Joint Benefits Committee Report
CUCRA/CUCEA ZOOM Meetings
at UC San Francisco
October 29 and 30, 2025

The Joint Benefits Committee (JBC) has dedicated this report to Louise Taylor (UCB). Louise has been a member of JBC for 20 years, and this exceptional service was partially recognized in 2020 when CUCEA elected her as a Distinguished Member in 2023. This dedication recognizes her contributions to the JBC. She was an irreplaceable JBC member because of her unique knowledge of the UC administrative processes, and her remarkable editing and organizational skills. Her advice was sought and followed by the Committee, and everyone credits her with bringing the Via Benefits issue to the committee and its reports. The importance of this issue is evident by its presence as the first item in this report.

Overview:

The Joint Benefits Committee (JBC) was formed in 1994, responding to the need for the interests of both emeriti and retirees to be articulated more effectively to UCOP. Its ongoing purpose is to consider and make recommendations to CUCEA and CUCRA regarding the University's pension and benefit programs, policy issues related to health insurance and delivery systems, and other benefits programs. We present our report for the primary use of UC Human Resources, the UCOP Shared Services, the Emeriti Retiree Advisory Committee (ERAC), and the members of the Emeriti and Retiree Associations.

The JBC is focusing its Fall 2025 report on 6 issues, but we also discuss some additional issues as Item 7. These latter topics are important, and we will be tracking them, considering recommendations in the future.

1. Via Benefits Issues,
2. Return to Active Duty,
3. Retirement Administration Service Center (RASC),
4. Status of Survivor Processing,
5. Dental Benefits,
6. UC Computers and Policies,
7. Budget Cuts to UC, Total Remuneration, and Medicare Trust Fund Depletion Projections.

1. Via Benefits Issues

The April 2023 JBC report stated that there should be equity and parity in the value of health benefits for in state and out-of-state retirees. The value of such benefits cannot be judged only from the size of the employer contributions made to the retirees' health care plans. Like all insurance, the value of any plan is not defined by the size of the premium paid, but what benefits the premium purchases (for more details see the April 2023 report).

We applaud the current proposal to finally increase the HRA level for the first time since 2014 and look forward to its announcement. There are still issues for future consideration:

- Via Benefits program participants lack the advocacy that in-state retirees have when issues or problems arise. In-state retirees can avail themselves of help from campus Health Care Facilitators and the Retirement Administration Service Center (RASC), but the out-of-state retirees are left to the whims of the individual health plans in which they are enrolled in, often a frustrating and inadequate service.
- Another limitation for out-of-state retirees is the potential inability to change plans during the Medicare Open Enrollment period. Retirees enrolled in individual Medicare HMO plans cannot necessarily switch

out to a PPO plan or another HMO plan without underwriting approval, and if allowed, they may be subject to increased cost. Those covered by UC group plans have the freedom to switch to any available plan during the UC Open Enrollment period.

- While UCOP has reports of satisfaction with the brokerage system (submitted by VIA, April 2023 and Deloitte consultants, Fall 2023), many of us in CUCRA and CUCEA continue to hear about dissatisfaction with the system (see previous points). Additionally, JBC has raised issues in our past reports concerning the reporting methodologies of the prior surveys of VIA benefits subscribers.
- Among the original reasons for moving to a brokerage system was giving out-of-state retirees more flexibility in health plan choice (at the time there was no ability for out-of-state retirees to enroll in Medicare HMO-type programs because they were limited to the UC's PPO plan). The potential availability of the UC Choice (United HealthCare), an HMO PPO plan with national coverage, would indicate that out-of-state retirees would now have that flexibility while retaining the benefits of being covered by UC group health plans.

Recommendations:

1.1. The University should provide guidance about the subtleties concerning changing Medicare Plans for Via Benefits members.
1.2. UC should explore in its next health benefits RFP opening some of its Medicare plans to out-of-state members.
1.3. The University should include CUCRA and CUCEA representatives during the development of future RFPs that affect the health benefits of retirees.

2. Return to Active Duty (RTAD)

This Spring, UCOP introduced new policies for retirees returning to work on recall after separation from the university. The crux of the change is that individuals returning on recall need to be separated from the university for 6 months before recall or else their health insurance situation becomes exceedingly complicated. All Spring, a workgroup attempted to write clear policy directives and flowcharts. How well did this work out?

