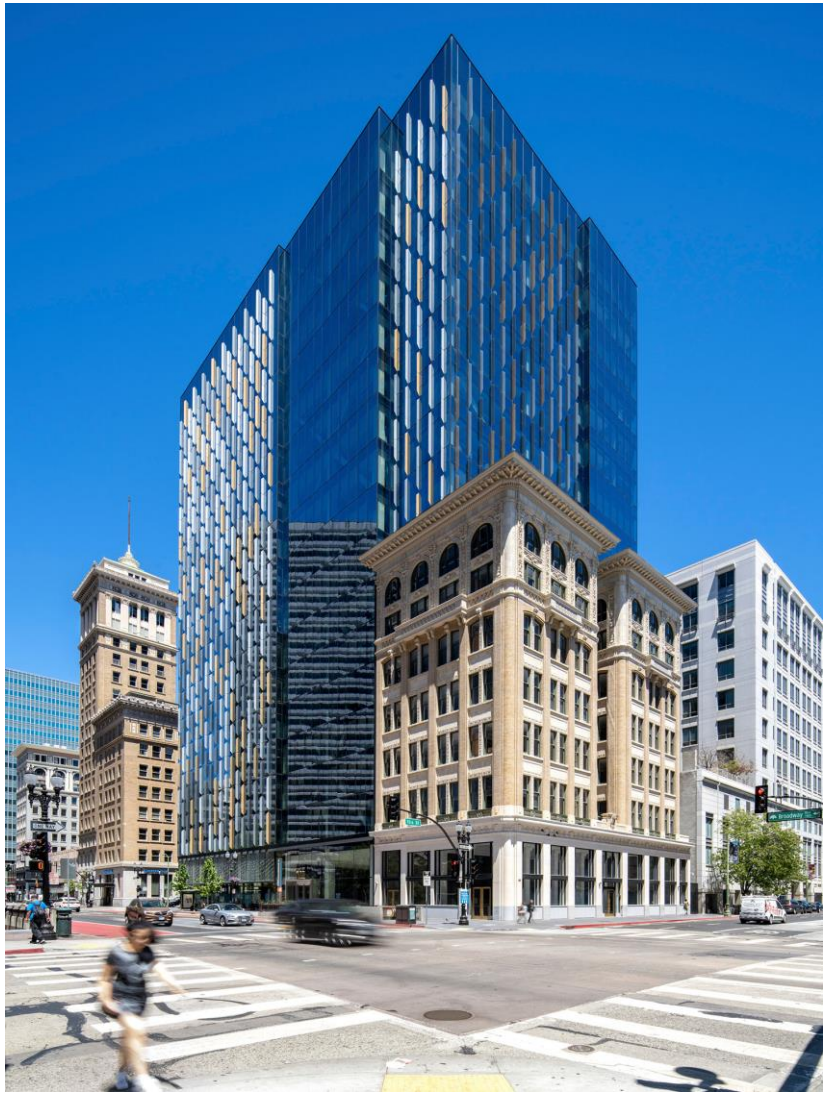


UCRS Advisory Board Meeting

Retirement Administration Service Center Update

Bernadette Green
Executive Director of RASC

June 23rd, 2023

The challenges we face:

1. We continue to receive a high volume of incoming calls resulting in long hold times for our members and prospective retirees.

2. We have not reach our fully staffed new headcount of 134 career roles.

3. Our prospective retirees are concerned that they will not receive their retirement pay and benefits (where applicable) on time.

4. We are unable to maintain focus as we manage expectations, while we improve.

Overview

Key initiatives happening within RASC

Processing member benefits:

- **Retirement processing** continues to **improve** – current average days to confirmation is **31 business days**.
  - Downward trend: Improvement of 12 days from 2022 and 14 days below SLA.
- Retirement elections **decreased** by **4%** in 2022:
  - As of June 12th, elections are **trending 15% below** the previous year.
- **Survivor benefit processing** remains an area of **dual focus**, current and backlog cases.
  - Current **one-time** applications are **below SLA**.
  - **Backlog productivity slows** due to multiple beneficiaries and payees.

Expanding member contact channels:

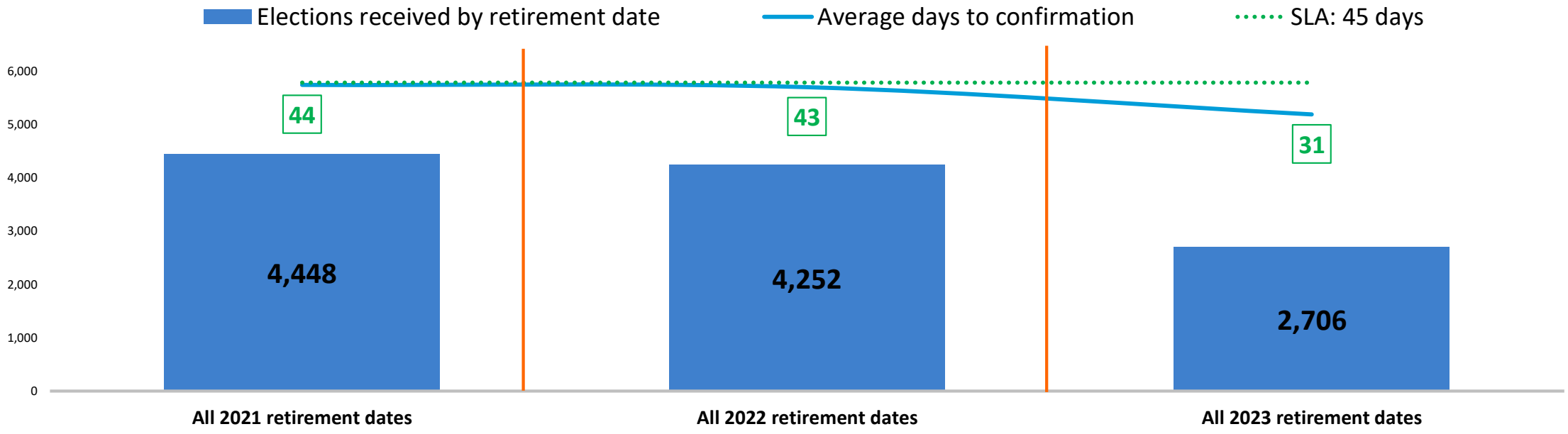
- Monthly incoming volumes **exceed 19,000 calls**.
- **Tier 1** support represents **40%** and are answered within **5 seconds**.
- **Survivor Intake** performance and impact are **on track**.

