions from faculty and staff is how the task force arrived at its formula for grandfathering in certain employees under the current rules.

Dozens of questions have come in to the Future of UC Retirement Benefits website, some seeking clarification and others offering comment about whether the formula is fair.

In a nutshell, to avoid disrupting those close to retirement, the task force has proposed that UC faculty and staff be allowed to remain under current health care eligibility rules if, by July 2013, they meet both of the following criteria:

- Have five years of UCRP service credit;
- Their age combined with their years of service credit is equal to, or greater than, 50.

As an example, a 45-year-old employee with five years of service credit on July 1, 2013, would remain under the current eligibility rules. A 40-year-old employee with five years of service credit on that date would not.

### **Protections for those nearing retirement**

If the UC Board of Regents adopts that formula, roughly 46 percent of all current faculty and staff would remain under the current rules for the retiree health program, according to the task force report.

The Regents are expected to discuss the recommendation at their November meeting and will likely vote on it at a special meeting in December. It is one of several task force recommendations aimed at putting UC's retiree health and pension programs on solid financial footing.

The task force included a grandfathering provision to protect employees who are already eligible for retirement or are close to retirement eligibility and don't have time to prepare for changes in the level of the UC contribution towards retiree health, said UC Davis professor emeritus Charles Hess, who led the work team that developed the retiree health care recommendations.

"We felt that younger employees, even those who are already vested with UC, are far enough away from retirement that they have time to plan," Hess said. "And the proposed rules ensure that employees who make a career at UC still receive a competitive retiree health benefit – so younger faculty and staff are protected in that way, too."

### **Proposed eligibility rules**

So how do the proposed eligibility changes differ from the current rules for retiree health care? The central difference is that UC would discourage early retirement by adopting a new graduated eligibility formula for how much it pays toward retiree health insurance premiums.

Like the current formula, the proposed formula is based on years of service and employee age at retirement. The proposed formula gives more weight to age, with UC's share of health care premiums increasing significantly for employees who retire closer to the age at which they are eligible for Medicare.

The changes, if approved by Regents, would be effective July 1, 2013.

The task force felt strongly that UC's current policies inadvertently promote early retirement. As a result, UC loses many of its employees while they are still at the peak of their professional careers.

Early retirement is also more costly for the university, since it has to provide health benefits for both the retiree and his or her replacement.

"Encouraging people to retire later has a dual benefit for UC," Hess said. "It reduces the time before employees are eligible for Medicare and it means that valuable employees stay at UC longer."

### Ending the incentives for early retirement

The task force recommends that UC end its incentive for early retirement by offering retiree health care on a graduated basis, as follows:

- Employees who are not grandfathered and retire after age 50 but before age 56 would still be eligible for UC-sponsored retiree health care, but would have to pay the full premium cost. The current same minimum age and service credit requirement would apply – age 50 with at least 10 years of UCRP service credit
- Beginning at age 56, with ten years of UCRP service credit, UC would pay 5 percent of health insurance premiums.
- Those who retire at age 65 with 20 years of service would receive UC's full subsidy (100% of the UC contribution).

The following chart shows the graduated eligibility formula in more detail:

Years of Service at Retirement	Current Formula at Age 50	50 - 55	56	57	58	59	60	61	62	63	64	65	
	10	50%	0 %	5.0%	10.0 %	15.0 %	20.0 %	25.0 %	30.0 %	35.0 %	40.0 %	45.0 %	50.0%
	11	55%	0 %	5.5%	11.0 %	16.5 %	22.0 %	27.5 %	33.0 %	35.0 %	44.0 %	49.5 %	55.0%
	12	60%	0 %	6.0%	12.0 %	18.0 %	24.0 %	30.0 %	36.0 %	38.5 %	48.0 %	54.0 %	60.0%
	13	65%	0 %	6.5%	13.0 %	19.5 %	26.0 %	32.5 %	39.0 %	42.0 %	52.0 %	58.5 %	65.0%
	14	70%	0 %	7.0%	14.0 %	21.0 %	28.0 %	35.0 %	42.0 %	49.0 %	56.0 %	63.0 %	70.0%
	15	75%	0 %	7.5%	15.0 %	22.5 %	30.0 %	37.5 %	45.0 %	52.5 %	60.0 %	67.5 %	75.0%
	16	80%	0 %	8.0%	16.0 %	24.0 %	32.0 %	40.0 %	48.0 %	56.0 %	64.0 %	72.0 %	80.0%
	17	85%	0 %	8.5%	17.0 %	25.5 %	34.0 %	42.7 %	51.0 %	59.5 %	68.0 %	76.5 %	85.0%
	18	90%	0 %	9.0%	18.0 %	27.0 %	36.0 %	45.0 %	54.0 %	63.0 %	72.0 %	81.0 %	90.0%
	19	95%	0 %	9.5%	19.0 %	28.5 %	38.0 %	47.5 %	57.0 %	66.5 %	76.0 %	85.5 %	95.0%
	20 or more	100%	0 %	10.0 %	20.0 %	30.0 %	40.0 %	50.0 %	60.0 %	70.0 %	80.0 %	90.0 %	100.0 %

