

# new dimensions

Benefits Newsletter for UC Retirees • Volume 28 • Number 4

November 2011

## Open Enrollment underway; few changes this year

UC's annual Open Enrollment period began Oct. 31 and runs through 5 pm on Tuesday, Nov. 22. Retirees can expect very few changes this year, although medical premium costs continue to rise.

UC's Open Enrollment does not pertain to retirees from Los Alamos National Laboratory or Livermore National Laboratory.

In response to UC's ongoing budget challenges, UC's contributions to the cost of retiree health insurance will continue to gradually decrease over time to a floor of 70 percent of the total premium, consistent with plans the Regents approved in December 2010. For 2012, the contribution will be, on average, 83 percent.

Most retirees enrolled in Medicare plans who receive 100 percent of the UC contribution continue to pay no premium, and many still receive a Medicare Part B reimbursement.

Retirees aged 65 and older who are not eligible for Medicare through UC, their spouse or another employer will continue to pay premiums tied to employee rates.

The retiree Vision Service Plan is open for enrollment with a slightly smaller network of providers and

HEALTH  
BENEFITS  
OPEN  
ENROLLMENT

October 31, 8am—  
November 22, 5pm

2012

## Why does health insurance cost so much?

It's no secret that medical insurance keeps getting more expensive. UC's systemwide Human Resources leaders work hard each year to negotiate the lowest rates possible while ensuring that retirees have a range of comprehensive healthcare plans from which to choose.

We sat down with **Mark Esteban**, director of health and welfare program design, to talk about the rising cost of medical insurance and how UC is working to keep high-quality medical insurance affordable for UC and its retirees.

### How much does UC spend on medical insurance?

The program costs about \$1.5 billion dollars—that's what UC, employees and retirees pay. UC pays \$1.3 billion; faculty, staff and retirees pay about \$200 million. That covers about 300,000 employees, retirees and their dependents.

### What are the factors that keep driving costs up?

There are three cost drivers: how much our members use their medical plans,

the type of care they receive—hospital based vs. out-patient, for example—and the cost of services, which is how much hospitals, medical groups and other providers charge the health plans for their services.

For this last category (cost of services), there can be wide variances in how much a medical provider or hospital charges for a particular treatment or service. So, where you get care can have a significant influence on cost. This factor has been the number one driver of increased cost for the past several years, not just for UC but nationally.

As for the first two factors, UC is generally within the national norms. Our population is relatively healthy so the disease burden—things like diabetes—is a bit lower than the national average. We tend to be higher in use of behavioral health benefits. And in any population you have some people who need more expensive hospital care: cancer, accidents, premature babies. As large as our population is, we have to expect to have some of those.

## UC Research of Interest

### Loss of bone quality as significant as loss of bone quantity

As people grow older, their bones become more brittle and prone to fracturing, and loss of bone mass is a major reason that older bones fracture more readily than younger bones. As a result, medical treatments have focused on slowing down this loss of bone mass. However, new research from scientists at Lawrence Berkeley National Laboratory shows that age-related loss of bone quality can be every bit as important as the loss of quantity in the susceptibility to fracturing.



Using a combination of x-ray and electron-based analytical techniques as well as macroscopic fracture testing, the researchers showed that the advancement of age ushers in a degradation of the mechanical properties of human cortical bone. As a result, the bone's ability to resist fracture becomes increasingly compromised. This age-related loss of bone quality is independent of age-related bone mass loss.

Read more at: <http://newscenter.lbl.gov/news-releases/2011/08/29/the-brittleness-of-aging-bones---more-than-a-loss-of-bone-mass/>

### A gene for Lou Gehrig's Disease and Frontotemporal Dementia identified

Frontotemporal dementia and amyotrophic lateral sclerosis, also known as Lou Gehrig's disease—two fatal neurodegenerative diseases with distinct but sometimes overlapping symptoms—are triggered by a common mutation in many cases, according to researchers who say they have identified the mutated gene.

In the study, reported in the September 21 online issue of *Neuron*, the scientists described the discovery of a genetic mutation that is accountable for almost 12 percent of familial FTD and more than 22 percent of familial ALS samples studied.