New teams and recruitment:

- We hired **34 new team members** over the last 12 months.
- Our **average time to fill** a position has reduced from 127 to **53 days**.
- Active recruitment continues for the remaining **open vacancies**.

Retirement processing: year over year

- Improve overall average to process retirement elections:
  - 2022 performance **improved by 1 business day** from the **previous year**
  - **As of June 12th,** the performance average is 31 business days, which is **14 business days below** the **Service Level Agreement** (SLA)

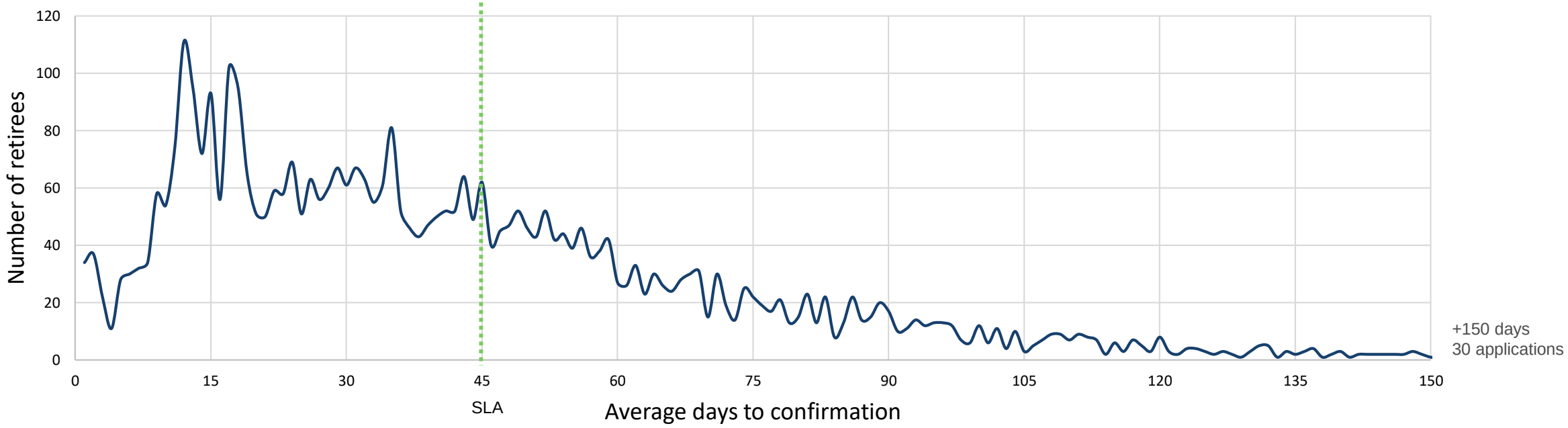


SLA: 45 business days from the election receipt date to generating confirmation of benefits statement

Results as of June 12th

2022 Retirement elections: process vs SLA

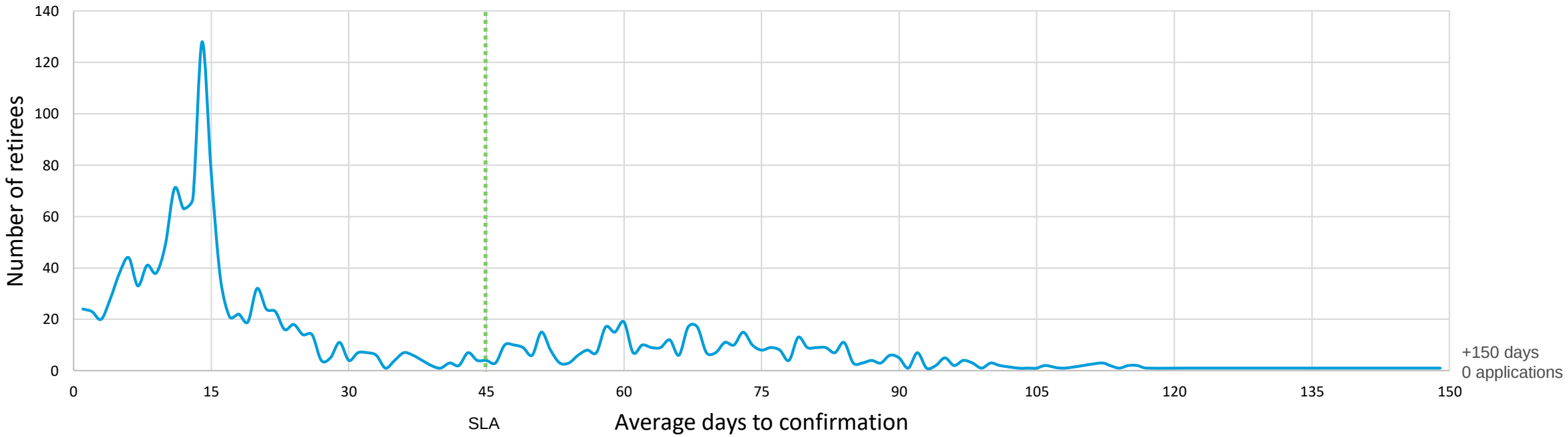
- 62% of retirement applications processed were at or below the 45 days SLA
- Assuming common pattern is a 90:10 distribution of difficulty – The maximum amount of time to process a case without exceptional complications was 86 business days
  - Those cases were processed within an average of 110 days