The University has only sketchy ideas regarding how many individuals initiated recall and their separation intervals prior to recall. To a certain extent, this reflects that reports are generated only sporadically. More problematic is the fact that different segments of the University see disparate information, and that information has not been shared. RTAD individuals come to the attention of RASC, UCPath, and each individual campus. There has not been a general sharing of information across these silos. As of August 22, University records suggest 114 new recalls, of whom only 4 contacted RASC about difficulties. As of September 19, we have received no updates from RASC, no data from UCPath, and no data across our ten campuses. The RASC report may underestimate both the number of newly recalled retirees and the number of individuals who experienced confusion regarding the necessary health insurance changes.

We are starting to hear of many problem cases and anticipate that the number of such cases will increase throughout this autumn. So far, a software problem at UCPath has affected many retirees; that issue has purportedly been corrected. We have also heard of errors in manual keying in data. There is also confusion about the insurance status of individuals who began recall in 2024 and are now renewing their recall appointments.

These are profoundly upsetting developments for retirees who are threatened with termination of health benefits unless they follow confusing directions with short deadlines, only to find that the University's software infrastructure is incapable of processing these directives.

Recommendations:

2.1. JBC asks that a work group be formed to conduct a postmortem of these efforts. That workgroup should include members appointed by CUCEA and CUCRA, as well as representatives from systemwide Human Resources (HR), UCOP Shared Services, UCPath, and RASC. The workgroup should also include members from campus Human Resources and Academic Personnel since they are charged with documenting the required actions.

2.2. JBC also asks that retirees receive 60-day deadlines, rather than 30-day deadlines regarding the necessary insurance enrollments. Retirees are not full-time employees of the university and may be out of town, ill, or challenged in following confusing directives from the university. Disruptions of health insurance are profoundly threatening for this group.

3. Retirement Administration Service Center (RASC)

At the August Emeriti/Retiree Advisory Committee (ERAC) meeting, the RASC management team reported that the timeliness of year-to-date retirement processing for the period January 1 through July 31, 2025 has improved significantly over their 2024 results for the same period. This improvement occurred even though the number of retirements increased approximately 12%. The average days of processing dropped from 71 days in 2024 to 33 days in 2025. The RASC management also reported that 88% of retirements were processed within their current 60-day service guarantee

as compared to 56% the prior year. They also indicated that they intend to revise the service guarantee to 45 days. Additionally, RASC management reported that 93% of the new retirees received their first payment on August 1 and the balance of the retirees, except for a small number of outliers, received their first payment by August 8. The outliers are reportedly being tracked and addressed. The JBC congratulates the RASC on these processing improvements.

The Chairs of CUCEA and CUCRA recently sent an email to the RASC Executive Director Bill Perez suggesting numerous performance metrics that the Councils would like to see reported on a regular basis. These performance metrics address workloads, processing time, disruptions in pension payments and/or health insurance, customer satisfaction, to name a few themes. These capture both quantitative and qualitative issues. We also requested additional statistics, such as dispersion metrics, standard deviation, etc., and explanations for types of issues that slow processing when response time exceeds 2 standard deviations. Executive Director Perez has responded that he has shared the suggested metrics with his leadership team and that … **"**The development of an operational report by business area is still in early stages of development. Ultimately, we will have a dashboard that mirrors best-in-class pension systems such as CalPERS and CalSTRS." The JBC acknowledges the work that is planned to develop operational reports by business area and a performance dashboard. In the meantime, it is important that performance data continue to be shared with CUCEA and CUCRA on a regular basis so that performance can be monitored and issues addressed.

The JBC is also concerned about the adequacy of staffing levels in RASC. It is our impression that the RASC is understaffed, particularly considering the impacts of other HR implementations such as the changes to recall policy, open enrollment, etc., that affect retirees and emeriti. The implementation of

a hiring freeze has further impacted the timeliness of filling vacated positions within the RASC, potentially impacting processing times and customer service.

As this report was being drafted, JBC learned of a substantial organizational change concerning how RASC relates to UCPath. Like all such reorganizations, there is a potential for improved efficiency or disruption.

Recommendations:

3.1. RASC should finish work on a dashboard that provides service guarantees and quantitative and qualitative metrics for each of the business areas within the RASC incorporating the suggestions forwarded to RASC management by the chairs of CUCEA and CUCRA.
3.2. RASC should publish and share performance data with CUCEA and CUCRA on a regular basis, at least quarterly, for all business units within RASC to ensure transparency and accountability.
3.3. UCOP Shared Services must continue to monitor RASC performance and ensure the adequacy of staffing to meet the needs of its constituents.
3.4. UCOP Shared Services should clarify how the new organizational structure affects the continuing staff shortages at RASC and what it means in terms of the communication flow between RASC and UCPath.

