

Minutes of 21 February 2005  
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**THE UNIVERSITY OF MICHIGAN  
SENATE ASSEMBLY MEETING  
21 FEBRUARY 2005**

**Present:** Abdoo, Albers, Aller, Berent, Bhavnani, Brown (retiree), Cebulski, Chang, Combi, Ensminger, Gull, G.R. Holland, M. Holland, Hollar, Huntley, Kahn, LaChance, Lehman, Lemos, Matjias, Meerkov, Pedraza, Peters, Pohl, Prygoski, Quint, Sagher, Sahiner, Seabury, Senkevitch, Severance, Smith, Smock, Stark, Thouless, Zorn

**Alternates:** Ashe (LSA-Nat Sci for Lange), Brock (Medicine for Ohye), Cureton (LSA-Humanities for Liu), Gest (Medicine for Koopmann), Lavaque-Manty (LSA-Social Sci for Mitani)

**Requested Alternate but None Available:** Burant, Carlisle, Fricke, Schultz

**Absent:** Agrawal, Andersen, Annich, Bartlett, Ben-Shahar, Ceballo, Colas, Fishman, Giordani, Goldman, Green (Retiree), Hu, Hutchinson, Ludlow, Luera, Moran, Orr, Potter, Pritchard, Robertson, Ross, Rush, Schwendeman, Sension, Seyhun, Simpson, Tropman, Watkins, Wechsler, Shatley, Younker, Ziff

**Alternates Absent:** Maddock (LSA-Nat Sci for Jackson), Vaillant (LSA-Soc Sci for Benamou)

**MATERIALS DISTRIBUTED**

1. Senate Assembly agenda
2. Draft minutes of the Senate Assembly meeting of 13 December 2004
3. Draft minutes of the Senate Assembly meeting of 24 January 2005
4. Senate Advisory Committee on University Affairs (SACUA) Election Procedures Guidelines, dated 16 February 2004
5. Faculty Satisfaction with AdvancePCS Prescription Drug Program, dated 21 February 2005
6. Budget Study Committee Report to the Senate Assembly, dated 21 February 2005
7. Bylaws of the Board of Regents of the University of Michigan. Chapter IV. The University Senate.
8. Rules of the University Senate, the Senate Assembly and the Senate Advisory Committee on University Affairs, dated April 1997.
9. Charge to the Rules Committee, dated 19 December 1977
10. Memorandum to S. Berent from J. Riebesell, dated 21 January 2005, regarding chair and vice chair election

The meeting was convened by the chair at 3:17 P.M. The proposed agenda was adopted with a change of order.

## **ANNOUNCEMENTS/UPDATES**

1. Chair Berent announced that the Nominations Committee for SACUA membership has been doing its work by e-mail. Only one candidate has already agreed to stand for election. He encouraged nominations, including self-nominations, by 1 March 2005.
2. Berent introduced Ms. Laurita Thomas, U-M chief human resource officer, who was attending the meeting as a guest. He introduced her range of responsibilities, including benefits, total compensation, work/life services, records and information services, affirmative action and diversity. He asked Ms. Thomas if she wished to add anything to his introduction. Ms. Thomas replied that relative to the Assembly, one of her responsibilities was labor relations.

## **ADVANCEPCS OPINION POLL UPDATE**

The chair invited Professor Pedraza to report results from the Senate Assembly's opinion poll about prescription drug benefits that was conducted during the previous year. Professor Pedraza called attention to distributed item 5, and her presentation paralleled the written document. She pointed out that 46% of active faculty reported their satisfaction level with AdvancePCS, U-M's prescription benefits manager (subsequently taken over and renamed CareMark), as very low or low. She said that the same figure for retirees was 21%; 58% of retirees registered their satisfaction level as high or very high.

