

Regents approve changes to UC's retiree health and pension programs

A *At a special meeting in December, the University of California Board of Regents voted to change some of UC's retiree health and pension programs, including a gradual reduction in UC's contribution to retiree health premiums.*

Pension benefits for current employees and retirees will not be affected by the changes as earned pension benefits are protected by law and cannot be revoked or reduced.

President Mark G. Yudof recommended the changes after consulting with faculty, staff and retirees about how the University should approach the problem of a \$21 billion unfunded liability for its retirement benefits. The president's goal was to preserve attractive, high-quality benefits, but at a cost the university could sustain over the long-term.

Current and future retirees will pay a greater share of their health premiums under one of the approved changes. The Regents voted to gradually reduce how much UC contributes toward the cost of retiree health insurance. In 2011, it pays about 86 percent on average, but will reduce that amount over time to a floor of 70 percent.

Future employees—those who join the university on or after July 1, 2013—will be offered a modified pension program (or pension “tier”) that increases



the minimum age for pension benefits by five years. The retirement age for maximum pension benefits will also be raised by five years. In addition, future employees will be subject to the new eligibility rules for retiree health care.

Current faculty and staff, as well as UC, also will contribute more to the pension program. Retirees will not make contributions.

President Yudof, speaking before the 14-3 vote, said that he had listened carefully to the input of faculty, staff and retirees in drawing up his recommendations.

“You can come up with less expensive plans, but I thought this plan was fairest to faculty and staff and had the most consensus,” Yudof said.

Daniel Simmons, chairman of the university-wide Academic Senate, noted that implementation will not be easy given the contributions levels that will be required from both UC and its employees.

“This proposal represents a great deal of sacrifice for all parts of the university,” Simmons said.

Regent Bonnie Reiss, who with Regents Eddie Island and Charlene Zettel voted against the plan, said she did not think the president's recommendations did enough to reduce UC's financial obligation to future employees.

“We're committing too much to future employees financially in the new tier,” Reiss said.

Yudof, speaking later to reporters, said that the plan will, over time, solve UC's pension problem.

“This is not free. It's not without pain. We think this is a model for reform,” Yudof said.

The approved changes require both UC and its employees to contribute more to the pension fund, with employees contributing 5 percent

UC News of Interest

Emotional intelligence peaks in 60s, research suggests

Older people have a hard time keeping a lid on their feelings, especially when viewing heartbreaking or disgusting scenes in movies and reality shows, psychologists have found. But they're better than their younger counterparts at seeing the positive side of a stressful situation and empathizing with the less fortunate, according to research from UC Berkeley.

A team of researchers led by UC Berkeley psychologist Robert Levenson is tracking how our emotional strategies and responses change as we age. Their findings—published over the past year in peer-reviewed journals—support the theory that emotional intelligence and cognitive skills can actually sharpen as we enter our 60s, giving older people an advantage in the workplace and in personal relationships.

“Increasingly, it appears that the meaning of late life centers on social

relationships and caring for and being cared for by others,” Levenson said. “Evolution seems to have tuned our nervous systems in ways that are optimal for these kinds of interpersonal and compassionate activities as we age.”

Read more at www.berkeley.edu/news/media/releases/2010/12/16_agingemotion.shtml

iPhone app mimics hearing aid

UC Irvine doctors and a medical student are preparing to release the second version of EarTrumpet—the only iPhone hearing assistance application that combines adjustable volume controls with a hearing test that lets users tailor sound enhancement to their needs.

The idea grew from a lecture Dr. Hamid Djalilian gave about hearing aids last spring in Dr. Brian J.F. Wong's biomedical engineering class. Noting the high price of hearing aids, Djalilian and Wong chatted afterward about the

need for a low-cost alternative and how iPhones, iPads and iPod touches are stigma-free fashion accessories. Wong met with medical student Allen Foulad, who saw the potential in such a device and had the computer skills to develop it.

“Other ‘hearing aid’ applications simply make sound louder at all frequencies,” says Djalilian, director of otology, neurotology and skull base surgery at UC Irvine Medical Center. “We wanted it to work just like a hearing aid, where one can choose which pitches to amplify. People usually have high-pitch hearing loss and don't need to amplify low-pitch sounds.”

The original device garnered great reviews in Apple Computer's App Store this summer, and an update was released in December.