To find the university contribution for a particular age and number of years of UCRP service credit, look down the far left column for the number of years of UCRP service credit; then look across that row to the appropriate age. That will show the amount of the University contribution. Example: with 15 years of UCRP service credit at age 60, the retiree receives 37.5% of the university contribution.

### Increased cost sharing

The other big change – one which will affect both current and future retirees – is UC's decision to gradually reduce its portion of retiree health insurance premiums.

For 2011, the university will pay, on average, 86 percent of retiree health care premiums for retirees who are eligible for the maximum contribution. The task force has recommended that UC reduce its portion by 3 percent per year, until it reaches a floor of 70 percent.

The change in cost sharing is separate from, and in addition to, the graduated formula outlined above.

### **Protections for those without Medicare**

The relatively small numbers of retirees who are ineligible for Medicare because they never paid into the Social Security system while working at UC, and who are not eligible through other work or the eligibility of a spouse or former spouse, will have the impact of the reduction in UC premiums mitigated.

This group faces much higher health insurance costs than other retirees, and would be disproportionately affected by the change in cost sharing, the task force found. This group's premiums will be linked to employee premiums.

### **Blended Premiums**

Based on the task force review and recommendation, current retirees below the age of 65, and therefore not eligible for Medicare, will continue to have their premiums blended with those of employees. Because retirees tend to use their health benefits more than employees, the cost of health insurance for this group is more expensive. By including early retirees in the larger pool of UC employees, the university is able to pass along a lower premium.

### **Financial sustainability**

The proposed changes all stem from UC's urgent need to provide competitive retirement benefits while addressing the soaring cost of health care.

UC currently faces a \$14 billion unfunded liability for retiree health care and must report a portion of the liability each year on the balance sheet. In 2009-10, UC spent \$250 million on health care for its retirees and their family members, and the total cost to UC is expected to rise to almost \$270 million for 2011. The cost is paid for through departmental assessments from the general operating budget.

As costs rise, UC has less money for hiring faculty, buying lab equipment and providing raises to faculty and staff.

### **Consensus support for change**

The Post-Employment Benefits Task Force, which was comprised of more than 40 faculty, staff and retirees, had strong consensus in its support of the recommended changes to retiree health policies.

"We felt that it was critical to the University's long-term recruitment and retention of high-quality faculty and staff that UC continue to provide good retiree health benefits," Hess said. "The challenge was how to reduce the impacts of those health care costs on the university. We think this is the right balance."

In fact, most of UC's comparator institutions provide retirees with access to health insurance, but the retiree is expected to pay the full premium.

So, Hess said, UC will continue to offer very competitive retiree health benefit, even with the proposed changes.

### **New resources available**

If you want to know more about the Post-Employment Benefits Task Force proposals, read these new overviews of proposed changes:

At a Glance: Proposed Changes to UC Retirement Benefits

The Facts: What's Not Changing

The Facts: How UC Compares

Frequently Asked Questions

These publications are available on the Future of UC Retirement Benefits website:  
<http://universityofcalifornia.edu/sites/ucrpfuture>

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### **What's next**

**November 16-18** – Regents discuss president's recommendations

**December** – Special Regents meeting to act on proposals

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## **Systemwide news**

### **Hear UC expert on synthetic biology**

UC Berkeley professor Jay Keasling, a superstar in the scientific world, will discuss the blossoming field of synthetic biology, on Friday, Oct. 29, noon to 1 p.m.

Watch the talk live at <http://www.ustream.tv/ucevents>. This session will also be available afterwards for online viewing. The talk is part of a UC systemwide speaker series, sponsored by the Office of Research and Graduate Studies at UCOP.

Keasling, who is also the CEO of the US Department of Energy's Joint Bioenergy Institute (JBEI), is a pioneer in synthetic biology, which turns microbes into tiny, chemical factories that can churn out valuable life- and earth-saving compounds.