They also report that the defect is the strongest genetic risk factor found to date for the more common, non-inherited, sporadic forms of these diseases. It was found in 3 percent of sporadic FTD and 4 percent of sporadic ALS samples in the largest clinical patient series.

The study was led by scientists at the Mayo Clinic in Florida, in collaboration with researchers at UCSF, the University of British Columbia and UCLA. The finding emerged from the identification and study of a family stricken by both ALS and FTD, reported last year. In that study, led by the UCSF scientists and published in the *Journal of Neurology, Neurosurgery and Psychiatry*, the researchers honed in on the region in which the gene was located.

"Both clinically and at the molecular level this discovery is going to significantly improve our understanding of these diseases," said co-author Adam

Boxer, MD, PhD, of the UCSF Memory and Aging Center, the lead author on the 2010 paper. The discovery makes it possible to develop a diagnostic test for the mutation, as well as to create animal models that may be used to help unravel the molecular mysteries connecting the mutation to the diseases, he said.

Read more at: <http://www.ucsf.edu/node/13021>

### UCLA psychologist discovers gene's link to optimism

UCLA life scientists have identified for the first time a particular gene's link to optimism, self-esteem and "mastery," the belief that one has control over one's own life—three critical psychological resources for coping well with stress and depression.

"I have been looking for this gene for a few years, and it is not the gene I expected," said Shelley E. Taylor, a distinguished professor of psychology at UCLA and senior author of the new research. "I knew there had to be a gene for these psychological resources."

The research is available in the online edition of the journal *Proceedings of the National Academy of Sciences (PNAS)* and in the journal's Sept. 13 print edition.

The gene Taylor and her colleagues identified is the oxytocin receptor gene (OXTR). Oxytocin is a hormone that increases in response to stress and is associated with good social skills such as empathy and enjoying the company of others.

Read more at: <http://newsroom.ucla.edu/portal/ucla/ucla-life-scientists-discover-215259.aspx> ➦

# News About Your Benefits



## Watch for MRDs in late December

If you are age 70 ½ or older this year and are not working for UC in a regular ongoing UC paid appointment through the end of the year, you must take a minimum required distribution (MRD) from your UC-sponsored 403(b), 457(b), and DC Plans.

If you have not taken or requested your MRD through systematic or other withdrawals, Fidelity will distribute MRDs automatically in late December (March 2012 if this is your first year MRD). Watch your mail or bank account to ensure these funds are distributed, as you are ultimately responsible for any IRS penalties if the distributions don't occur. Your MRD will be withdrawn proportionately from your existing investment holdings unless you call Fidelity with other instructions prior to distribution in early December.

For more information about MRDs, visit the "Retired from UC?" section of the website, [ucfocusonyourfuture.com](http://ucfocusonyourfuture.com) or call Fidelity at 1-866-682-7787.

## Still getting paper checks? Consider direct deposit

Direct deposit of your monthly UCRP retirement check is the safest, most convenient way to receive your benefit.

When you have your check directly deposited in your bank account, there's no risk of a check being lost or stolen. You can rest assured that your money is safe since it goes directly into the bank in the form of an electronic transfer.

And, you no longer have to stand in line to cash your check when it arrives. Your money goes directly into your account. You don't have to leave your house in bad weather or worry if you're on vacation or

## Maintaining Medicare Part B keeps costs down

In these times when finances are tight, it is natural to consider what costs to cut; but don't cut Medicare Part B.

UC requires you and your family members enrolled in any UC-sponsored medical plan and eligible for premium-free Medicare Part A (hospital insurance) to maintain continuous enrollment in Medicare Part B (medical insurance). Your medical plan carrier and the university monitor your enrollment.

