Report of the Joint Benefits Committee

October 2026

Highlights

Current issues

1. *Survivor processing*: Urgently need to find ways to improve the timeliness of processing UC survivor benefits
2. *ERAC Committee*: Allocate resources to more fully support UC's Emeriti and Retiree Advisory Committee
3. *Measuring RASC performance*: Provide more readily accessible and useful metrics to review RASC performance
4. *Return to Active Duty:* RTAD has become more routine with a single point of contact for outstanding issues
5. *Request for Proposals:* Provide opportunities for CUCEA/CUCRA review of draft RFPs prior to finalizing them

Issues for future consideration

1. *Cybersecurity*: Follow-up is required from initial meetings on this issue with UCOP
2. *Out-of-state medical insurance options*: Continued work is necessary to address inequity of health insurance options for those living out-of-state
3. *UCRS assumed rate of return*: an adjustment to the UCRS assumed rate of return may bring benefits to UC's budget
4. *UC retirement savings accounts:* improved disclosure of investment assumptions with UC managed retirement savings accounts may be of interest to some retirees

Committee members:
Sue Abeles, UCLA, CUCRA Chair
Roger Anderson, UCSC, At-large appointee, Past Chair JBC
David Brownstone, UCI, CUCEA appointee
Bob Daly, UCR, CUCRA elected member
Jim Dolgonas, UCOP, CUCRA elected member
Emily Galindo, UCD, CUCRA Vice Chair/Chair-elect
John Gilbert, UCSB, CUCEA Chair-elect
Amy Block Joy, UCB, CUCEA Chair
John Meyer, UCD, At-large appointee, JBC Chair
Ken Polse, UCB, CUCEA appointee
Frank Trueba, UCSC, At-large appointee

This committee of the Council of UC Emeriti Associations (CUCEA) and the Council of UC Retirees Associations (CUCRA) serves 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 benefit programs.

A note of gratitude: The committee wishes to thank Roger Anderson for his long service on the Joint Benefits Committee. His tenure as chair has provided steady leadership and a thoughtful approach to issues. Roger will be stepping down from the committee at the end of this month and we applaud his efforts, kindness and wisdom.

Discussion of findings and recommendations

1. Survivor Processing.
Previous JBC reports have focused on the long delays in completing retiree survivor cases. These delays are unacceptable and create additional distress to the survivors of retired staff and faculty. We urgently need to find ways to improve the timeliness of processing UC survivor benefits.

Recommendations:
a. While it is admirable that the Retirement Administration Service Center (RASC) is trying to eliminate the backlog, priority should be given to those survivors eligible for continuation of pension benefits and healthcare to minimize disruption of benefits.
b. RASC should publish separate performance statistics for the backlog cases and current cases, respectively, distinguishing between death benefit only and pension benefit cases in each cohort so that performance is more clearly ascertained.
c. The JBC recommends that RASC increase the number of staff working on the survivor cases to significantly reduce the backlog.
d. To greatly improve customer service, having knowledgeable staff who know the survivor benefits process answer the phones would provide comfort and clarity to the survivor as well as provide efficiency to the RASC team.
e. RASC should reach out to all UCRS retirees to increase awareness that all survivors, even those who are non-UC survivors, will receive the one-time $7500 death payment. Non-UC survivors should be informed about this benefit.
f. RASC should confirm the JBC's understanding that during the processing of survivor benefits, the health benefits of a survivor's (if eligible) will NOT be terminated or "paused" as a result of processing delays. "Processing" of survivor benefits begins when the survivor reports the passing of the plan member to RASC. The JBC would appreciate having this understanding verified. RASC should inform retirees as soon as possible because this understanding is a critical and significant issue for our retirees.

Discussion:
The April 2026 JBC report indicated that RASC had made some progress in their processing time (median time in 2025 was143 days to 111 days in 2026). However, this progress has not cleared the backlog of cases from previous years and has not significantly improved processing of current cases. We are waiting to hear back from RASC Executive Director Bill Perez on what is the industry standard for processing survivor benefits. The JBC has heard from current survivors (July 2026) that the processing has taken over 120 days and many have reported even

longer delays in completion. This is particularly troubling for those survivors eligible for continuation of pension benefits and health insurance.

RASC has indicated that there's a large backlog from 2024-2025. Most of the backlog is the one-time death payment of $7500. The RASC Senior Director and the Survivor Unit Manager have provided details on the current situation in an email dated 9/21/26.