He has received numerous honors for his work, including the first Biotech Humanitarian Award (2009) for developing a simple and much less expensive means of making artemisinin, today's most powerful anti-malaria drug.

The technology behind the malaria drug breakthrough is now being used to help produce the next generation of biofuels.

In 2006, Discover magazine honored Keasling as its first ever Scientist of the Year. "Fighting malaria is just one part of Keasling's larger agenda to explore the staggering potential of synthetic biology," stated the magazine. "In his laboratory, students are engineering microbes to break down pesticides, make biodegradable plastics, and create ethanol and other fuels from plants."

In addition to his leadership of the JBEI, Keasling is professor of chemical engineering and bioengineering at UC Berkeley and he heads the Synthetic Biology Engineering Research Center.

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### **UC launches new admissions site**

Just in time for the Oct. 1 opening of the undergraduate application, UC Communications and Student Affairs launched a new systemwide admissions site earlier this month -- one that is compelling, approachable and simpler to navigate.

The new site makes it easy for prospective students and their families to explore the different UC campuses, learn about admissions requirements and find financial aid resources. The site also offers practical help and advice, including tips on how to write a compelling personal statement.

Check it out at: <http://www.universityofcalifornia.edu/admissions/>

The online application has a fresh look, too. It's customized to each applicant, depending on his or her level and residency, making it simpler to fill out.

With common questions on each page and a reliance on UC's approved high school and community college course lists rather than applicants' self-entry, campus admissions offices can expect fewer user errors and higher-quality data on applicants.

Led by the UC Office of the President's Information Resources & Communications department, in partnership with Student Affairs and Communications, the project was more than a year in the making. The application opened on Oct. 1; by Oct. 4, more than 20,000 prospective students had logged in. In all, about 135,000 applicants are expected to submit applications by the Nov. 30 deadline.

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### **UC sees more community college transfers**

*By Harry Mok*

Getting accepted at UC Berkeley was a dream come true for Tyrone Botelho, but when he started classes there, it seemed like a nightmare.

"My first semester I almost dropped out, it was so stressful," said Botelho, a senior at UC Berkeley who transferred from City College of San Francisco. "I had so many things going on in my life. It was really overwhelming."

Botelho, 25, who lived in 18 foster homes during high school, sought help from the Cal Independent Scholars Network, which is part of the UC Berkeley Transfer, Re-entry and Student Parent Center. The network provides support for former foster youth and is just one of many programs transfer students can use at the University of California's nine undergraduate campuses. After receiving counseling on time management, Botelho got his studies back on track.

"I got straight A's last semester," said the peace and conflict studies major.

Botelho is among an increasing number of community college transfers coming to UC, which is committed to expanding its capacity to enroll transfers, streamlining the pathway and supporting the students once they arrive on campus.

### **UC makes room for more transfers**

UC has boosted its enrollment target for transfers by 1,000, while reducing freshman enrollment goals by 3,800, during the last two years. For fall 2010, a record 22,851 transfer students from California community colleges were admitted to a UC campus, 16.5 percent more than in 2009. Of those admitted, 15,718 indicated their intent to register this fall, nearly 2,000 more than the previous year.

UCLA typically enrolls nearly as many transfers as it does freshmen each year. For fall 2010, UCLA has an estimated 3,227 transfers and 4,454 freshmen. For fall 2010, UC San Diego set records for transfer admissions at 7,700 with 2,815 of them saying they would enroll. Next year, some of them could be living at the second phase of the Village at Torrey Pines, campus apartments dedicated to transfers, which are set to be completed in June 2011.

The final numbers for fall 2010 aren't in, but UC expects to meet or exceed its goal of enrolling 14,000 transfers.

Read more about UC's transfer student programs at <http://www.universityofcalifornia.edu/news/article/24265>

***Harry Mok is principal editor in the UC Office of the President's Integrated Communications group.***

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### **UC launches health innovation center**

The University of California announced Oct. 25 that it has launched a Center for Health Quality and Innovation.

The goal of the center is to support innovations at the UC health campuses that can transform the way the health needs of Californians are addressed and therefore advance the health of California and beyond.

UC Health, which supported federal health reform, includes UC's five academic medical centers, 10 hospitals and 16 health professional schools. As part of health reform, providers will be expected to better coordinate care and improve the quality, access and value of care delivered to patients. The center is a sign of UC Health's leadership and commitment toward meeting those challenges and fulfilling its mission of patient care, health professional education and research to serve all Californians.