Results as of June 12th

2023 Retirement elections: process vs SLA

- 70% applications processed are at or below the 45 days SLA
- Assuming common pattern is a 90:10 distribution of difficulty – The current maximum amount of time to process a case without exceptional complications is 76 business days
  - As of June 12th, cases are processed in an average of 90 days – trending 20 days below the previous year

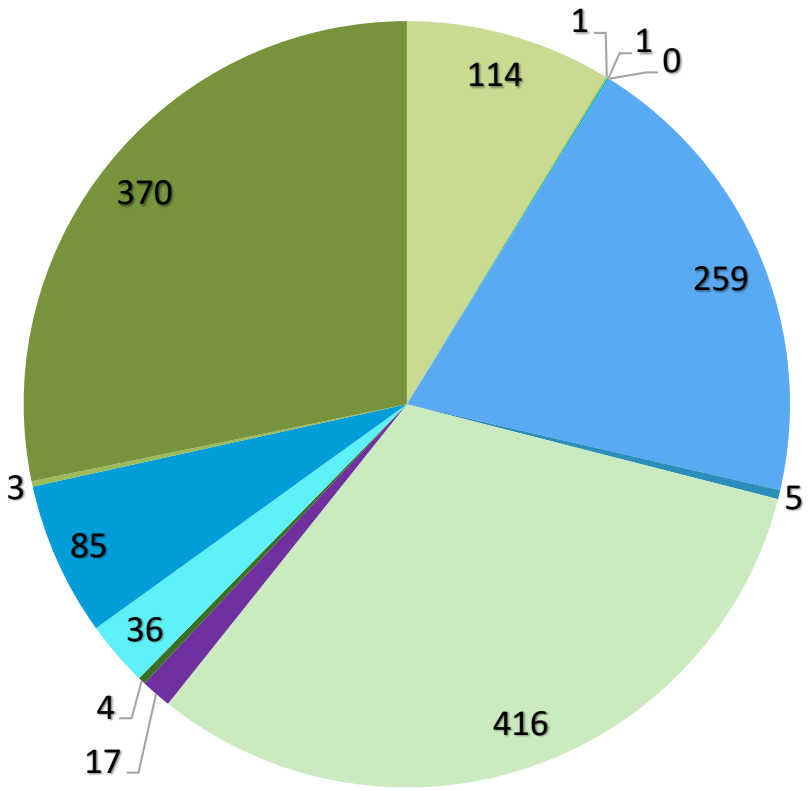


Results as of June 12th

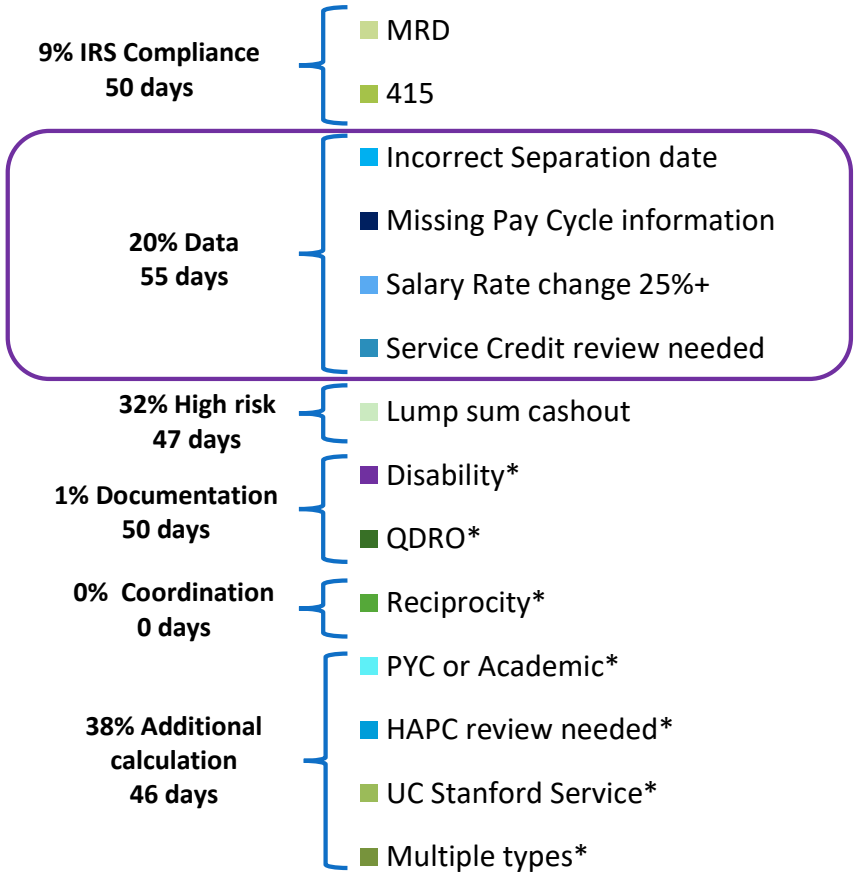
Retirement processing 2023 by “Complexity”