Professor Pedraza said that important issues for satisfied retired faculty were savings, fast service, and lack of paperwork. Sources of dissatisfaction were bottle sizes, poor service, difficulties with overseas travel, unresponsiveness, harm to local pharmacists, and the sense that non-medical personnel were dictating to physicians. She said that active faculty had many more issues of dissatisfaction than retired faculty. She read examples of comments, both positive and negative. She concluded that there is considerable room for improvement and that problems seem to be persisting. She said that continued monitoring of opinions was needed. She also called attention to pending legislation at the State level described at [www.pharmacychoices.org/Legpress.html](http://www.pharmacychoices.org/Legpress.html). She concluded her prepared remarks at 3:38 P.M.

A member of the Assembly reported that not only the PBM but M-Care as well were still using Social Security Numbers as identifiers, and that they have resisted changing that practice. Another member asked what would happen to the report. Professor Pedraza replied that she has now presented it in the presence of Ms. Thomas, and she asked if Ms. Thomas would like to offer a response.

Ms. Thomas commented that there were no surprises in the findings from the Senate Assembly survey, and that her office was aware of attitudes. She said that the CareMark contract expires this year and that the administration would be issuing an RFP and seeking alternative vendors. She said they might split out the mail order business from pharmacy services.

## **CONSIDERATION OF THE MINUTES OF THE SENATE ASSEMBLY MEETING OF 13 DECEMBER 2004**

The minutes were approved as submitted.

## **CONSIDERATION OF THE MINUTES OF THE SENATE ASSEMBLY MEETING OF 24 JANUARY 2005**

The minutes were approved as submitted.

### **BUDGET STUDY COMMITTEE REPORT**

The chair introduced Professor Charles B. Smith, chair of the Budget Study Committee, at 3:45 P.M. Professor Smith called attention to distributed item 6, and he reviewed the committee report with the help of a PowerPoint presentation. He listed the members of the committee and extended special thanks to Professors Emeriti Lomax and Chudacoff. He also expressed thanks for staff support, but remarked that the business of the committee has been hampered, and progress suffered, owing to the fact that the position formerly occupied by Ms. Mary Mandeville in the Faculty Senate Office has not been replaced.

Professor Smith explained that the Budget Study Committee had been conceived and initiated by Wilfred Kaplan as a means to assess the ways in which the administration spends university funds. Its initial achievement was to document that the disproportionately large growth in administration over the past several decades had actually been funded by student tuition increases. He said that the BSC plans to update that historical analysis in its next report.

Professor Smith noted that the BSC had investigated the cost/benefit basis for the Periodic Health Appraisal Unit when the administration first proposed closing it. He said that macroscopic analysis across budgetary units revealed that detection and prevention of one or two serious health cases each year would pay for the entire program, thereby saving money in the health care budget. Nonetheless, the administration closed the unit.

During the past year, the BSC has been investigating prescription drug benefits. Smith remarked that they reviewed two satisfaction surveys, one conducted by AdvancePCS itself, and one by the Senate Assembly. He explained that the contract with the PBM stipulates that there must be a 95% satisfaction level maintained. He noted that the Senate Assembly survey uncovered widespread dissatisfaction far above the 5% level, but that the survey by AdvancePCS claimed the opposite. The disparity, Smith explained, arose because although AdvancePCS offered a 5-point scale for comment, all but one of the possible responses was scored as evidence of satisfaction.

Professor Smith said that the BSC has also compared prescription drug benefit plans of bargained-for groups versus the non-union employees, including faculty. He reported that the benefits for the unions were superior to those of the faculty. He also reviewed the average salaries of faculty and their increases over the previous two years. Finally, he pointed out that the U-M administration has received about one million dollars in 'rebates' from the PBM based on the drugs purchased by U-M subscribers. He said that the BSC has so far been unable to determine where the rebate funds were going inside the U-M. Professor Lehman asked how the lower co-pays enjoyed by the union employees are being subsidized. Professor Smith replied that he did not know for sure, but that they were probably being subsidized by the non-union faculty and staff.

A member of the Assembly asked if skilled tradespeople are able to augment their U-M Health Reimbursement Accounts. Professor Smith pointed out that the union workers can have their own flexible spending accounts in addition to the Reimbursement Accounts. Professor Smith concluded his report at 4:07 P.M.