Plus, if you drop your Medicare Part B, you may wind up paying more. Consider that, if you drop Medicare Part B:

- You will be enrolled in the non-Medicare version of your current UC-sponsored plan, which generally is more expensive than the Medicare plan.
- You may experience higher medical claims costs related to non-Medicare, non-coordinated, benefits.
- You will no longer receive any "Part B Reimbursement" previously paid to you. UC also has the right to collect the Part B payments paid to you when you were not enrolled.
- A \$386 monthly penalty will be deducted from your pension check to offset higher non-Medicare costs to the university.
- Medicare may impose permanent late-enrollment penalties for re-enrollment.

away from home. You don't have to pay any fees to cash your checks. Your money is in your account ready to use on the day it is deposited.

You'll also help UC control costs by using Direct Deposit since printing and mailing checks every month costs the university more than Direct Deposit fees.

You also risk losing your UC-sponsored medical coverage if you are eligible for Medicare Part B and aren't enrolled.

## Help with Medicare premium payments

If you are having financial difficulty in paying your Medicare Part B premiums, there are Medicare Savings Programs to help pay all or part of them. To qualify for these programs, you must have Part A (hospital insurance) and limited income and resources. To get an application and enrollment information or to check your application status, call your State Medical Assistance (Medicaid) office.

If you have questions about your eligibility or need information about how to apply for the Medicare Savings Programs, you can contact your local County Social Services Office and ask to speak with a Medi-Cal Eligibility Worker. A list of county Medi-Cal offices in California is available online ([www.dhcs.ca.gov/services/medi-cal/pages/countyoffices.aspx](http://www.dhcs.ca.gov/services/medi-cal/pages/countyoffices.aspx)) or look in the phone book under "Government."

The application for the state of California is available at: <http://www.dhcs.ca.gov/formsandpubs/forms/Forms/mc14a.pdf>.

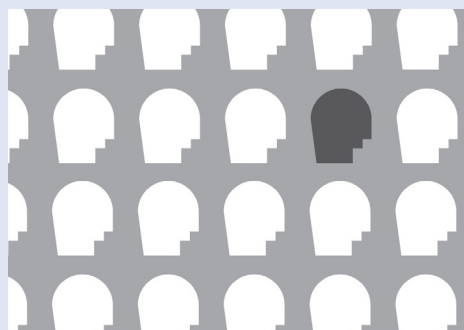
If you have any questions about Medicare Part B premium payments please call 1-800-Medicare (1-800-633-4227). 📞

It's easy to receive your UCRP benefit by Direct Deposit. You can sign up online by signing in to your personal account on At Your Service ([atyourservice.ucop.edu](http://atyourservice.ucop.edu)). After entering your username and password, select "Direct Deposit" under "Income & Taxes." 📞

# UC News

## UC is economic catalyst for state

The University of California is a key economic catalyst for the state, generating \$46.3 billion in annual economic activity



for California and contributing \$32.8 billion toward California's gross state product through direct spending and multiplier effects, according to an independent economic impact report.

Put another way, every \$1 the California taxpayer invests in UC provides the foundational support that, supplemented by revenues from other sources, results in nearly \$14 in overall economic output.

The September 2011 study by Economic & Planning Systems Inc. further shows that UC supports 1 in 46 jobs in California, uses state funding to leverage significant additional non-state revenue that benefits Californians and makes economic contributions to all regions of California through the economic ripple effects of its activities. The report did not measure the impact of UC's development of human capital—additional benefits such as spinoff companies created from UC research, tax revenue generated by UC activities or the social and economic contributions of UC alumni.

The study, "The University of California's Economic Contribution to the State of California," is the first UC economic impact report conducted on a systemwide level since 2003. The study breaks out the economic contributions of UC spending statewide, by each of 14 regions, by general campus and by health sciences campus. The study is the first to isolate the economic contributions of the UC Health enterprise, which accounts for more than a third of UC's overall economic output.

More information, including a link to the report, is available at: <http://www.universityofcalifornia.edu/news/article/26216>

## UC campuses among best public universities

Eight UC campuses are ranked among the top public schools in *U.S. News & World Report's Best Colleges 2012 guide*.

UC Berkeley ranked first and UCLA second in the public school category. UC San Diego ranked eighth; UC Davis, ninth; UC Santa Barbara, 10th; UC Irvine, 13th; UC Santa Cruz, 31st; and UC Riverside, 44th.

