



# Briefing

## Medical Plan Bid Explores Possible Changes

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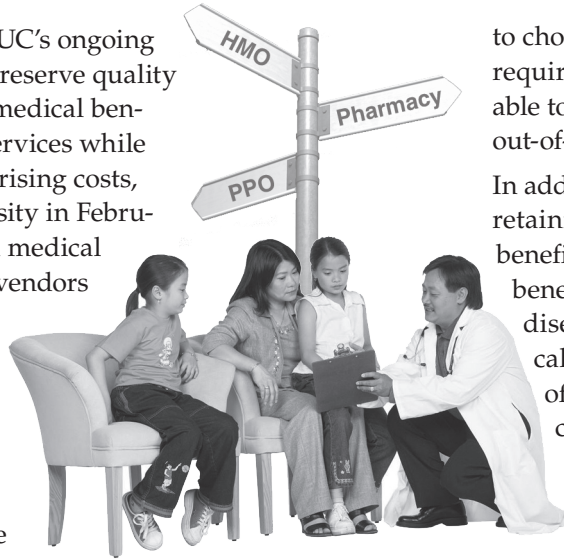
As part of UC’s ongoing efforts to preserve quality employee medical benefits and services while managing rising costs, the University in February invited medical insurance vendors to submit competitive bids for most of its medical plans.

Health care costs continue to rise everywhere, and many employers are having to pass those costs on to employees and/or reduce benefits. The goal of UC’s 2007 bid process is to explore potential adjustments to the number of medical plan vendors in order to continue to provide meaningful choices and high-quality comprehensive medical care while keeping costs to employees affordable.

### Meaningful Plan Choices

“Providing medical benefits that provide quality and are affordable to our faculty and staff are key outcomes of this bid,” said Randy Scott, UC’s executive director of Human Resources and Benefits Policy and Program Design. “Our aim is to maintain, and in some cases improve, employees’ choice and access to medical benefits that best fit their needs while continuing to control the effects of rising costs.”

“Meaningful choice” could mean that the range of UC medical plan choices is aligned more closely with employees’ needs for medical care, the way they actually use their plans, and their financial resources. For example, those who rarely see a doctor or who are willing to take active control of their health may be able



to choose a less costly plan, while those who require greater levels of medical care may be able to choose a higher-cost plan with lower out-of-pocket expense.

In addition, UC is examining the possibility of retaining specialty vendors to provide certain benefits and services, such as prescription drug benefits, mental health services, or chronic disease management, across all basic medical plans. Specialty providers may be able to offer higher quality and better value when compared to providing those benefits separately within each plan. In addition, with this approach UC may be able to leverage the power of its size—nearly 113,000 employees and 37,000 retirees—to negotiate the best premium rates it can.

### Kaiser, Salary Bands Remain

While the bid process may lead to some changes in the medical plans offered, other parts of UC’s current medical plan array will not change. UC’s group HMO plans—Kaiser Permanente and Western Health Advantage—will remain among the choices for 2008. And UC will continue its salary banding approach, which ensures that those employees earning the least will continue to pay the lowest premiums.

The bid process and vendor selection will continue through the summer. UC will continue to consult widely with faculty and staff groups, administrators and the unions who represent University employees. UC will comply with collective bargaining requirements for represented employees as appropriate. Any medical plan vendor changes will be announced prior to Open Enrollment.

“We are very enthusiastic about this approach to our medical plan offerings. We think it positions us well for the future, given all that is happening in the health care industry,” said Scott. “We know that faculty and staff will have many

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# UC People

*Selected stories of UC faculty and staff accomplishments*

## UCLA

### Inspiring Students

Sául Sarabia returned to his alma mater in 2003 with a desire to inspire students to work for social change in much the same manner professors motivated him years ago.

He is now administrative director of the UCLA School of Law's Critical Race Studies program, which trains law students in racial justice scholarship and legal practice.

The program has trained members of Oaxacan (Mexican) hometown association groups to become effective leaders in organizing issues important to their immigrant groups. In the aftermath of Hurricane Katrina, students provided legal assistance to attorneys, who successfully filed lawsuits to stop the City of New Orleans from bulldozing homes without notice.



## Santa Cruz

### Discovery Award

Terrie Williams, professor of ecology and evolutionary biology at UC Santa Cruz, joined Jane Goodall and three other scientists as winners of the 2007 Women of Discovery Awards from Wings WorldQuest.

The winners were selected for their groundbreaking work in one of five categories: sea, earth, courage, lifetime achievement, and field research.

Williams received the Sea Award in recognition of her research on Weddell seals in Antarctica.



## San Diego

### Whale Watching

Crystal De Soto learned about great whales and their migrations when she was in high school. Today, she acts as the lead of the whale-watching program at the Birch Aquarium at UCSD's Scripps Institution of Oceanography.

The program's goal is to make people more aware of the marine and animal life thriving in San Diego County. It can pass on a conservation message to as many as 500 people a day, she says. "San Diego is where civilization meets the wild," is how she puts it. "It's like going out on a safari to meet big game."