RASC has identified that there is a large number of backlog cases due to the $7500 lump-sum death payment. Processing both backlog and current cases creates significant delays which are adversely affecting new survivor cases. This issue continues to drive delays in processing time:

BACKLOG: There were 772 completed cases (530 one-time death payments and 242 Pension benefit cases) in 2024-2025.

CURRENT: There are 1,168 completed cases (799 one-time death payments and 367 Pension benefit cases) so far in 2026.

RASC has provided an explanation of their monthly performance variance in response to a question posed by JBC members. It appears that the increased focus on backlog cases has resulted in more backlog cases being completed which can temporarily lower the percentage of all cases completed within 90 days because many of the backlog cases were already outside the service level agreement target. (During the year, RASC reports that about 39% of the backlog lump-sum cases were completed within 180 days. For the pension benefit cases, 73% were completed within 90 days and 98% were completed within 180 days). RASC has focused on completing the backlog cases at a faster rate, thereby reducing staff time to complete the new (current) pension benefit cases. Many of the backlog cases are complex, requiring outreach, education and excessive communication with the survivor. Many survivors in the backlog group (we assume particularly those who are eligible to receive the death benefit only) did not know about UC benefits.

Below are the steps identified by RASC that are being taken to eliminate the backlog:

The Survivor Unit is addressing both the existing backlog and the handling of new work so current cases do not become future backlog. A key part of that approach is the 5/7/60 processing framework:
5 days – Beneficiary Packet: After RASC receives notification of a member's death, the goal is to issue the appropriate beneficiary or survivor packet within five days.
7 days – Document Review and Verification: Once all required documents are received, the goal is to review and verify the documentation within seven days and identify any issues preventing the case from moving forward.
60 days – Application Processing: Once required documentation is verified, the goal is to complete the Survivor application within 60 days when the case does not require additional legal review, data correction, insurance coordination, or other complex processing.

2. Emeriti/ Retiree Advisory Committee

Recommendations:

Allocate resources to more fully support UC's Emeriti/Retiree Advisory Committee (ERAC):

a. Increase the frequency of ERAC meetings as a means to ensure all agenda items can be addressed in a timely manner. It is recommended that the meetings be scheduled on a bimonthly basis.

b. As recommended by VP Turner, designate a Stakeholder Engagement Manager to coordinate with CUCRA and CUCEA on issues related to the Retirement Administration Service Center (RASC). RASC should work with identified CUCEA/CUCRA members to review proposed performance statistics.

c. After each ERAC meeting, CUCRA/CUCEA will prepare a list of agreed upon action items from that meeting and will forward the list to the ERAC members for input and concurrence.

Discussion:

After the last ERAC meeting in August, VP Dianna Henderson reached out to the CUCRA and CUCEA Chairs to discuss how to improve the ERAC Committee process given that the proposed August agenda had to be truncated due to lack of time. The discussion was very useful and there was general agreement that ERAC meetings should occur more frequently than quarterly given the number of agenda items that require discussion. It is recommended that ERAC meet on a bimonthly schedule. VP Henderson also indicated she would follow-up with VP Calvin Turner and scheduled a subsequent meeting with the CUCRA and CUCEA Chairs and VP Turner to discuss how to improve the process. VP Turner proposed that a stakeholder manager be assigned within Shared Services to meet periodically with the Chairs of CUCRA and CUCEA to foster communication and collaborate on issues as a means to reduce agenda items that need to be addressed in future ERAC meetings (this is apparently the model that UCPath is using to coordinate with the campuses and medical centers). What is being proposed is similar to an arrangement that the Chairs have with Human Resources in that one individual, Director Heather McHugh, has been assigned to coordinate with CUCRA and CUCEA on various HR issues that emerge.

We want to acknowledge and thank VP Henderson and VP Turner for their support of ERAC and their willingness to make themselves available to address our concerns. We also want to acknowledge that VP Henderson has scheduled monthly "touch base" meetings with the Chairs of CUCRA and CUCEA through the end of this calendar year. One final thought is that it would be useful to publish a list of agreed upon action items that emerge from the ERAC meetings. While we understand that there is not support for having OP staff take and publish minutes, we still feel that documenting the agreed upon action items so they can be followed up would be an important improvement to the ERAC process. CUCRA/CUCEA will be preparing a list of any agreed upon action items that emerge from ERAC meetings and will send the action items to the ERAC members for their input and concurrence.

3. Retirement Administration Service Center Metrics

Recommendation:

The RASC manager should work with the identified JBC members to review current service standards for acceptance or possible modification and augmentation by February 2027.

Discussion:

JBC is waiting for information on performance metrics from the RASC Director, who has indicated those will not be available until late September or October when he will have information to share.

