

**UNIVERSITY OF WASHINGTON
FACULTY COUNCIL ON RETIREMENT, INSURANCE AND BENEFITS**

The Faculty Council on Retirement, Insurance, and Benefits met on Monday, October 13, 2003, at 10:30 a.m. Chair Patti Brandt called the meeting to order at 10:32 a.m.

PRESENT: *Professors:* Bliquez, Boxx, Brandt, Demorest, Dugdale, Haley, Johnson, Kochin, Martin, Whittaker

Ex-officio: Constantine, Dougherty, Dwyer, McKenzie

ABSENT: *Professors: No absences*

Ex-officio: Olswang, Henley

Synopsis:

1. Welcome and Focus of Committee
2. Voting rights for ex officio members, ideas for additional members
3. Benefits Office and Legislative update (Dwyer)
4. Strategies for determining priorities for 03-04
5. Ways of organizing work/leadership/outcomes
6. Alternate to Chair for Senate Executive Committee meetings
7. Chair for next year.

Welcome and Focus of Committee

Chair Patti Brandt invited all Council members to introduce themselves and say a word or two about their membership on the Council and their concerns. She remarked that it has been her experience that all members should take a turn as Chair, and that she hoped the group could work as a team.

Katy Dwyer, Director of the Benefits Office, urged that the Council discuss legislative issues sooner than later, since the legislative representatives have been working on the UW's legislative position for two months now. Dwyer also wants regular voting members to chair the subcommittees this year instead of ex officios.

Chip Haley, professor in the Business School, has been the "resident guinea pig" for a permanent reduction in appointment to 60%. This is a faculty prerogative that has rarely been used in his school, and his department has seemed reluctant to allow him to use it. For example, he has had to give up his role as Director of the Certificate of International Studies in Business, a well-respected program. Since the reduction in appointment is an alternative to the 40% re-employment, and is a legitimate benefit, Haley thinks it should be better publicized and used.

Karen Boxx, Law School, said she is looking forward to tying up loose ends from last year, and is interested in the Long Term Care information project.

Bob Waaland, Biology, is interested in the benchmarking benefits and benefits comparison with peer schools. It would be important to get this data and complete this project.

Pat Dougherty, Director of the UW Retirement Association, seconded Boxx's interest in the Long Term Care issue. UWRA has done some workshops on this issue, and has had attendance of 100 or more at each one. There is a great deal of interest in this subject. The continuing concerns of the UWRA are pensions and health care costs. Retirement associations are advocating banding together for a collective voice around health care benefits and costs.

Larry Bliquez, Classics, said he continues to work on interviewing retirees to see what their retirement experience has been, particularly with respect to health care. This gives an excellent perspective on what

decisions retirees wish they had made differently. He has done seven interviews, and hopes to do fifteen more this year. He would like to see these vignettes posted on the Web, to put a personal touch on the statistical information the Council develops.

Jim Whittaker, Social Work, sees pension supplementation, long term care, and education as important areas to work on. He also sees the legislative arena as an important one, and believes FCRIB should do whatever it can to elevate these issues to the legislature and to the attention of the new president. The John Hancock Long Term Care insurance contract expires in 2004 - this should be looked at carefully this year to make certain the UW has the best possible policy. More accurate feedback on reduced tenure appointments and 40% re-employment is desirable as well.

Patti Brandt, Nursing, said she wants to invite Dick Thompson and Gail Stygall to give the legislative perspective. She also needs some to volunteer as a stand-in for the SEC meetings, since they conflict with her schedule and it's important to have a representative at SEC.

David Dugdale, Medicine, is struck by the global ignorance of his faculty colleagues about their benefits, especially since they are all in the business of delivering health care. He sees the largest risk to total compensation as the rise in health care premiums, which has already happened and continues to happen. The more we can learn how to mitigate that, for example through programs like the Flexible Spending Account, the better.

Glen Johnson, Restorative Dentistry, is interested in the 40% re-employment issue. His department is having to combine positions to accommodate this. Dwyer suggested the Council ask the Vice Provost for Planning and Budgeting to come and explain how the 40% re-employment benefit is funded, since the question continues to surface.

