The Faculty Council on Retirement, Insurance & Benefits met Thursday, November 9, 2000 at 9:00 a.m. in 36 Gerberding. Chair Diane Martin presided.


ABSENT: Faculty Bliquez, Breidenthal, Lamont and Whittaker (excused). Ex officio Olswang.

Minutes from October 26, 2000 approved with amendments.

Prioritizing Issues for Coming Year
After introducing ASUW (Associated Students of the University of Washington) representative Dave Winsor, the Chair asked council members to refer to the list of proposed agenda topics that was compiled at last month's meeting and prioritize each of the items. Kochin suggested focusing on drafting recommendations to forward to the State Legislature pertaining to benefits. Waaland said Long Term Care would be a good topic to address. Dougherty saw Health Promotions as being of particular interest to retired faculty but she added that this was probably not a priority topic. The Chair noted that Katy Dwyer had said Health Promotion would be the purview of the Health Care Authority (HCA), not of the University. Dougherty then suggested presenting the idea to the HCA to negotiate a rate decrease with insurance providers.

Kochin suggested using the newly revamped Human Resources (HR) web site to update faculty on benefits information. Dwyer mentioned that the new HR web site allows users to customize the way they view their benefits information. Brandt suggested the council look into irregularities in the way retired and 40% reemployed faculty are treated. FCRIB spoke with Steve Olswang about this last year and he said there was some flexibility for how 40% reemployed faculty are treated. Henley offered to get information on this and bring it to the next meeting.

Several council members asked why it was necessary to have duplicate dental benefit payments when two state employees are on the same dental plan. Waaland agreed that out of pocket dental expenses are greatly increased when two state employees are on the same dental plan. Dwyer explained that it is a very expensive benefit, much like vision and orthodontics. She added that many employers do not offer dental benefits because of the cost. Martin agreed that most of the larger employees offer dental benefits but most small employers do not.

The council discussed the idea of having sliding scale premiums whereby state employees who made the lowest salaries would pay less for benefits than employees who made higher salaries. Dwyer remarked that this would be a cutting-edge benefits plan as there are only a few state subsidized programs like this in the country. Henley noted that a sliding scale benefits plan would mean a straight contribution by the state to lower-paid employees.

Several council members wanted to discuss why there was no longer a managed care health insurance plan using University of Washington Physicians. Dwyer explained that it relates to how all academic medical centers are struggling with managed care costs. Frey reported that he had spoken with Steve Olswang about state subsidies for retired employee health benefits; Olswang informed him that the state is interested in this possibility.
Several council members were interested in exploring financial planning options at the UW. The Chair suggested possibly hiring a full time financial planner at the University. She also proposed working with a financial planner to provide different scenarios for faculty benefits and investment packages and added that perhaps FCRIB could issue periodic "alerts" to faculty regarding changes in benefits. Dwyer declared that she would love to have guidance from faculty on the issue of financial planning. Human Resources (HR) needs to know which financial planner(s) to hire--how should HR vet them? Should HR offer different planners each year? All these are questions that require faculty input.

Frey asserted that you do not want to homogenize these planners--you want a wide array of views. He also suggested that FCRIB leave enough time for an action component after the council has gathered all the information on financial planning. Henley asked, why not get someone from the Business School to give financial planning advice? Dougherty agreed that these faculty should at least be involved in the discussions. Chamberlain asked how other schools handle financial planning. Dwyer replied that she could provide information on what other schools are doing.

Several council members said they did not feel it was fair to allow the University to sign exclusive agreements with one bank to put fee-based ATM's on campus and to exclude all others. Chamberlain said he would look into the possibility of allowing credit union or other non-fee ATM's on campus.

Dwyer and Chamberlain agreed to explore expanded tuition benefits for faculty, staff and families.

Regarding campus parking benefits, Dwyer noted that the University had to abide by Seattle city ordinances concerning parking and that the problem is more of a public policy issue. Frey wanted to know if FCRIB gets regular updates on transportation issues. Who would be the contact for these issues? The Chair proposed that FCRIB make arrangements with UW Transportation Dept. and the Faculty Council on University Facilities. Dwyer agreed that it would be helpful to have at least an annual update on transportation issues.

Dwyer reported that there are some good initiatives relating to childcare benefits for UW employees that need to be expanded. Someone from HR could present these initiatives to FCRIB as soon as the council is ready.

The council discussed how best to disseminate benefits information to faculty. It would be helpful to find out how faculty want to be approached with this information: email, web, mailers. Kochin said he thinks the new HR website is central to keeping faculty informed about their benefits. The Chair proposed that the Subcommittee on Benefits Education (Frey, Dwyer, Dougherty, Boxx and Brandt) come up with some action the council could take this year to educate faculty about benefits.

Regarding Benefits Comparisons with Peer Institutions, Frey said the council needs to be open to different systems of data presentation: if the Administration presents the data it will turn out one way--if the faculty presents the data it will, of course, turn out differently. Waaland asked if Frey was referring to salary or compensation. Kochin suggested not separating the two. Dwyer agreed that last year's study of Peer Institution Benefits presented by Phil Hoffman's office was a good start but FCRIB needs more data on actual peer salaries, not just benefits as a percentage of salary.
A majority of council members said FCRIB should focus on potential tradeoffs in the State Legislature between salary and benefits. Because UW faculty are a small percentage of all state employees, we must build consensus with other state employee groups to work effectively with the State Legislature. The council also needs to determine what faculty desires and preferences are concerning salary and benefits. The council could survey the faculty to find out what their preferences are, then work with Legislative Reps. Richard Ludwig and Jan Sjávik to draft and submit a Class C resolution to the Senate in early January 2001. Dwyer said she was collecting information on benefits tradeoffs and would bring the data to the next FCRIB meeting. Kochin, Dwyer and Chamberlain agreed to serve on a Legislative Matters Subcommittee to help draft Class C legislation.

Chamberlain advanced that the issue of a potential salary/benefits tradeoff is huge and the council needs to get whatever information it can on an ongoing basis. The Chair commented that there are numerous issues to stay abreast of including the K-12 teachers' cost of living raise, increases in the cost of living in Seattle, and the legislative spending cap. It would be helpful to have periodic updates on these and other issues. Chamberlain said the Subcommittee would meet with the Legislative Reps. as soon as possible to see what they need in terms of a Class C resolution. The Chair proposed that the subcommittee might begin with the question, "Would faculty rather see lower benefits costs or higher salaries?" Brandt noted that in order for faculty to make informed decisions the council will need to provide them with illustrations of different options.

Three committees were formed to address these issues. (See attached FCRIB Committees). The Chair instructed the members to meet via email or in person to set an agenda for the year and report to the Council at the next FCRIB meeting, Dec. 14.

The Chair said she would be writing an article for U Week that will appear in the January 18 issue. She would like to have as much information about outreach and dissemination events for faculty benefits as possible so she can include the information in the article.

The meeting adjourned at 10:30 a.m. Minutes by Todd Reid, Recorder.