Center projects will take place at UC campuses with a small coordinating staff based at the UC Office of the President in Oakland. The center will be a best practices clearinghouse and provide financial support for projects at individual UC campuses that could be extended throughout the UC system to improve wellness and enhance the delivery of health care. A board that includes the six UC medical school deans, five UC medical center CEOs and is chaired by Dr. John Stobo, UC senior vice president for health sciences and services, will govern the center.

"UC campuses are already involved in innovative projects to improve health care," Stobo said. "This center will help connect the best and brightest UC minds so we can spread the most effective innovations throughout the system, provide Californians with better health care and be a leader in delivering health reforms."

The center's board has appointed Terry Leach, UC Office of the President manager of health policy, to serve as interim executive director. Leach has more than 30 years experience in health care delivery, having started her career as a medical-surgical nurse and then as a public health nurse in Spanish-speaking communities and later serving as a health care attorney.

"UC is a proven leader in providing excellent health care," Leach said. "This new center will allow us to further focus our considerable intellectual 'horsepower' on patient-centered health care delivery across the UC Health system, allowing us to enhance quality, access and value of care for all Californians."

Funding for the center will be provided by each of the five UC medical centers -- initially \$5 million (\$1 million each from medical centers at UC Davis, UC Irvine, UCLA, UC San Diego and UC San Francisco). The funds will come from money generated from the California Hospital Fee Program. The program imposes a fee on California hospitals to make supplemental Medi-Cal payments and direct grants to hospitals, and help support coverage for children.

"I'm proud that the University of California medical centers will be reinvesting a portion of the hospital provider fee to study and implement ways to make California's entire health care delivery system safer, more efficient and more effective," said innovation center board member Mark Laret, CEO of UCSF Medical Center. "This reflects UC's commitment to improve the health status not just for the patients we care for directly, but to improve the system for all Californians, including the most vulnerable who are being cared for by California's tremendous network of community clinics and hospitals."

The center also will pursue grants and philanthropic funding.

The center will share its knowledge throughout the UC system and beyond, including posting information on the UC Health website at <http://universityofcalifornia.edu/sites/uhealth>. The center also can be a valuable resource for leaders in Sacramento and Washington, D.C., and other stakeholders interested in using its findings to help develop health policy. Its work is meant to complement and extend campus-based innovation efforts such as the UCLA Innovates HealthCare Initiative.

Examples of the types of UC campus innovations that the center will be looking at to identify best practices and share throughout UC Health and to other health care providers across the nation include:

- UC Davis' Interim Care Program, which works with other health systems and organizations to provide an 18-bed shelter that allows homeless men and women to recuperate from their medical conditions after being discharged from a hospital and referred by the hospital's nursing staff, helping to reduce hospital readmissions.
- UC Irvine's study of the effectiveness of new methods to prevent staph infections in people who harbor MRSA bacteria when they're discharged from the hospital.
- A UCLA-led consortium involving five UC medical schools and Cedars-Sinai Medical Center that is researching the use of wireless and telephone care management to reduce hospital readmissions for heart failure patients.
- UC San Diego's project that allows physicians to make follow-up appointments at

participating community clinics for patients being treated in the hospital or emergency department who don't have a physician, improving patient care and safety while reducing return ER visits.

- UC San Francisco's program to reduce the amount of "door-to-balloon" time transporting heart attack patients from the emergency room to the catheterization lab for balloon angioplasty, a procedure to open narrowed or blocked blood vessels of the heart.

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## More systemwide news

### **Yudof, VP Joe Biden discuss stimulus-funded research**

[www.universityofcalifornia.edu/news/article/24146](http://www.universityofcalifornia.edu/news/article/24146)

### **Commission on the Future adopts draft report**

<http://www.universityofcalifornia.edu/news/article/24272>

### **Riverside chancellor on hand for signing of Hispanic education initiative**

[http://newsroom.ucr.edu/news\\_item.html?action=page&id=2458](http://newsroom.ucr.edu/news_item.html?action=page&id=2458)

### **UCSD Chancellor Fox, UCSF scientist receive National Medal of Science**

<http://www.universityofcalifornia.edu/news/article/24300>

### **Advocates, researchers tackle breast cancer together**

<http://www.universityofcalifornia.edu/news/article/24322>

## HRbriefs

### **Tip of the Month—**

#### **Open Enrollment is the time to sign up for flexible spending accounts**

Open Enrollment is the time to enroll or re-enroll in Dependent Care and/or Health Flexible Spending Accounts (FSAs). Consider enrolling if you expect your 2011 out-of-pocket expenses to be between \$180 and \$5,000. You must re-enroll during Open Enrollment if you wish to participate in 2011.