## UCLA Medical Center

### A Hero to Organ Transplant Patients

Lea Ann Cook, a registered nurse for 28 years, may not have won the top "Hospital Hero" award, but she is still a larger-than-life hero in the eyes of the organ transplant community.

Cook was nominated to represent UCLA at the National Health Foundation's inaugural Hospital Hero Awards in Los Angeles. The awards recognize outstanding achievements that occur within hospitals every day. Cook, as nursing director for UCLA Medical Center's transplant and surgical specialties intensive-care units and Critical Care Transport Team, constantly strives to alleviate the devastating impact of the nation's organ shortage on those who are awaiting a new heart, lung, liver, kidney, pancreas, or other organ or tissue.



To read the full stories of UC People, see [atyourservice.ucop.edu/briefing](http://atyourservice.ucop.edu/briefing)

# UC Briefs

## 2007 Health & Welfare Audit

In May, UC/HR Benefits will conduct its annual random audit of family members enrolled in UC-sponsored health and welfare plans.

Randomly selected employees and retirees will receive a letter asking them to submit documentation to verify that their family members are eligible for health and welfare benefits under UC rules.

The consequence for an employee or retiree enrolling an ineligible individual is the permanent de-enrollment (cancellation of coverage) of the ineligible individual. In addition, the employee and all family members will be de-enrolled for 12 months. Failing to respond to the University's eligibility verification letter or failing to provide the required documentation when requested will also result in de-enrollment of the ineligible individual.

More information is available on the At Your Service website ([atyourservice.ucop.edu](http://atyourservice.ucop.edu)).

## Reminder: June 15 HCRA and DepCare Filing Deadlines

Employees enrolled in the Health Care Reimbursement Account (HCRA) or the Dependent Care Reimbursement Account (DepCare) have until June 15, 2007, to file reimbursement claim forms for any qualified expenses incurred during the period of January 1, 2006 through March 15, 2007 using 2006 HCRA or DepCare funds. For more information, visit the At Your Service website ([atyourservice.ucop.edu](http://atyourservice.ucop.edu)) under "Health and Welfare Benefits."

### Medical Plan Bid *continued from page 1*

questions, and we will be doing all we can to keep them up to date as the bid process goes on. Most important, if changes are to occur, we will give employees all the tools and information they need to make informed Open Enrollment decisions as early as possible."

For more information about possible plan designs and the bid process, see the online version of this newsletter ([at your service.ucop.edu/briefing](http://atyourservice.ucop.edu/briefing)) for links to additional information.

*Briefing, April 2007*

## benefits Q&A

*Q I'm thinking of retiring soon. What should I do and when?*

**A** About three months before you wish to retire, call your Benefits Office to request a Personal Retirement Profile. Benefits Office phone numbers and links to their websites are available on At Your Service ([atyourservice.ucop.edu/directories\\_contacts/benefits\\_offices.html](http://atyourservice.ucop.edu/directories_contacts/benefits_offices.html)).

If you will be 65 or older on your retirement date, you will need to contact the Social Security Administration and inquire about your Medicare eligibility and the enrollment process you may need to complete.

You can learn more about the retirement process on the At Your Service website or by reading UC's *Retirement Handbook*.

*Q Is UC's contribution to my domestic partner's medical coverage subject to imputed income?*

**A** Under current Internal Revenue provisions, the University's contribution toward medical coverage for anyone who is not your tax dependent (might include domestic partner, their children/grandchildren, and your own children) is considered imputed income and is subject to FICA (Social Security and Medicare) tax, federal income taxes, and any other required payroll tax. Additionally, your premium contribution for your non-tax dependent must be paid on an after-tax basis.

However, if you and your domestic partner are registered with the State of California and you have submitted form UPAY 850 indicating you and your partner are registered and the filing date, you will not have imputed income for California income tax purposes. Any out-of-pocket premium cost for medical coverage of your partner (and/or your partner's child/grandchild) will be deducted from your pay on a pretax basis for California income tax purposes.

If you claim your domestic partner and/or your partner's child or grandchild as your tax dependent, you should not have imputed income.



## Call for Nominations

### UCRS Advisory Board Seeking Nominees for Open Seats

Active members of the University of California Retirement Plan (UCRP) who are interested in serving a four-year term as members of the University of California Retirement System (UCRS) Advisory Board are invited to submit nomination materials through May 4, 2007.

Two non-Academic seats on the nine-member Advisory Board will be open as of this June 30 and will be filled by an election to be conducted from May 29 through June 22. Active UCRP members who are not members of the Academic Senate will be eligible to vote in the election. The Board generally meets quarterly in Oakland to discuss issues and provisions pertaining to UCRS plans and benefits.

Visit the UCRS Advisory Board Election website ([atyourservice.ucop.edu/ucrs](http://atyourservice.ucop.edu/ucrs)) for detailed information about the Board and its responsibilities, candidate eligibility rules, nomination materials and instructions, and election announcements.

## Briefing

*Human Resources and Benefits Briefing* is published by University of California Human Resources and Benefits to provide news and information to UC faculty and staff. Points of view or opinions do not necessarily represent those of the University.

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