Read more at www.uci.edu/features/2010/12/feature_eartrumpet_101213.php 📄

UC Santa Cruz Chancellor honors “pioneers” to mark 45th anniversary

To mark the 45th anniversary of the founding of UC Santa Cruz, Chancellor George Blumenthal hosted a lunch to honor about a dozen “pioneer” staff and faculty members, many of whom were working on the campus in the inaugural year of 1965-66. The honorees, including invited family members, are shown with the chancellor at University House: Front row (L-R): Maxine Lane, Ruth Crook, Phyllis Gilbert, Charles Gilbert, Robynne Walters, Joan Randolph, Richard Randolph, Lou Fackler; Middle row (L-R): David Lane, Nancy Pascal, Emily Duffus, Karen Garcia Graham, Jerry Walters, Ann Dizikes; Back row (L-R): Roland Pascal, Lee Duffus, Victor Kimura, Rolf Augustine, Chancellor Blumenthal, John Dizikes.



Terry Way Photography

Help us improve *New Dimensions*

We're taking a fresh look at *New Dimensions* to make sure it has the UC news you want. Please take a few minutes to answer our reader survey. Your feedback will help us improve *New Dimensions*, and make it more useful and enjoyable for you.

You can take the survey online at www.surveymonkey.com/s/vvlgdlm or complete the survey and send it to:

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Oakland, CA 94607

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1. Please circle the three topics that are of most interest to you in the *New Dimensions* newsletter:

 - HR/benefits news
 - Stories about UC retirees
 - Stories about UC research
 - Messages from President Mark Yudof and other UC leaders
 - UC budget news
 - News about UC achievements
 - Information on ways to stay involved with UC
 - Other _____
2. Which of the following sources do you use to stay informed about what is happening at the University of California? Please circle the three areas you rely upon most.

 - Local newspaper
 - My retiree association
 - UC's At Your Service website
 - Word-of-mouth
 - Television
 - New Dimensions newsletter
 - UC mailings
 - UC website
 - UC's Customer Service Center
 - Other _____
3. Please tell us how well *New Dimensions* does in keeping you informed about issues that directly affect you. Please circle True or False to the following statements:

 - New Dimensions has timely information on the issues that directly affect me.
TRUE/FALSE
 - New Dimensions is a reliable source of information about my health and pension benefits.
TRUE/FALSE
 - New Dimensions gives me helpful resources for finding more information if I need it.
TRUE/FALSE
 - New Dimensions makes me proud to be part of the University of California.
TRUE/FALSE
 - New Dimensions inspires me to stay involved with the University.
TRUE/FALSE
4. If you have a question about your retirement benefits where do you go for help? Please circle the one source you go to first.

 - My retiree/emeriti association
 - Local UC Retirement Center
 - UC's At Your Service website
 - Word-of-mouth
 - New Dimensions newsletter
 - UC mailings
 - UC website
 - UC's Customer Service Center
 - Campus benefits office
 - Other _____
5. Please describe the extent to which you receive news and information online? Circle the one answer that best describes your Internet usage.

 - I don't use a computer.
 - I dislike reading information on the computer, and rarely do it.
 - I am comfortable receiving information online and do it frequently.
 - I regularly conduct business online and use the Internet every day.
6. If you chose answer "c" or "d" above, do you receive *New Dimensions* online? Please circle your answer.

YES/NO

If you answered No, would you consider signing up for it online? And if not, why not?

7. Please tell us how you prefer to receive *New Dimensions*:

 - I currently receive *New Dimensions* by email.
 - I currently receive *New Dimensions* by postal mail.
 - I currently receive *New Dimensions* by postal mail, but I'm willing to switch to email to help UC save money on printing costs.

If you checked item "c", see left for how to receive *New Dimensions* via email.
8. Please add any additional comments about *New Dimensions*.

News about your benefits

Take a health assessment and reap the rewards

Retirees and their spouses or domestic partners who are enrolled in non-Kaiser medical plans are eligible for free, confidential health assessments and follow-up wellness coaching under UC's StayWell program.

And, once again, UC is offering a \$100 gift card incentive to retirees who participate in the program. Spouses and domestic partners receive a \$50 gift card.

This year, participants must complete a health assessment and a StayWell follow-up program by December 15, 2011 to receive the incentive award. The gift cards may be used at dozens of retailers, restaurants, specialty shops, and online stores.

The health assessment is a tool for learning how your lifestyle habits can affect your health and well being.

After you complete a confidential online questionnaire—a process tak-

ing roughly 10 minutes—the StayWell program creates a personalized online health assessment report and sends you instructions and information on the recommended follow-up activity.

If you don't have access to the online health assessment, you can call the StayWell HelpLine at 1-800-721-2693 and ask for a printed Health Assessment. After you complete and return it to StayWell, your personal results will be mailed to you.

StayWell recommends that you complete the health assessment by May 15, 2011, in order to ensure you have enough time to complete the recommended follow-up program, which can take several months to complete.

Your personal health information and the StayWell assessment remain private. The University offers the health assessment as part of its commitment to the well being of its retirees. It never receives any health information about individual StayWell participants. You



also control whether to share your health assessment with your medical plan provider.