Effective January 1, 2011, over-the-counter medicines without a prescription are not eligible for Health FSA reimbursement.

FSAs offer:

- A planned approach to paying expenses - You set aside money that you will have to pay anyway in a pre-tax account that can be used to cover eligible expenses.
- Affordable pre-tax contributions - You contribute an equal portion of the total annual amount to your account by pretax deductions each month.
- Tax savings-Because your deductions are taken before taxes, your tax liability is reduced.

The Health FSA also has the convenience of a benefit card that you can use for qualified expenses at participating providers' offices, drug stores and most pharmacies where credit cards are accepted. With the card, you won't have to pay out-of-pocket and then file reimbursement claim forms. (Be sure, however, to always save your receipts in the event of future requests by the FSA vendor or the IRS to verify that the purchase is valid.)

Consider enrollment carefully since any money you do not claim by April 15, 2012, will be lost. Before you enroll, make sure you understand the "use it or lose it" rules and the paperwork requirements needed to validate your reimbursements.

To learn more or enroll in a flexible spending account, visit the Open Enrollment website: [http://atyourservice.ucop.edu/open\\_enrollment](http://atyourservice.ucop.edu/open_enrollment)

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### **More HR news**

#### **START program to end Dec. 31**

A program that allowed faculty and staff to voluntarily reduce work hours in exchange for a corresponding pay reduction will end Dec. 31, 2010.

The Staff and Academic Reduction in Time program, or START, was enacted in 2003 as a temporary measure to help the university cope with budget shortfalls.

Eligible faculty and staff who chose to participate were allowed to reduce their hours up to 50 percent, while maintaining pre-START accruals for vacation, sick leave and retirement benefits.

The Regents extended the initial program to mitigate the impact of additional budget cuts, said John Fox, director of Human Resource Policies. In 2009 alone, UC achieved salary savings of roughly \$16 million through employee participation in START.

The temporary program is scheduled to end on December 31, and UC administration will not recommend another extension.

"Although many employees have appreciated the program and it has helped UC save on salaries, this is the right time for it to end," Fox said.

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### **Employees give UC medical plans high ratings**

UC faculty, staff and retirees expressed a high degree of overall satisfaction with the health and welfare insurance plans UC offers.

For the fourth year in a row, member satisfaction survey results show an increase in satisfaction across most areas.

As in previous years, DSS Research, an independent research firm, surveyed UC members to measure satisfaction with the Anthem Blue Cross plans, Health Net, Kaiser Permanente and Western Health Advantage (WHA).

In addition Delta Dental, Vision Service Plan and Liberty Mutual (disability insurer) conducted their own member ship satisfaction surveys. The survey results below are based on responses from UC plan members.

	<b>ANTHEM BLUE CROSS PLUS</b>	<b>ANTHEM BLUE CROSS PPO</b>	<b>HEALTH NET</b>	<b>KAISER</b>	<b>WHA</b>
Percent satisfied with overall health care	93.1%	92.4%	91.5%	92.8%	92.7%
Percent satisfied with overall health plan	82.7%	80.5%	86.5%	92.5%	91.9%
Percent indicating how often it was easy to get an appointment with a specialist	73.5%	80.4%	75.3%	80.2%	76.3%
Percent indicating member always or usually received care for illness or injury as soon as needed	86.6%	83.3%	85.3%	87.5%	87.4%
Percent indicating the plan's customer service always or usually provided information	62.5%	58.3%	66.5%	75.7%	77.8%
Percent with no complaints or problems written to health plan	69.1%	60.5%	72.5%	81.5%	85.1%

### **Other Plans**

**Delta Dental PPO:** 98%

**Delta Care USA:** 89.59%

**Short-Term and Supplemental Disability:** Liberty Mutual found that 92% of UC employees who filed claims in 2009 were satisfied overall with the claims process

**VSP:** The ratings indicate the percentage of respondents who answered good, very good or excellent regarding the issues listed during the first three quarters of 2010.

Overall satisfaction - 100% actives, 99% retirees

Overall level of service provided by VSP - 98% actives, 99% retirees

Selection of VSP doctors to choose from - 98% actives, 95% retirees