

Minutes 13 December 2010  
Circulated 21 January 2011  
Approved 24 January 2011

**UNIVERSITY OF MICHIGAN  
SENATE ASSEMBLY  
13 DECEMBER 2010**

**Present:** Andre, Aronoff, Atkins, Barber, Bielinska, Booth, Borer, Boxer, Brown, Ferris, Folger, Fraser, Friese, Frost, Giordani, Goldman, Johnson, Jones, Kearfott, Koopmann, Lehman, Lenk, Lusmann, Miller, Nassauer, Norton, Ortega, Panda Zayas, Pipe, Poe, Rothman (chair), Sheets, Shore, Smith, Soellner, Staller, Sun, Trandafirescu, Williams, Wolfe, Zengulys

**Requested Alternate, None Available:** Adlerstein-Gonzalez (SNRE), Armitage (Medicine), Bergin (LSA), Davis (Law), Gumucio (Medicine), Hirshorn (Dearborn), Holland (Dentistry), Jenckes (LSA), Kurashige (LSA), Larsen (LSA), Millunchick (Engineering), Sharma (Dearborn), Silverman (Dearborn), Westlake (Music)

**Alternates:** Custer (Beck-Medicine), Shedden (Carson-LSA), Talsma (McCullagh-Nursing)

**Absent:** Ahbel-Rappe, Barald, Crane, Dorsey, Green, Hardin, Jagadish, Mars, Najita, Navvab, Nunoo-Quarcoo, Prygoski, Reynolds Keefer, Salesa, Sohn, Yang

MATERIALS DISTRIBUTED:

1. Draft Senate Assembly Agenda
2. Draft minutes of the Senate Assembly meeting of 15 November 2010
3. SACUA election material guidelines
4. [“Productivity and the Value of the Faculty”](#)

The regular monthly meeting of the University of Michigan Faculty Senate Assembly was held on 13 December 2010 at 3:20 pm in the Forum Hall of Palmer Commons, the Chair being at the podium and the Secretary being present.

3:20 Call to Order

There was not a quorum at the beginning of the meeting.

3:21 Announcements

Chair Rothman announced that at the next Senate Assembly meeting, planned for 24 January 2011, Senators will be choosing a nominating committee for Senate Assembly and SACUA members and that Provost Hanlon will speak.

He also spoke of the current participation levels of the AEC annual online survey of administrators. He encouraged members to participate.

### 3:23 Faculty Productivity

Chair Rothman spoke about the increasing levels of faculty productivity. He had raised this issue with the Regents in their November meeting in Flint. The handouts today show that research expenditures have doubled over a decade while tenure track and tenured faculty have increased less than ten per cent. In the same period, degrees awarded moved from about 9,500 to about 11,500 and the student body increased by about 4,000 students. The number of faculty has increased marginally, but the workload and productivity has increased significantly. ***The handout provided to Senate Assembly will be linked.*** Comments were welcomed.

The question was raised about the increase in the numbers of non-tenure track faculty. There has been a large growth in clinical faculty and lecturers. One area for future investigation is the degree to which clinical faculty transferred from tenure-track positions. The question was raised whether this reflects the national trend to push back against tenure and to what degree the additional clinical faculty are the basis for the increased grant revenue.

In further announcements: Three task forces have been productive. Larry Boxer has reported. The Senate Assembly Health Plan Incentives Task Force, headed by Charlie Koopman, and the SACUA Continuous Enrollment Task Force, headed by Gina Poe, are currently working.

3:36 A quorum was attained.

### 3:37 **Guest: Vice President for Student Affairs Royster Harper and Director of Student Housing Linda Newman.**

The Director of Student Housing spoke. The University has the third largest residential population in the country. In 2004, President Coleman announced the residential life initiatives, focusing on six major components, including these two:

1. Life safety.
  - a. Upgraded fire alarm systems and sprinkler systems.
  - b. Infrastructure improvements including upgrading electrical substations and IT substrata.
  - c. Improvements include major renovations to Mosher Jordan Hall and Stockwell Hall.
  - d. Dining halls revamped completely.
  - e. North quad was built, a 460-bed hall and the first new hall built in four decades.
  - f. Couzens Hall and Alice Lloyd Hall are under renovation currently.
2. Living Learning Experience – various programmatic offerings including:

- a. Michigan Learning Experience
- b. First Year Experience
- c. Sophomore Year Experience
- d. Theme Communities, including nine students whose theme is entrepreneurship.
- e. Learning Spaces
- f. Community Learning Centers

A question was raised about the intent of improving the University athletic facilities for students, the worst in the Big Ten. Ms. Harper said that plans are being prepared and she should have more information by spring.