Paul Constantine, Associate Director of Libraries, commented that as a new member he is not familiar with all the issues he has heard discussed, but that benefits education and comparison of benefits is very important.

Levis Kochin, Economics, reported that the recently-authorized Fund Review Committee has not been activated. He would also like to see Council do more education on the benefits of the Flexible Spending Account. Could this education coincide with the open enrollment period in November? Could some people who used FSAs report on their experience? Dwyer said this will be part of the Benefits Fair - she is not certain this should fall to the Council to do, but is open to discussing it.

Diane Martin, School of Public Health, said her expertise is in health insurance. The council has no control over the UW's healthcare benefits, but the Health Care Authority has always been very receptive to the Council's ideas and has adopted many of them. We will be paying more and more money out-of-pocket for health care, Martin said. The Council should continue to get data on comparable benefits at peer institutions, and should aim for good communication with the Senate leadership and the Benefits Office, as well as other Faculty Senate Councils. The Council should also keep in mind that UW salaries and benefits will erode over time, so it might be wise to push for other benefits such as special childcare arrangements, special parking arrangements, and all other benefits that might improve the workplace.

Steve Demorest, Music, joined the Council to work on the Tuition Waiver benefit. He is also interested in the TIAA-CREF 100% cash-out benefit (Dwyer said this is now an option).

Brandt summed up the cluster areas by function as education, informing policy, getting better data, and coordinating with faculty councils and legislative reps. Where, for example, would Long Term Care fit in these clusters? Should the Council's work be structured by these clusters, or by specific task?

Boxx said that the Council seems to be most effective when it tackles very defined issues with small subcommittees. There was consensus that this is the preferred working method.

After discussion of alternate working strategies, it was decided to

- Appoint small subcommittees to work on specific, well-defined tasks
- Ask the legislative reps to come and speak to the Council in November
- Compile a list of working topics via email
- Consider asking Harlan Thompson to come and speak on the mechanics and funding of the 40% re-employment benefit
- Prioritize the foregoing issues of concern, and form subcommittees to address them, at the next FCRIB meeting.

Last year's subcommittees - some of which may be carried forward, some of which have completed their work – may be a good reference point for creating this year's subcommittees. They were as follows:

- Long Term Care
- Fund Review Board
- Re-employment Policy Review
- Senior/Emeritus Status/Title
- Education Workgroup
- Benchmarking Benefits w/Peers

Voting rights for ex officio members

After discussion, it was moved, seconded, and passed to grant voting rights to Paul Constantine (ALUW), Ross McKenzie (PSO), and Ernest Henley (Emeritus Faculty).

Benefits Update (Dwyer)

- At a recent conference in Minnesota, Dwyer learned that the UW is facing the same things as its peers – salaries are being eroded as healthcare premiums rise and raises are small or non-existent.
- Benefits Open Enrollment: The open enrollment period has been announced, and will take place in October and November. There will be a Benefits Fair in late October.
- The 2004 healthcare premiums have increased about 16%. The Uniform Medical Plan is offering a new version called Neighborhood – this is a pilot plan that will be offered to the first 5000 people who sign up.
- Legislators planning for the 2004 session are wrestling with issues of how to continue funding salaries and benefits into the future. No national health care system seems likely.
- The Fund Review Committee is being put into place – it is expected to meet every three to four months. Dick Kummert and Levis Kochin will be on the Committee, along with representatives from the Libraries, Professional Staff Organization, and other campus constituencies.
- Karen Boxx asked whether the Funds Review Committee will be announced University-wide. This could possibly be done through another mention in University Week when all the Committee members are known.
- Dwyer was encouraged that Computing and Communications has agreed to let Benefits use the new Data Warehouse. This will allow Benefits to better use existing employee data for analysis and planning.

Brandt asked all members to think about good people they might recruit to be on the Council, about which issues discussed today should be given the highest propriety as action/study items.

The meeting was adjourned at 11:58. *Minutes by Linda Fullerton, Recorder.*