4. Status of Survivor Processing

At the August ERAC meeting, the chairs inquired about the status of survivor processing as no metrics were presented by RASC management. The response from the RASC management team was that a soft launch of a

new survivor portal was on track to be released on Monday, August 18. This portal will enable survivors to upload relevant documentation to facilitate the processing of their benefits. RASC management also indicated that they are restructuring the Survivor Team to enable individuals on the team to do end-to-end processing, which would streamline processing and eliminate the numerous handoffs that can cause delays. They also indicated that they would bring performance data on survivor processing to the October ERAC meeting. The JBC acknowledges the work that is being done in this area but, again, wants to reemphasize the importance of regular performance reporting to provide transparency to constituents and hold team members accountable.

Recommendation:

4.1. As stated above, RASC should publish and share performance data with CUCEA and CUCRA regarding the performance of each of its business units, including the Survivor Processing unit, on a regular basis, at least quarterly. We recommend that the statistical reports also include specific analysis of the operational changes that are responsible for improvements in performance.

5. Dental Benefits

UCOP recently completed a RFP (Request for Proposals) process for dental benefits. After a comprehensive evaluation, Delta Dental was selected to continue to provide dental benefits for retirees.

In August 2025, Health & Welfare Benefit Director Susan Pon-Gee issued a communication document (see appendix). One of the talking points stated that UC HR is committed to "Regularly evaluating benefit offerings to maintain a high standard of member experience and plan

value."

The JBC has commented in previous reports (April 2023; April 2024; April 2025) on Delta Dental and the problems with the current contract, especially about the exodus of dentists from the Delta Dental PPO. Several suggestions for improvement to the dental plan had been provided in the 2023 and 2024 JBC reports, including different tiers of service and "paying more to receive more".

Other than the aforementioned communication, we have not been more fully advised about any of the suggested enhancements or changes that were proposed. We do understand that this might need to wait until the new contract details are formally announced, but the completion of the process has been publicized.

Recommendations:

5.1. The JBC agrees that regular evaluation is essential and recommends that UCOP form a work group that includes JBC members to work with UCOP in reviewing future evaluation reports.

5.2. The JBC, on behalf of the CUCEA and CUCRA leadership, requests a more detailed briefing of the process so that a full picture can be understood given assurances made. This is the sort of communication that's a great example of the benefit provided by the longstanding JBC recommendation for having CUCEA/CUCRA representation involved both during the RFP development process as well as the bidding process. It serves to promote better and more collegial understanding of the entire process and its outcomes.

6. UC Computers and Policies

UC information technology (IT) policies are evolving in response to the increasing sophistication of cybersecurity threats. For example, numerous UC employees are victims of direct deposit fraud, after their passwords are stolen by fake UC single-sign-on sites.

Almost all decisions about IT are made at the individual campus (or medical center) level. Even when there is systemwide IT policy (like the Regents' EDR mandate, below), each campus and medical center determines how to implement it in the context of their own circumstances.

JBC is focused on the impacts on emeriti and retirees, who in many cases have situations and needs different from the active faculty and staff. Following are three categories in which JBC has specific concerns.

- The new EDR requirement.

  In 2024, at the Regents' direction, the UC President mandated a set of cybersecurity measures that include installing Endpoint Detection and Response (EDR, "Trellix") software on UC-owned devices. The Senate and other groups have raised concerns about privacy and intellectual property that are the subject of ongoing discussion. It seems to be a campus decision whether and to what extent the EDR requirement applies to (or may in the future apply to) emeriti and retirees. The situation is quite confusing, with varying levels of engagement between individual campus EA's / RA's and IT administration. A related issue is under what circumstances cybersecurity training is required of emeriti. At some campuses emeriti are broadly exempt unless they are managing grants, student records, etc.; but this is confusing because email announcements go to all

faculty, making no distinction between active faculty and emeriti.

- (Threatened) terminations of email access.

  Some campuses report intermittent efforts by IT to terminate email access for emeriti. This stems from a number of factors. There is high turnover of IT personnel who are unfamiliar with emeriti activities and instead apply a corporate model of terminating email addresses for separated employees. Particularly on health sciences campuses, there are large cybersecurity threats. Emeriti remain actively engaged with the university. Former students and colleagues continue to correspond with emeriti, as do reviewing agencies and journals. It is thus highly disruptive to terminate email access.

  Policy on staff retiree email access varies from campus to campus. Retention of email access for retired staff and emeriti would facilitate CUCRA's and CUCEA's (and the campus RA's and EA's) ability to communicate with their constituencies; it would also facilitate campus development organizations' ability to remain in contact with retired staff and faculty who remain strongly interested in UC.