Areas of focus:

- Define complex versus Redwood capability
- Better coordination with other retirements systems
- Consistent interpretation of data
- Accept high risk timeline
- Validating HAPC where needed
- Build our internal capability



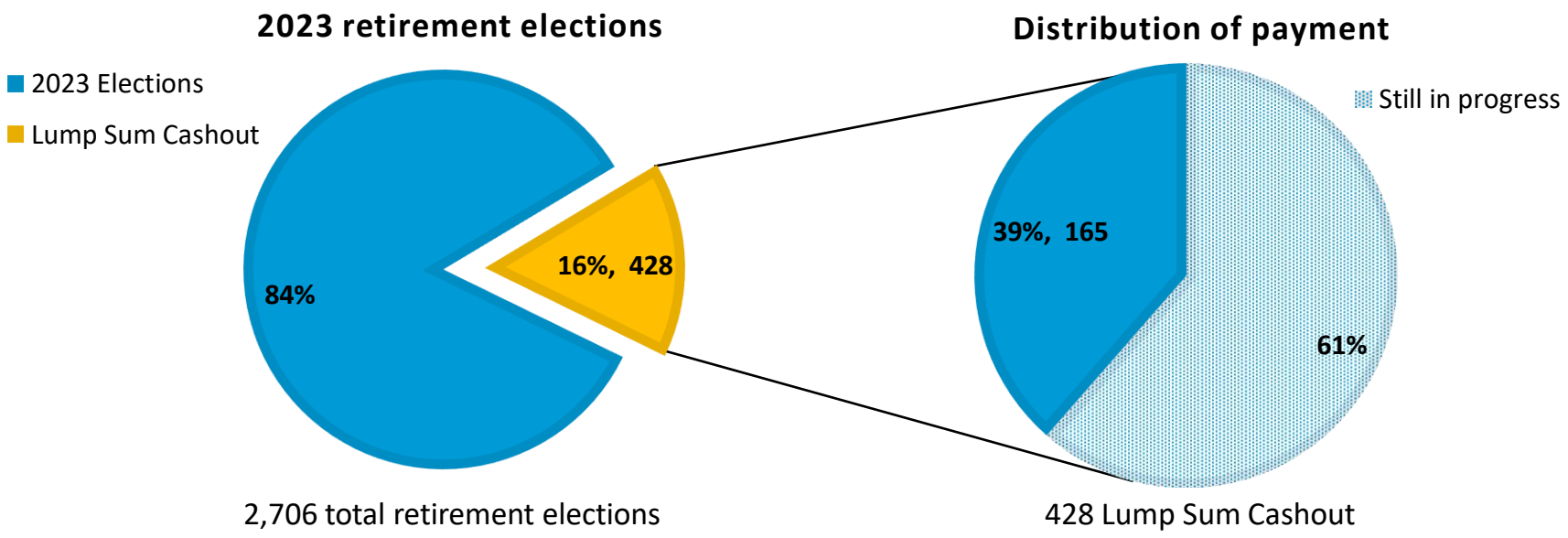
1,310 (48%) of 2,706
Population with
“complex” retirements



Results as of June 12th

Retirement elections: Lump Sum Cashout

- Lump Sum Cashout – a high risk complexity – are requiring an **average** of **63 days** to generate a confirmation of benefits statement.
- As of June 12th, **16% or 428 retirement elections requested** a **Lump Sum Cashout.**
- Of the population, **57% separated** from the University **this calendar year.**



The **average age**, at the time of retirement, for this population is **61 years.**