To qualify for the \$100 gift card, eligible retirees must be enrolled in a UC medical plan on January 1, 2011 and complete the health assessment and a follow-up program by December 15, 2011. Even if you or your spouse/partner completed a health assessment and received a gift card in previous years, you may participate again this year.

UC Kaiser Permanente members and their family members are not eligible to participate in the StayWell health assessment, but those aged 18 and older can take a free health assessment through Kaiser's Health-Works program.

For more information on the health assessment program, please visit the StayWell website at: uclivingwell.online.staywell.com/includes/login/index.aspx

Watch for your MRDs in December

If you are age 70 ½ or older this year and are not working for UC in a regular paid appointment through the end of the year, federal law stipulates that you must take a minimum required distribution (MRD) from your UC-sponsored 403(b), 457(b), and DC

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2011 Retirement Benefit Payment Schedule

Benefit Payment for this Month	Mailing Date of Direct Deposit Statements/Checks	Direct Deposit/Date of Checks
JANUARY	Jan 28	Feb 1
FEBRUARY	Feb 25	Mar 1
MARCH	Mar 30	Apr 1
APRIL	Apr 27	Apr 29
MAY	May 27	June 1
JUNE	June 29	July 1
JULY	July 28	Aug 1
AUGUST	Aug 30	Sept 1
SEPTEMBER	Sept 28	Sept 30
OCTOBER	Oct 28	Nov 1
NOVEMBER	Nov 29	Dec 1
DECEMBER	Dec 30	Jan 1, 2012 (check date) Jan 3, 2012 (deposit date)

Medicare Corner



2011 Medicare Part B and Part D Premium Adjustments

Some retirees enrolled in Medicare are seeing a new charge for Medicare Part D (prescription drug coverage) this year.

In 2010, Medicare began adding annual adjustments to the premium that beneficiaries must pay the Social Security Administration (SSA) for Part B (doctor/lab coverage) based on certain income thresholds.

Beginning in 2011, higher-income beneficiaries who have Medicare Part D must also pay a higher Part D premium to Medicare. The Part D premium adjustment was part of the health care reform legislation enacted in 2010.

UC retirees enrolled in Health Net Seniority Plus, Kaiser Senior Advantage and Anthem Blue Cross Medicare plans with prescription drug coverage are subject to the Part B premium, any Part B adjustment, and the new Part D premium adjustment.

Medicare—and not UC—determines your Medicare Part B premium and any adjustments for Part B or Part D based on formulas set by federal law. Those premiums are paid

directly to Medicare, usually through a deduction from your monthly Social Security/Railroad Retirement benefit or billed directly to you by the federal government. Payments are not paid to the university or deducted from your UCRP monthly pension check.

The university does not have or receive any data from Medicare or the Social Security Administration regarding beneficiaries who have a higher income and must pay a premium adjustment. Likewise, your UC medical plan premiums do not depend on, or change because of, any Part B or D premium adjustments paid to Medicare.

UC currently reimburses you up to \$96.40 of the amount you pay for Part B if the cost of your medical plan premium is less than the UC/employer contribution for that plan. There is no reimbursement for Part D.

If you feel your income was incorrectly reported or you have any questions regarding how your Part B and Part D premium or adjustment was determined, please contact the Social Security Administration office nearest you or call Social Security at 1-800-772-1213.

You can find more information about Part B and Part D coverage in Social Security's publication *Medicare Premiums: Rules for Higher-Income Beneficiaries*, available online at www.socialsecurity.gov/pubs/10536.pdf or by calling Social Security at 1-800-772-1213.

The publication covers rules for higher-income beneficiaries, monthly Medicare premiums for 2011, how to appeal your premium and more.

For information about your UC medical plans, please contact the UC Retirement Administration Service Center at 1-800-888-8267, Monday through Friday, 8:30am-4:30pm. 📞

All UC retirees, survivors and disability recipients (of greater than two years), and their eligible dependents over age 65, with UC medical coverage, are required to enroll in Medicare Parts A and B. They are also required to enroll in Medicare Part D through UC, with one exception: those enrolled in the Anthem Blue Cross PPO without Prescription Drug plan.

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Plans. If you were subject to an MRD for 2010, your MRDs will automatically continue each year.

You should have recently received your 2010 year-end statement from Fidelity.

You may request that you receive your MRD through regularly scheduled withdrawals. If you have not previously arranged for regular withdrawals, Fidelity will distribute MRDs automatically in late December, or within the first quarter of 2012 if newly eligible.

The amount of your 2011 MRD is based on your balance as of December 31, 2010. That balance is available on the 2010 year-end statement you received recently from Fidelity. Please keep a record of this statement.