## **OLD BUSINESS**

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### **ACTION OF THE SENATE ASSEMBLY 022105-1**

Professors Lehman and Meerkov moved that the Proposal to reform Rules for election of SACUA chair and vice chair:

Whereas newly elected members of SACUA presently are denied the opportunity to vote for their chair during the first year of their term, and

Whereas the Rules Committee has recommended that the election of SACUA chair should occur after the new year class of SACUA members has been elected, and that new members should participate in the election of their own chair and vice-chair

Therefore the Senate Assembly declares that election of the chair and vice-chair of SACUA and Senate Assembly should occur in May, as soon as the new class of SACUA members has been elected and seated.

Professor Thouless offered an amendment that outgoing members of SACUA could nominate a slate for chair and vice-chair. The amendment was accepted as a friendly amendment without vote.

Professor Lehman reported that the proposal had been transmitted to SACUA by the Rules Committee, but that the proposal had been defeated by SACUA in a tie vote decided by outgoing chair Berent.

In response to a question from the floor about the existing timetable for the chair election, Chair Berent stated that the Regents Bylaws specify that the chair and vice chair are elected by the "current" or "old" SACUA membership. He claimed that the Regents' Bylaws specify a date for the election as "March or something like that." He invited Mr. Schneider from the Senate Office to address the Assembly. Mr. Schneider pointed out that within the Senate Assembly itself, new SACUA members are elected by the body of the whole in March even though one third of the Assembly members rotate off the Assembly each summer. Chair Berent said that the Senate Assembly had decided in 1994 that the SACUA chair election should occur in January or February so that the incumbents could arrange 50% release time from their departments. He said that it was his understanding that there had been an informal reading from the Regents that such would be acceptable. Chair Berent argued further that although the Rules Committee has

been invoked as originator of the proposal, SACUA had not asked the Rules Committee to offer an opinion on the matter. Rather, he said "somebody else" brought the matter before the Rules Committee, and he noted that the proponents of the active motion were affiliated with the Rules Committee.

Professor Ensminger pointed out that the SACUA chair position carries a 50% salary subvention from the Office of the Provost, although it has been his observation that the position does not require 50% effort. He said it would be wise to do an analysis of the true time commitment because it has become a lucrative position for individuals obligated to raise some of their own salary. Professor Smith said that he had witnessed first hand a case in which the newly elected SACUA majority was dissatisfied with the leadership that had been elected by the outgoing members. Another member remarked that a few weeks did not seem like too long to wait for elections, and suggested that the officers could even assume office in September. Chair Berent responded that a lot of work is done during the summer, and that is when the chair and vice chair meet with the executive officers. Berent said that it makes sense to have an experienced group working over the summer. He remarked again that the proposal had come before SACUA and that it had been voted down, whether by one vote, that did not matter. He likened the current proposal to "getting another bite of the apple." He suggested that SACUA take the matter under advisement and maybe enact it for the following year. He said that it was not going to affect him either way. He added that the status quo had been in place since about 1980 and there was no reason to change it.

Debate continued until members remarked that quorum was eroding, and they called for a vote on the question.

Vote on the active motion:

Number approving- 16

Number disapproving- 19

Abstentions of record- 1

The motion was declared defeated.

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#### **NEW BUSINESS**

There was no new business.

The meeting adjourned at 4:48 P.M.

Respectfully submitted,

John T. Lehman  
Senate Secretary

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**University of Michigan Bylaws of the Board of Regents, Sec. 5.02:**

*Governing Bodies in Schools and Colleges*

In each school, college, or degree granting division of the University, including those at the University of Michigan-Dearborn and at the University of Michigan-Flint, the governing faculty shall be in charge of the affairs of the school, college, or division, except as delegated to the executive committee, if any, and except that in the School of Graduate Studies the governing board shall be the executive board, and in the Medical School shall be the executive faculty.

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