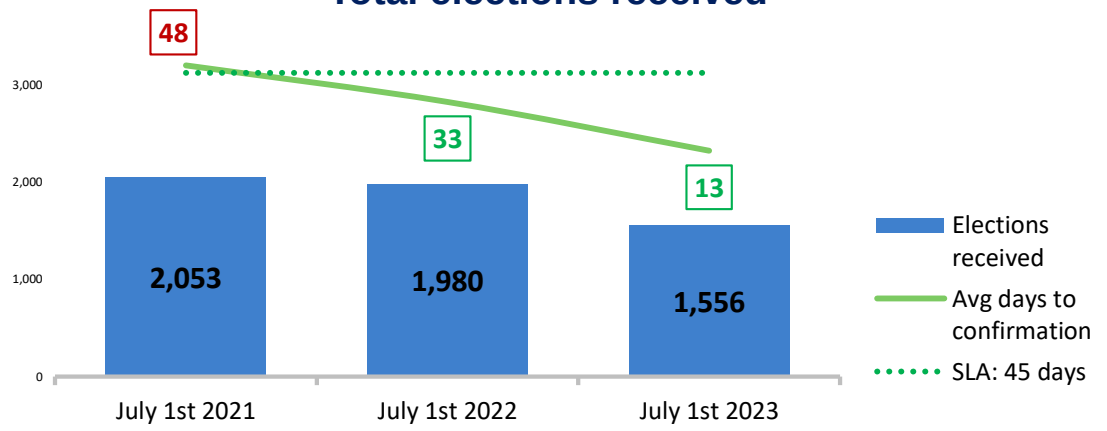
Results as of June 12th

July 1st peak seasons performance

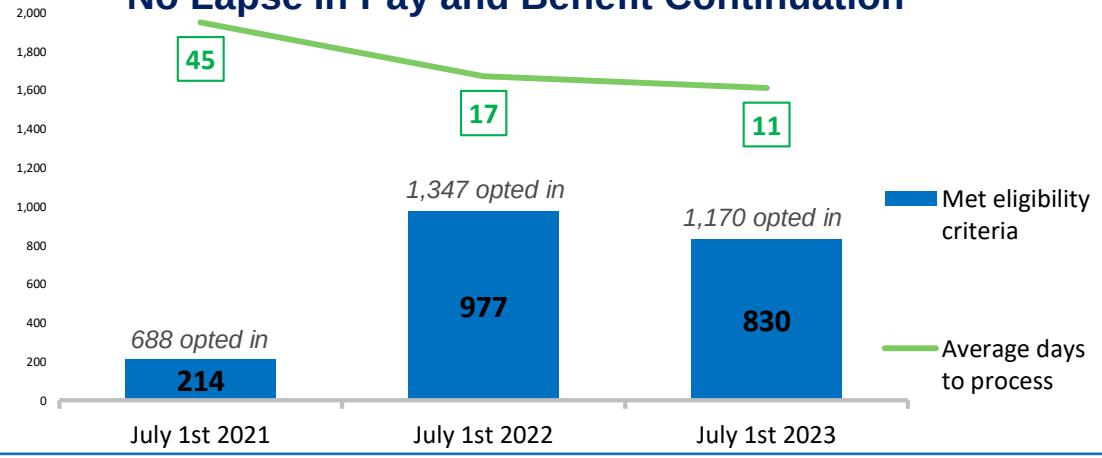
July 1st processing highlights

- July 1st performance continues to improve - 32 days below the SLA
  - 65% processed and ready for payment
- 2023 NLIP: Program complete and scheduled for payment.
  - Eligible participants represents 53% of July 1st retirements
  - We averaged 11 days to process
- 2023 streamline processing:
  - 52% were approved and processed via streamlined method
  - We averaged 18 days to process

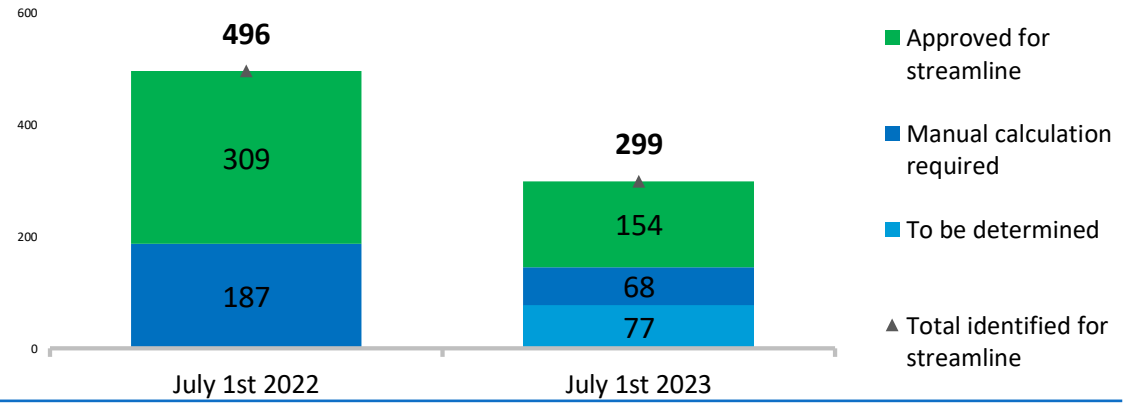
Total elections received



No Lapse In Pay and Benefit Continuation



Streamlined retirement processing



UNIVERSITY OF CALIFORNIA
Systemwide Human Resources

Results as of June 12th

Survivor P2P Pilot

Eligibility Requirements

- Post Retirement Survivor benefit
- Recurring payments (monthly)
- Contingent annuitant: Spouse or domestic partner
- Eligible Survivor: Eligible Spouse or Domestic Partner at time of retirement and still married/partnership

Alternative verification of death:

- Two sources for verification
  - Carrier notification
  - Center for Medicare Services
  - Pension Benefit Information (PBI) (may include multiple sources, including Social Security)
- Follow up request for death certificate: verify spouse
- 60 days – letter warning benefits will stop
- 90 days – if no response from the survivor, suspend the benefits until documentation is received

Ineligible Survivors/Exclusions

- Pre-Retirement Survivor benefits
- Death While Eligible to Retire
- One time Payments
- QDRO
- Multiple payees