- Lack of IT support for emeriti and retirees.

  As cyber threats and countermeasures become more complex, emeriti and retirees will increasingly require assistance with University IT. The level of IT support provided to emeriti and retirees varies by campus, by college, and sometimes by department; in general, it is not high.

Recommendations:

6.1. JBC recommends that the UC VP/ITS engage CUCEA/CUCRA on an ongoing basis to ensure that cyber and IT concerns specific to emeriti and retirees are understood and addressed.
6.2. JBC recommends that IT organizations at all levels communicate specifically with emeriti and retirees about IT-related requirements. When email communications go both to active faculty and to emeriti, make clear what requirements do and do not apply to emeriti.
6.3. JBC recommends that continued access to UC email after retirement be made systemwide policy, both for emeriti and for retirees.
6.4. JBC recommends putting in place systemwide policy mandating some reasonable level of emeriti/retiree IT support.

7a Budget cuts to UC

UC is facing severe budget cuts. The federal government has cancelled contracts and is trying to reduce overhead rates to 15%. These federal actions are being disputed through the courts, but it seems likely that many of the cuts will be allowed. Uncertainty about foreign student visas leads to the possibility of foreign student enrollment shortfalls, and foreign student tuition payments are important revenue sources at some UC campuses.

California also faces budget problems, and this has caused the state to defer some promised increases to UC. Since UC costs continue to increase, the flat budget from the state translates to a cut in the real value of the state contribution to UC.

The current budget situation is very bad for current UC employees and students, but the impacts on UC retirees are less clear. Current retirees will not see any changes to their pension benefits, but retiree health benefits are

always jeopardized by UC budget woes. Retirees who are currently recalled may lose their recall positions, but the costs of those changes are small relative to costs to current employees who may get laid off. Tight budgets can also encourage departments to recall some retired employees. It is much cheaper for the department and campus to recall retirees at 43% time or less than paying benefits and full salaries for current (or new) employees.

7b Total Remuneration

UC has hired the Deloitte consulting firm to carry out the first total remuneration study since 2010, although there was a smaller study just for faculty in 2014. The main purpose of a total remuneration study is to measure the value of UC salaries and benefits to current employees and compare these measures to a set of peer institutions.

The results of the total remuneration study might be used by UCOP, UC unions, and faculty and staff groups to change UC salaries or benefits. Current retiree pension plans cannot be changed, so the only potential impact on current retirees would be through changes in retiree health benefits.

There are many methodological issues that must be addressed before carrying out a total remuneration study. UCHR formed an advisory group to help resolve these issues, and former Academic Senate chairs Jim Chalfant and Dan Hare (joined by Ben Handel and Mark Peterson) are Academic Senate appointees to this advisory group. This advisory group as well as the Academic Senate Task Force on Investments and Retirements (TFIR) agree that the methodology proposed by Deloitte is flawed. Deloitte's methodology does not account for the fact that the value of UC benefits from working another year declines for older employees with many years of

service. This is obvious for a 65-year-old eligible for full retiree health benefits. The annual benefit is the same if the employee delays retirement, but since the benefit is paid out over fewer years the expected value of retiree health is reduced by delaying retirement. Since Deloitte refuses to change their methodology UCHR has agreed that Deloitte will carry out two sets of computations – their original proposal and a modified methodology specified by TFIR and the Academic Senate. It is not clear what will happen if there are significant differences in the results from the two different methodologies.

A secondary goal of the current total remuneration study is to measure the differences in the value of benefits across different UC retirement tier groups. This information is needed to counter the claim by some Regents that the 1976 tier got a "gold-plated" pension and should therefore not receive any additional *ad hoc* pension COLA adjustments. Some members of TFIR have examined this issue using a model originally developed to help employees hired after July 2016 choose their pension plan options. Details are provided in https://www.cucea.org/uploads/1/3/9/6/139695957/comparison_of_the_uc_retirement_tiers.pdf, and the key results are:

a. The future retirement benefits of the 2013 tier and the 1976 tier are always identical for retirement at age 65 and above. The 1976 retirement tier does offer a greater benefit for early retirement than the 2013 tier, but the early retirement benefit is never as great as either tier's retirement benefit at age 65.

b. For employees in the 2016 tier who elect Pension Choice at the time of hire and who are ineligible for the 5% "faculty" DC supplement on all pay, and whose salary never exceeds the PEPRA cap, the future

retirement benefits at age 65 are identical to those of the 1976 tier and the 2013 tier.

c. For employees in the 2016 tier who elect Pension Choice at the time of hire and who are eligible for the "faculty" DC supplement, but whose salary never exceeds the PEPRA cap, the future retirement benefits of Pension Choice at age 65 can exceed those of both the 1976 tier and the 2013 tier.

d. For employees whose salaries reach the cap, as salaries increase, then the DB portion of the retirement benefit of Pension Choice increasingly lags those of the 1976 tier and the 2013 tier.