A question was raised that, given the renovations and new building, how green are we. Response: We don't have the number yet, but in time, the tracking of the energy efficiency in the new or renovated facilities will demonstrate how successful are.

#### **4:03 Approval of Agenda and the 15 November 2010 Minutes**

Professor Frost moved to approve the agenda. Seconded and passed unanimously. Professor Frost moved to approve the minutes. Seconded and passed unanimously.

#### **4:04 Guest: Associate Vice President for HR Laurita Thomas**

Ms. Thomas introduced Bryan Masher. She announced that she planned to bring us up to date on UM Benefits strategies.

- The University of Michigan recently moved to providing full mental health parity, a legal requirement.
- This is the last year for participation in the Priority Health plan. It has been the most expensive plan and was declining in participants.
- The prescription formulary has moved the population to generics from less than half to over 72 per cent, a saving of \$530,000.
- The University has shifted health care costs to employees from 20 to 30 per cent over all with a doubling of the co-premiums for individuals from the previous five per cent. This has shifted an estimated \$31 million from the University to its employees.
- By holding back on the University contribution for employees for their first year, the University is currently saving \$8.3 million and \$11 million per annum going ahead.
- The Delta Dental plan has changed the complaint level to zero.
- The Hewitt comparisons were presented. The retiree health care has been under review. The index compares the "value" of the different portions of the benefits, not the cost.
- During the check of dependents, 914 previously-enrolled dependents were removed from the roles. It has saved the University about \$2 million a year.

- The University is actively engaged in assessing the federal and state health care changes. These will have an effect on the cost of health care going forward.
- The issue of MHealthy initiatives is being considered. Some concerns have been raised about privacy, but the University is going forward.
- The University is providing a far lower long term disability health care plan value than the peers selected in the Hewitt comparisons. This is the last benefit under evaluation; the University is seeking to have a different plan without paying any more, unlike the peers in the Hewitt chart. The University charges its employees significantly more LTD than do the peer institutions and receives less value.
- The algorithm in determining the value of retiree healthcare benefits between quality and cost is proprietary to Hewitt. We do not know how much the cost is a part of that algorithm, but cost is the only change being made.
- The question was raised: Is there any plan for the hospital to move from procedure-based costing to outcome-based costing? Ms. Thomas was not knowledgeable about this. She assured us that constant evaluation is the norm.
- Question: How much does the University spend on MHealthy for each year? In all the areas covered (beyond the incentive program), the University spends \$6 million. The hope is that ultimately the trend will be positive and the University will save money. In evaluating the trend, only two years of data exist, but the early data are promising. This data has been provided to the Deans and is available on the MHealthy web site.
- There is a concern about the sustainability of the good health care we have. Ms. Thomas says we are open to innovation at any time.
- A question was raised whether the lower-paid staff was alerting the benefits office to how much the disproportionate increase in premiums was affecting them. Ms. Thomas indicated how wonderful the benefits were and that there was a very modest graduation for the bottom half of the salaried employees. She claimed that we need to be sure that the higher paid employees were not asked to pay more as it was not market-competitive. No study was offered to support his notion.
- In answer to a question: currently we are not a Cadillac plan according to the Federal regulations, although we are close. We hope that the plan will be indexed so that our plan will not be taxable.
- Comment: Other Universities allow faculty to select a workout facility in the community. If they work out eight times a month, the cost of the facility is reimbursed. Response: We are discounting facilities in the area for UM employees.
- Comment: Statistically, the cost to the University for an effective MHealthy community is about \$400 per employee for healthcare facilities. The executive level must push this more, because the UM is one of the worst universities in providing facilities for its employees. Ms. Thomas says we are looking into how we can facilitate the culture of health. We are looking

for donors for recreational sports facilities. More people will pay for boxes in the Big House than for the proposed facilities. Comment that this is something that should not be left to fund raising but to the commitment of the senior officers to provide facilities and opportunities for staff and faculty. The suggestion was made while our bond rating was excellent, we should use that avenue for the funds to provide the needed facilities.

4:48 Unfinished Business and New Business. None.

4:48 A motion was made to adjourn and was passed unanimously.

5:01 Adjournment

Respectfully submitted,

M. Robert Fraser  
Interim Secretary, the Faculty Senate

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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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