Survivor processing

- Placeholder

Impact of expanding contact channels

Once fully implemented **74%** of incoming calls will be redirected to dedicated teams

13%
Direct contact
Insurance Liaisons

10%
Dedicated phone line
Survivor intake

25%
Scheduled appointments
Retirement Counseling

26%
Tier 1 call support
UnifyHR

- Members receive high-touch service from specialized teams
- Provides more flexibility for members to receive support
- Reduces incoming call volumes into the call center
- Customer Service Representatives have more availability to support higher-level inquiries

Assumptions leveraging data as of February 28th, 2023

Impact of expanding contact channels

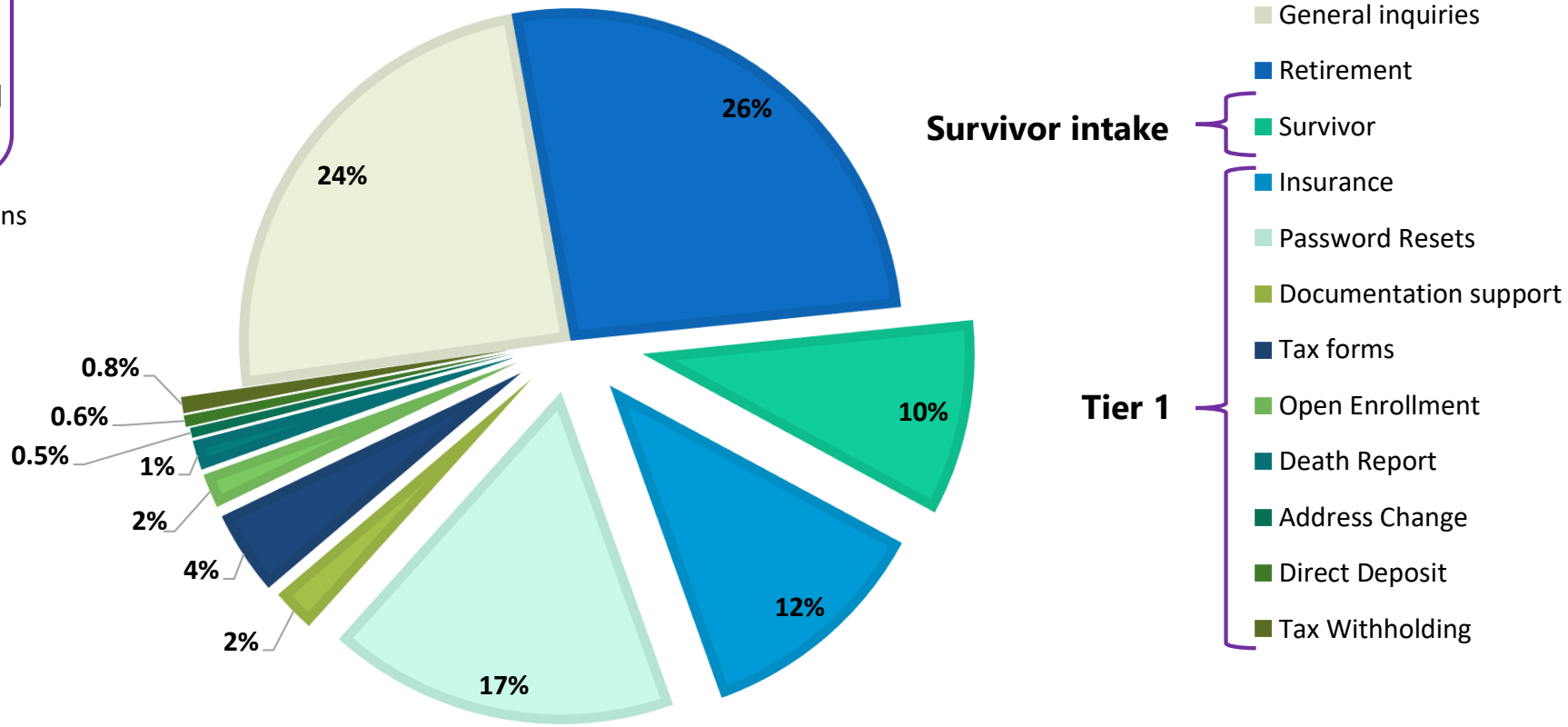
Call team impact:

Volume reduced by **50%**

Average speed to answer reduced from 54:09 to 24:48

Comparing assumptions against actual results

% incoming calls by queue
August 2022 – June 2023



Results as of June 12th

Retirement Services

Retirement Guidance
(Locations & Campuses)

Provide transition and coordination services to employees and new retirees, and where locally available, direct retirement support

Retirement Support
(RASC Member Services and Fulfilment)

Provide information to members related to their retirement, provide administrative support, perform outreach to update records, and refer cases to RASC Retirement Counseling & Advisory Services.

Retirement Counseling & Advisory Services
(RASC Advisory Services)

Advise members on key retirement decisions, provide advisory support and education, and perform outreach to clients to follow upon their cases.