7c Medicare Trust Fund Depletion Projections

The trust fund for Medicare may be depleted by 2033 or 2034, but what are the consequences for the UC medical plans? In 2023 the annual expenditure by Medicare was about $16000 per member. Since the trust fund is approaching depletion, Medicare will only be able to pay 89% of present benefits in 2033, and only 77% in 2034. Assuming that there is no inflation (a bad assumption), until 2034, the implication of the cuts is that the combined UC and Retiree contributions will have to increase by $150 per month in 2033 and by an additional $150 per month in 2034.

Respectfully submitted by the Joint Benefits Committee:

Chair, Roger Anderson (UCSC)	JBC member at large
Louise Taylor (UCB)	JBC member at larger
Frank Trueba (UCSC)	JBC member at large
Robert Daly (UCR/UCI)	CUCRA Representative
Eric Vermillion (UCSF)	CUCRA Representative
David Brownstone (UCI)	CUCEA Representative
John Gilbert (UCSB)	CUCEA Representative
Sue Abeles (UCLA)	CUCRA Chair
Emily Galindo (UCD)	CUCRA Chair-Elect
Joel Dimsdale (UCSD)	CUCEA Chair
Amy Block Joy (UCB)	CUCEA Chair-Elect

Appendix

I. UCOP Communications Document:

University of California
2025 Dental RFP
Communications Talking Points

- The University of California Human Resources (UC HR) recently completed a comprehensive selection process to identify the most suitable dental insurance vendor for the systemwide dental benefits program for employees and retirees. This process was conducted through a formal Request for Proposal (RFP), which solicited participation from leading dental insurers across California, ensuring engagement with the most capable and reputable vendors in the dental industry. The primary goal was to ensure that UC's dental plans continue to deliver quality of care, extensive provider access, and positive member experience.
- The RFP Evaluation Committee consisted of representatives from various groups, including UC HR Health & Welfare, the Academic Senate/HCTF, CUCEA, CUCRA, CUCSA, Chief Human Resources Officers (CHROs), and Information Technology (IT). This diverse team allowed for a comprehensive assessment of all proposals.
- The evaluation process considered a wide range of criteria, such as:
    - Plan design
    - Provider network adequacy

  - Access and quality standards
  - Care and clinical management
  - Account management
  - Member services
  - Digital tools (web-based and mobile)
  - Member communications
  - Satisfaction metrics and performance guarantees

- The focus was directed toward stabilizing and enhancing network size and the availability of contracted dentists accepting new patients.
- In the RFP process, we learned the provider network issue is not isolated to Delta Dental but, rather, exists across the dental industry.
- Following a thorough and objective evaluation of all proposals—conducted in accordance with UC Procurement rules and standards — the Committee concluded that Delta Dental offers the best overall value to the University of California. They continue to have the broadest provider network in comparison to other bidders considered.
- Highlights of the Delta Dental California network include:
  - Over 22,000 PPO/Premier network dentists in California, with 99.6% of access points accepting new patients.
  - Dentist turnover rate was 1.4% in 2024 and improved in 2025 to 0.4% to date.
  - Delta Dental added more than 6,000 additional contracted dentists in the California PPO network, surpassing the additions made by the next closest bidder.
  - Moving to another Supplier will result in member network disruption of 21% or 32%.

- Although Delta Dental received the highest overall score in the evaluation process, the Committee, however, recognizes the importance of ongoing improvement. In this regard, UC HR will work closely with Delta Dental to develop and implement actionable plans and commitments to further enhance network access and improve member experience.
- UC HR is committed to:
    - Regularly evaluating benefit offerings to maintain a high standard of member experience and plan value.
    - Partnering with Delta Dental to strategically expand the provider network by exploring alternative contracting arrangements, particularly targeting underserved areas and out-of-network dentists frequently used by UC members.
    - Actively review employee feedback to identify and address any gaps or challenges.
    - Ensuring Delta Dental upholds its commitment to drive innovation and leveraging technology to improve the quality of care for members.
    - Continue to monitor demand for an optional buy-up plan.