

COMMITTEE ON FACULTY WELFARE
Report on Housing, Online Education, and Healthcare

To: Academic Senate, Santa Cruz Division

The Committee on Faculty Welfare (CFW) will report on three important topics with regards to faculty welfare: Housing, Online Education, and Healthcare. These topics along with those of Childcare and Faculty Salaries, for which CFW has submitted separate reports, all play a part in the overall quality of life for UCSC faculty. A high quality of life draws faculty to UC Santa Cruz, helps with retention, and enables research, teaching, and service at the highest levels. Recent trends are now contributing toward an erosion of the quality of life for our faculty. CFW is monitoring these topics and will make recommendations for improvements. Further, the committee welcomes your comments, feedback, and suggestions, and invites you to share your ideas for enhancing the UCSC faculty quality of life at the February 18, 2015 Senate meeting.

Housing

The Resale Pricing Program was created in 2007 to level pricing inequities among campus units, ensure affordable campus housing for UCSC faculty, and generate funds for low interest loans and future housing projects. With the planned increase in hires and associated expected need for faculty housing, as well as the increase in surrounding market pricing, CFW set out to determine the overall mission and priorities of the Employee Housing Program and determine whether the methodology of the current plan is the best available tool for keeping housing affordable and attractive for employees that the campus is trying to recruit and retain.

Last year, in its [April 22, 2014 correspondence](#)¹ to CP/EVC Alison Galloway regarding the UCSC Employee Housing Re-Pricing Program Recommendation (2014-2015), CFW made several recommendations including finding other ways to cover program operating costs or future expansion, increasing turnover incentives, etc. CP/EVC Galloway later stated that she would be reluctant to consider a 2015-16 request for increase in pricing unless some of CFW's ideas are included or explored in the increase proposal.

In order to further consider these recommendations, brainstorm new ones, and assess the overall efficacy of the current program, CFW invited Steve Houser, Director of Employee Housing and Capital Planning, and John Thompson, Manager of Faculty and Staff Housing, to consult with the committee on December 4, 2014. The consultation brought to light the importance of housing allowances in assisting faculty with down payment costs, and that the housing buy-back program (wherein sellers sell their units to the campus, which in turn finds a buyer) enables faculty to sell their campus homes quickly in order to buy in a competitive market. Further, as off-campus costs continue to increase, the need for additional on-campus housing also increases.

Following the discussion, Houser and Thompson agreed to meet with a CFW Housing Sub-Committee to consider ways to make the Low Interest Option Supplemental Home Loan Program (LIO-SHLP) more viable for faculty, the appropriation of Re-Pricing net income, and best practices for moving forward with the creation of more campus inventory. CFW looks forward to

¹ This correspondence can be viewed at - http://senate.ucsc.edu/committees/cfw-committee-on-faculty-welfare/employee-housing/CFW_HousingRepricingRec2014_Galloway_0422141.pdf

this collaboration and to making formal recommendations to the CP/EVC during the spring quarter.

Online Education

On December 10, 2014, the Online Education Proposal Review Committee met to review a proposal eligible for Innovative Learning Technology Initiative (ILTI) funding, which in this instance was reserved for fully online courses. The committee consists of representatives from CFW, the Committee on Teaching (COT), the Committee on Computing and Telecommunications (CCT), and Vice Provost of Academic Affairs (VPAA) Herbie Lee, and was created to review proposals submitted in response to the campus request for online course proposals for cross-enrollment and Coursera courses. There was only one proposal for cross-enrollment for the committee to review. The committee determined that the low number of proposals may be due to a general preference of UCSC faculty to engage with learning technology in hybrid classrooms rather than fully online courses. The proposal was submitted by UCSC's Writing Program and was approved on the basis of the instructor's substantial experience with online education. As of the December meeting, there were no UCSC proposals for new Coursera courses.

Health Care

In early January, following the announcement of the failed negotiations between Blue Shield of California and Sutter Health and inquiries from faculty, CFW looked into potential immediate and long term impacts on UCSC employees. Based on documentation provided by Blue Shield and UC Care, a CFW sub-committee consulted with Campus Health Care Facilitator Frank Trueba on January 14, 2015. Following communication with UCOP Human Resources through the University Committee on Faculty Welfare (UCFW), CFW determined that the impacts for most employees would be relatively modest during the "transition period" from January 1- June 30, 2015, with the exception of a small number of employees in two plans. In addition, CFW looked into longer term impacts upon cost and accessibility of care for the larger majority of UCSC employees who were enrolled with UC Care and make use of the Palo Alto Medical Foundation (PAMF) network.

The Blue Shield plans with Sutter (PAMF) listed as in-network providers are UC Care, Health Savings and Core. At UCSC roughly 1,200 employees are enrolled in UC Care, and 325 in Health Savings and Core combined. During the proposed transition period (January 1 – June 30), participants of UC Care were still able to receive in-network benefits with Sutter physicians as Tier One providers. However, for the Health Savings and Core plans, which are low premium, high deductible plans, Sutter (PAMF) physicians were no longer considered in-network, which meant that the rates charged for procedures would have been at non-negotiated rates. Once a participant reached their deductible, they would have paid 20% for procedures by Sutter/PAMF physicians, but at out-of-network (non-negotiated) rates. These rates are typically much higher than in network negotiated rates. For employees in those plans, this could have resulted in higher out of pocket costs depending on choice of physicians. Given the circumstances, CFW believes that participants in these two plans should have been given the opportunity to immediately re-enroll in new plans.

If Blue Shield and Sutter had failed to produce a new contract within the transition period, the long term consequences upon the accessibility and affordability of care for UCSC employees in the

three affected plans would have been severe, as the majority of UCSC faculty currently use Sutter (PAMF) providers. It is not clear whether the main alternative network Physicians Medical Group (PMG) in Santa Cruz County has a sufficient number of doctors who are accepting new patients to accommodate a large influx of UCSC employees who would have been seeking “Tier One” doctors under the UC Care Plan or “in-network” providers under Health Savings or Core.

Fortunately, Blue Shield and Sutter negotiated a new two-year contract extending into 2016. Still, the incident highlights the vulnerability of health care for UCSC employees, and potential problems regarding access and affordability that will have to be addressed should the Office of the President elect to expand UC care to include an HMO option. As the University begins to consider plan offerings for the next open enrollment period, CFW will continue to make the unique needs and concerns of the UCSC campus known through the University Committee on Faculty Welfare (UCFW) and supports the administration in doing the same.

Respectfully submitted;
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