Auxiliary Services

Fidelity: For members who select savings choice or supplemental plans, they provide information and decision-making tools related to those investments

Lincoln Financial: Supports members with disability claims

The "4D" Framework

DISCOVER

- Workshops
- Heuristic analysis
- User research
- Brand research and audit
- Content inventory/audit
- Analytic analysis
- Technical assessment

Discovery sessions started June 9th

DEFINE

- Sitemaps
- User flows
- Experience maps
- Personas and audience profiles
- Brand (style) guide
- Product scaffolding, architectural and platform foundations
- Release and sprint planning
- Product visioning

DEVELOP

- Wireframes
- Prototypes
- Visual designs
- Copy decks
- Asset creation
- Usability testing
- Content strategy and governance guide
- Technical architecture and integration blueprints
- Working code
- Product roadmap, release plan, and backlog
- Unit testing, functional tests, accessibly testing (etc.)

DELIVER

- Quality assurance testing
- User stories and groomed product backlog
- Production-quality code and working product(s)
- Content production and migration plan with SEO recommendations
- Technical design and functional design documents
- Deployment plan
- Strategies to encourage adoption

Deloitte. Digital

Focus for liaisons positions

01	02	03	04
Kaiser Permanente focused	Health Net and United Health Care focused	Anthem and Navitus focused	Medicare focused
Position filled:	Vacant:	Position filled:	Vacant:
Mela Asfaha	Offer in progress	**Shirley Lo**	Offer in progress

- **Always** considers the **customer's point-of-view** and anticipates customers' needs
- Delivers exemplary service to internal and external clients
- Improves operational controls and mitigate risks.

Payroll approach

Aligned with our mission to be a customer-centric organization who will deliver a superior service experience to active members, retirees, survivors, beneficiaries, and internal and external partners, we are in the process of realigning and centralizing retirement disbursement functions to a dedicated retirement payroll team.

Experienced Resources

Knowledgeable retiree payroll resources to support members and staff

Outstanding Quality

Accurate, efficient, timely and compliant processing of retiree payroll following industry best practices

Direct Member Contact

Providing timely responses and support to member inquiries

Aligned Partnership

Partnering with other key organizations that are included in the payroll process, such as BPA and UCPath

Our focus: Second half of 2023

People:

- Continue to recruit and hire our remaining vacancies
- Complete discovery sessions - Led by Deloitte Digital

Processes:

- Finalize our approach for retirement counseling and advisory services
  - Launch 4th quarter 2023
- Integrate and align payroll processes into new team
- Continue to expand internal capacity and Tier 1 support

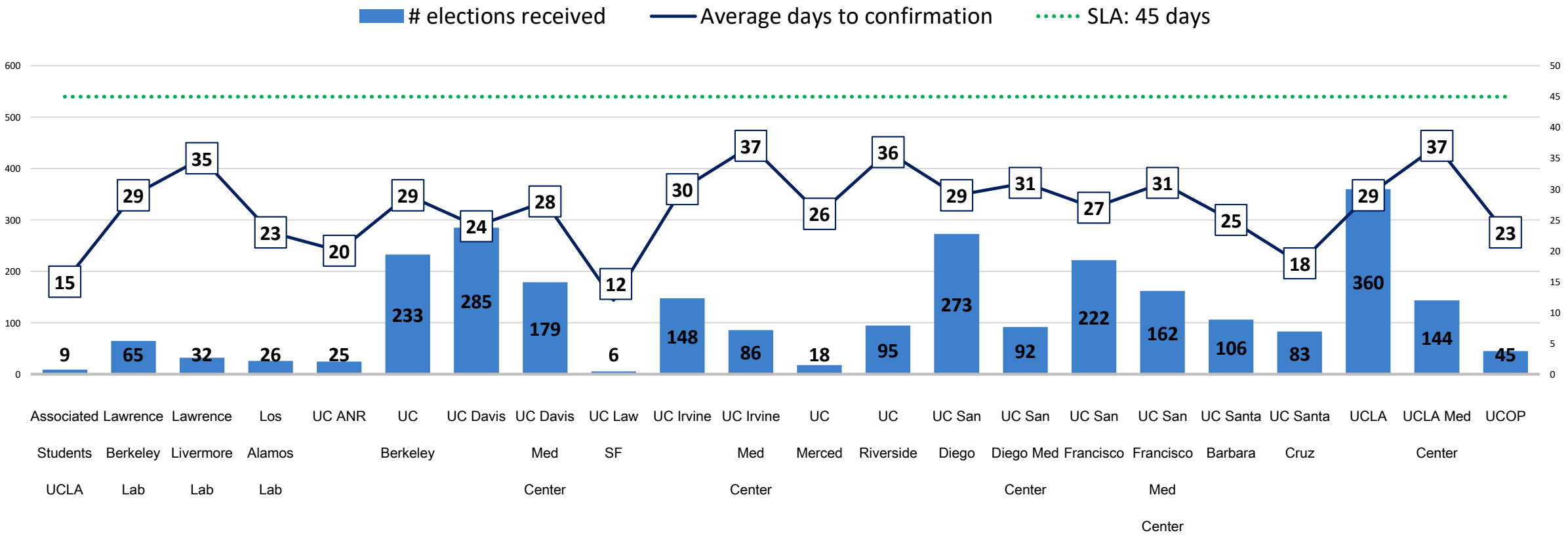
Technology:

- Continue to prioritize Redwood product strategy and roadmap
- Prepare to launch RASC Portal
- Prepare for Redwood hosting transition

