



Committee on the Economic and Social Well-Being of the Faculty (CESWF)

Minutes of Meeting: 2/5/24

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Approved: 3/25/24

Present: Rebekah Modrak (SACUA liaison), Elham Mahmoudi, Chris Rider, Hakem Al-Ruston, Louise Stein, Yasmina Laouar (Chair), Yulia Sevryugina, John Thomas

Absent: K. Rivet Amico, Christina Aplin-Snider, Suzanne Selig, Elif Oral

Guests:

- Donald Anderson
- Robert Fraser
- Margaret Kahn
- Linda Southward
- Charlotte Whitney

Faculty Senate Office: Eric Vandenberghe, Luke McCarthy

1:02pm-1:08pm: Call to Order, Approval of Agenda and Minutes, Announcements

The agenda was approved. The minutes for the January CESWF meeting will be reviewed at the next meeting. Introductions were made by the guests.

1:08pm-2:48pm: Recent Changes to Retiree Benefits

Summary: The Chair provided an overview of the timeline of the issue. The goal of the meeting is to get context and recommendations for how the committee can assist. Each of the talking points provided can be found on the agenda.

Peggy Kahn is the first guest introduced. The administration have favored savings over access. Peggy indicates that this is misguided, and offers three primary points as to what should be done immediately: Gold-card Michigan Medicine, allow for a timely release of retirees from UM Advantage Plans, and provide clear information to retirees on plan changes and related UM policies. Question regarding how the process works for gold-carding a health system is asked and reviewed. An emphasis on including Medigap guaranteed issue is made, as an addition to the timely release from the UM Advantage Plans.

The FSO Director indicates that EVP Geoff Chatas and head of the Benefits Office, Brian Vasher, are the two people who will be able to make changes.

A point is made that the communication about the change was not adequate, and led many retirees to be surprised to find that their benefits had been negatively impacted. There is a great deal of anxiety caused from the change, and also the lack of communication. Loss of provider access is a key issue that many, both in Michigan, and outside of Michigan, are facing. Specific examples are given. Many retirees don't know if they can be released from

their plan to switch to a different plan.

Background information on the difference between different types of insurance plans are clarified.

Retired faculty are not being consulted with these changes. Do you have the authority to change your plan back? Was it legal to change it over in the first place? What are the possible remedies? This is discussed further.

The timeline of events is reviewed. The initial notice of these changes was sent to the retirees in October, with the change taking place on January 1st. A point is made that this is insufficient time to prepare for these changes. Many feel that the communication of the impact of the changes was inadequately communicated. These two points are laid out as being critically important.

The guests would like the administration to take responsibility for issues that have come up as a result of this change, and rectify the situation.

A Google Doc is started for the committee to work on. The recommendations will be sent to SACUA upon completion.

Recommendations provided by the guests generally:

- There should have been a grandfathering in of retirees who wanted to keep the old plan
 - o This has been done in the past with certain aspects of the plan
- Giving an option to retirees is important
 - o This was a benefit of their employment, and limiting it now is a huge issue
- Retirees should be consulted on changes to their benefits, including formal representation on any decision-making boards
- There should be an article written and widely shared that describes the changes, the remedies, and an answer to the most pertinent questions related to these changes.
- There should be an option for the retirees to go back to the old plan, even if it is at a higher cost.
- The drug prescription plan is important.

Recommendations from Peggy:

1. Longer term: Add back a policy secondary to Original Medicare.
2. Short term: Clarify release policy
3. Clarify providers in networks and accepting/rejecting.
4. Set up a special help line with BCBS.
5. Refer to SHIP counselors in beneficiary state.

Recommendations from Chris Rider

- (1) We expect UM to account for the process that led to this decision and justification for the decision;
- (2) We expect UM to provide opportunities to revisit this change and, more specifically, to recommend specific options as discussed here; and
- (3) We expect UM to provide an explicit statement of implications for current employees and future retirees (e.g., under what conditions do they reserve the right to make future

changes?).

A final point is made that the loss of benefits is a major recruitment issue. The benefits are a key aspect of recruiting talented individual to all three UM campuses. UM will lose existing and potential personnel as a result of these types of changes

Action: Discussion and recommendations

2:48pm: Adjournment

Respectfully submitted,

Eric Vandenberghe
Faculty Governance Coordinator
Faculty Senate Office