4. Return to Active Duty (RTAD) Update

The members of the Joint Benefits Committee wish to offer their thanks and appreciation to Heather McHugh, Director-Benefits Administration, for her diligent and timely responses to input from CUCRA and CUCEA regarding issues that emerged during the implementation of the Return to Active Duty (RTAD) policy. The attendant procedures, communications, coordination with the Retirement Administration Service Center (RASC) and UCPath, and training of UCPath users that has been developed has significantly improved the ongoing policy implementation and compliance.

5. Requests for Proposals (RFPs)

Recommendation: Routinely provide CUCEA and CUCRA an opportunity to comment on draft RFPs prior to their being finalized.

Discussion:

CUCEA and CUCRA appreciate the opportunity in recent years to participate in the evaluation of RFP submissions for health insurance programs and other contracts affecting retirees. We also believe it is beneficial to review draft RFPs and comment on project objectives and evaluation criteria before they are issued.

Issues for future consideration

1. Cybersecurity

Recommendation: (1) RASC organized a confidential committee, with representatives from CUCEA and CUCRA, to discuss UCRAYS security. That committee met once, on February 27, 2026. It should continue to meet on a regular basis and periodically report non-confidential security information.

(2) Van Williams, VP Digital Innovation & Technology and Chief Information Officer, organized a periodic meeting with representatives from CUCEA and CUCRA to discuss IT issues that

affect emeriti and retirees. The introductory meeting, on June 24, 2026, was productive. The VPDIT/CIO office and CUCEA/CUCRA should develop shared goals for ongoing engagement.

Discussion:
Sophisticated cyberthreats raise many issues for emeriti and retirees, from UCRAYS security to general IT support. We thank UCOP for engaging with CUCEA/CUCRA in this space; ongoing work is necessary to make those engagements robust and productive.

2. Medical benefits for those living outside of California.
Recommendation: UCOP should continue to engage with CUCEA and CUCRA on this topic, including consideration of indexing benefits to inflation; flexibility for out-of-state members; and equity for members who live abroad.

Discussion:
Equity in medical benefits for emeriti and retirees residing outside California (whether within the US or abroad) is an ongoing concern. The recent one-time increase in the VIA Benefits allowance is a welcome development but does not resolve all concerns. It is not broadly understood that VIA Benefits plans are individual plans and not group plans and subject retirees to much different standards for eligibility. For example, an out-ofstate retiree transferring from Medicare Advantage to traditional Medicare may have to undergo medical underwriting to get a supplemental plan to Medicare Part B.

3. UC Retirement System Assumed Rate of Return
Discussion:
The UC Academic Senate has recently endorsed a proposal from its Task Force on Investments and Retirement to increase the assumed rate of return for UC Pension investments from 6.75% to 7.25% (see https://senate.universityofcalifornia.edu/_files/reports/council-chair-to-cfo-recommendations-to-increase-ucrp-actuarial-rate-of-return.pdf). This proposal has been forwarded to the UC Office of the President, and it will be discussed during the Regents' regular review of the UC Pension Plan. This proposed change will have no impact on current UC retirees but may allow for reducing UC's employer contributions in the future.

4. UC Managed Retirement Savings Programs: disclosure of screening criteria
Recommendation: Provide tools for disclosure and analysis of savings programs using UC criteria which screens out certain holdings (e.g., tobacco, fossil fuels) and its effect on rate of return and volatility for these investments.

Discussion:
All UC-managed funds in the Retirement Savings program screen out tobacco and fossil fuel holdings. The UC (see https://myucretirement.com/resources/articles/0038) and Fidelity websites do not provide any quantitative information about the impact of this screening

process. Based on searching the website of MCSI (the provider of the custom indices used for most of the UC-managed funds, see the fact sheets at https://www.msci.com/documents/10199/533e1509-9bc0-bdd4-946a-7736245c8c4e and https://www.msci.com/documents/10199/4211cc4b-453d-4b0a-a6a7-51d36472a703), the returns are similar to the underlying unscreened indices, but the volatility is slightly higher for the screened index. The UC screening for the UC Global Equity Index Fund removes 6% of the market value and 6.8% of the firms from the underlying MCSI world index. Since the fees for the UC-managed funds are typically 3-10 times lower than any similar offerings, UC HR and Fidelity should do a better job educating UC retirees, employees, and their investment advisors about the benefits of using these funds as the core of their retirement savings. We request that UC HR include quantitative screening information on their websites and also ask Fidelity to also include it on their NetBenefits site.