Thank you

Retirement performance by campuses

Retirement elections from January 1st, 2023 through June 12th, 2023



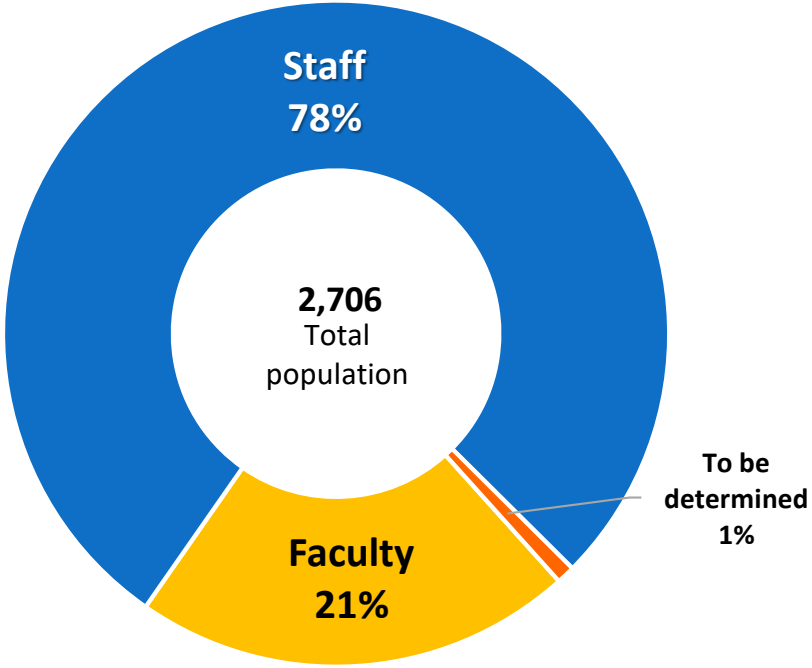
UNIVERSITY OF CALIFORNIA

Systemwide Human Resources

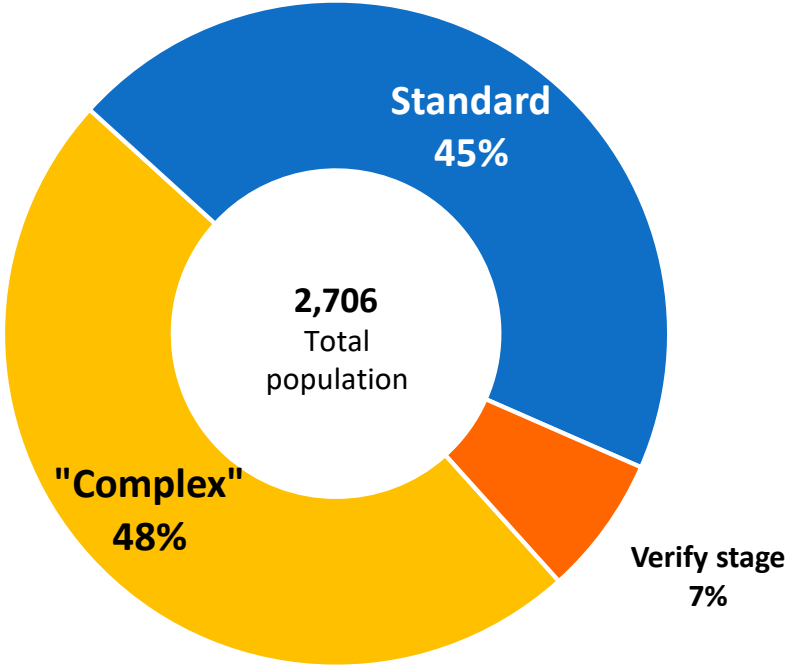
Results as of June 12th

2023 retirement population analysis

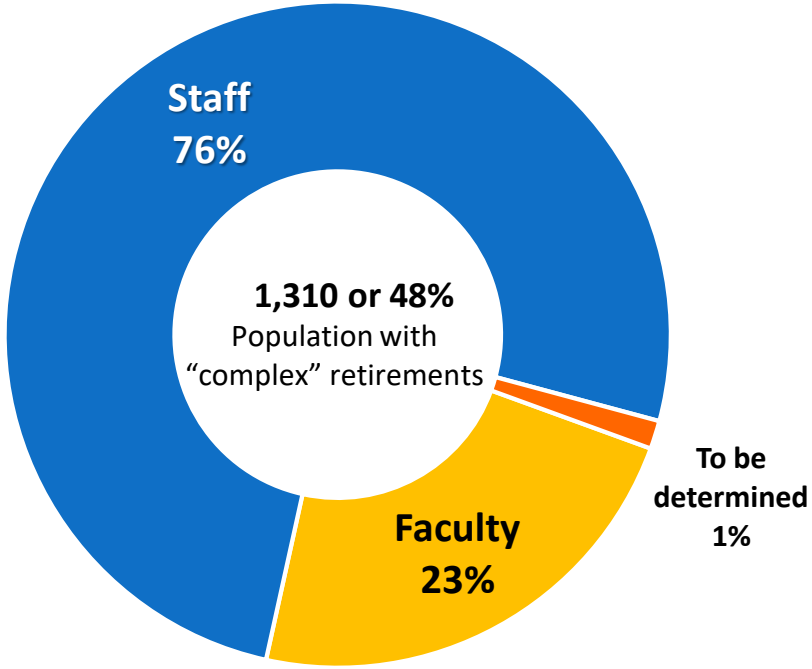
Faculty or Staff



Standard or "Complex"



Faculty or Staff by "Complexity"



Results as of June 12th