Your MRD will be withdrawn proportionately from your existing investment holdings unless you call Fidelity with other instructions prior to distribution. If you prefer to take a distribution from a specific fund or funds, you will have a 14-day window prior to the automatic distribution date

in December to make arrangements. Look for the November issue of *New Dimensions* for the specific dates.

Watch your mail or bank account to ensure the funds are distributed, as you are ultimately responsible for any IRS penalties if the distributions don't occur.

For more information about MRDs, see "Understand minimum required distributions" under the "Retired from UC?" tab of the UC/Fidelity website, www.ucfocusonyourfuture.com or call Fidelity at 1-866-682-7787. 📞

Share Your Stories



Retiree finds family, second home on Faroe Islands

Four weeks after Jennifer Henke retired from UC San Francisco Medical Center, where she had worked as a programmer in the information technology department, she was settled in a little house on the edge of the Fuglafjørður bay in the Faroe Islands, far north in the Atlantic Ocean. She lived there for more than a year. Here is her story:

The Faroe Islands are a semi-independent territory of Denmark, located just below the Arctic Circle northwest of the British Isles and midway between Norway and Iceland, with 18 islands and a population of 48,000. The *National Geographic*, in its 2007 survey of islands around the world, ranked the Faroe Islands as the number one island travel destination, describing them as “lovely, unspoiled islands—a delight to the traveler.”

During the year I lived there, I became actively involved in commu-



nity life in Fuglafjørður, taking language classes, joining a couple of community choirs, attending church, and getting to know my relatives better. I maintained a web blog (jenniferhenke.com), with photos of the wild yet lush islands and commentary on my experiences in a new culture.

One of my relatives is a well-known Faroese artist, and I volunteered to help him make a book of some of his oil paintings. I visited some 100 homes and businesses and photographed 140 of his paintings created during the past 40 years. Working on this book was a window on Faroese culture. I also translated Faroese poetry into English to accompany the paintings, and the book was published in Faroese and English.

I also wrote about finding my father’s family and his family history from old letters, publishing *Saknaði Sonurin* (*The Missing Son*) in the Faroe Islands in November 2008. It was published in English in 2010 as *The Missing Son—A Faroe Island Saga*.

I continue to spend several months of every year in the Faroe Islands, and they have become my second home. 🌊

Share Your Stories

We’d like to hear from you. Whether you have a challenging issue related to retirement or a story about the joys of your life as a retiree, write to us and we may share your story in *New Dimensions*. Reach us by email (NewDimensions-L@ucop.edu) or regular mail (*New Dimensions* editor, 1111 Franklin Street, 7th Floor, Oakland, CA 94607).

Health & Pension continued from page 1

of pay to their pensions by July 2012 and UC contributing 10 percent.

Beginning on July 1, 2013, UC will also adopt a new eligibility formula for determining how much it pays toward retiree health insurance for some current employees and all future employees. Like the current formula, UC’s share of premium costs will be based on an employee’s years of service. But under the new formula, the percentage of the maximum UC contribution is also based on age and ranges from 5% for those retiring at age 56 with 10 years of service to 100% for those retiring at age 65 with 20 years of service.

Regents adopted a “grandfathering” provision that exempts faculty and staff from the new formula if they have five years of service credit by July 1, 2013, and if their age and years of UCRP service together equal 50 or greater.

Roughly 46 percent of current faculty and staff meet the grandfathering criteria and will remain under the current eligibility rules.

The Regents’ action culminates an effort that began nearly two years ago when President Yudof appointed the Post-Employment Benefits Task Force and charged it with developing recommendations for sustainable

retirement benefits.

The task force completed its work at the end of August and the president then began an extensive consultation process with members of the UC community.

Taken together, the changes approved by Regents put UC’s retiree health and pension benefits on a path towards affordability while slowly reducing the unfunded liability.

For a detailed fact sheet on the approved changes, please visit the Future of UC Retirement Benefits website: <http://universityofcalifornia.edu/sites/ucrpfuture/> 🌊

New Dimensions

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Retiree Association Contacts

Use this listing if you are interested in joining an association or to inform your association of an address change. If you have moved away from your home campus emeriti/retiree association, you are welcome to join the association where you live.

If you have questions about your UCRS retirement benefits, call the UC Customer Service Center at 1-800-888-8267 (8:30 a.m. to 4:30 p.m. PT)

UC Berkeley Retirement Center

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UC Santa Barbara Emeriti/Retiree Relations Center

805-893-2168

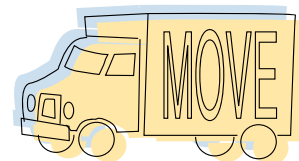
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Comments or questions?

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