In the magazine's national university category, which includes large research-oriented public and private institutions, six UC campuses made the top 50 with UC Berkeley ranked 21st, UCLA 25th, UC San Diego 37th, UC Davis 38th, UC Santa Barbara 42nd and UC Irvine 45th. Princeton and Harvard tied for first in the national rankings.

The full guide is available online at <http://colleges.usnews.rankingsandreviews.com/best-colleges>

## UC Irvine designated elder abuse clearinghouse

Citing the award-winning Program in Geriatrics, the U.S. Administration on Aging has designated UC Irvine as the National Center on Elder Abuse, a clearinghouse for practical information supporting federal, state and local efforts to prevent, identify and effectively respond to elder abuse. The agency will provide funding of \$561,000 annually for three years.

The NCEA will be led by Mary Twomey and Dr. Laura Mosqueda, co-directors of UC Irvine's Center of Excellence on Elder Abuse & Neglect, which offers medical, forensic and victim services to abused and neglected seniors, as well as training, research and technical assistance to California law enforcement and social services agencies.

"We're very excited about this opportunity to expand our elder abuse prevention efforts at the national level," said Mosqueda, chair of UC Irvine's Department of Family Medicine, director of its Program in Geriatrics, and Ronald Reagan Chair in Geriatrics. "We look forward to working with many national organizations and individuals, bringing the field together in a major initiative to increase awareness of and find solutions to this significant public health issue."

Read more at: [http://www.uci.edu/features/2011/09/feature\\_ncea\\_110901.php](http://www.uci.edu/features/2011/09/feature_ncea_110901.php) ➤



### What is UC doing to address the cost for services?

We're trying to provide a wider range of plans and premiums, so retirees can make a choice that balances costs against other factors that are important to them. For example, we added the Health Net Blue & Gold HMO last year. It provides the same level of coverage as the other Health Net plan, but has a much lower premium. That's because the medical groups and hospitals in the Blue & Gold network generally are the most reasonably priced in their particular region. In the past, a Health Net member didn't have the compass to help direct them to the most cost effective providers, the "where you get care" piece of the cost equation I mentioned earlier. The Blue & Gold plan, in a way, provides the compass by virtue of its cost-effective network.

### What can UC retirees do to keep costs down?

There are three or four things that can help individuals keep their out-of-pocket costs down. Over time, these actions positively affect use of the plans and the type of care people use, which helps UC keep medical premiums down.

First, prevention and wellness activities are an important part of avoiding medical costs. I know it can be hard to be disciplined, but it pays off in a healthier life and lower health care costs. With people so focused on financial issues right now, healthy living is taking a back seat, which is very troubling.

Don't defer care; it is bad for you and ends up costing you and the health program more money. Remember, there is no charge for preventive care like physical exams and immunizations, so take advantage of it.



**"The reality is that some providers charge the medical plans more than others charge, and that affects the cost of medical insurance."**

Mark Esteban

Take advantage of the things your premiums are paying for—there is great information and many resources on the websites or our medical plans and behavioral health plan. These plan resources are there to help you educate yourself about your health situations and what alternatives and considerations may be involved. The more you understand your condition, the more you can actively participate in developing the treatment plan with your doctors. It's the concept of "shared decision making"—you're the one that is going to have to live with the treatment plan, so you should understand the pros and cons and alternatives so that you find the path that will work best for you.

### **If there is one thing you want retirees to understand about UC's medical plans or their costs, what would that be?**

That's easy: the actual cost of medical care and medical premiums. Most

people—not just UC retirees—don't know the actual cost of care. They're in an HMO and pay a \$15 co-pay for services, regardless of the cost of that care. The reality is that some providers charge the medical plans more than others charge, and that affects the cost of medical insurance.

The same is true for UC's contributions to medical premiums. What retirees are paying is not a full reflection of the actual cost. If you are paying \$100 a month for non-Medicare health insurance for you and your spouse or domestic partner, are you aware that UC is paying \$800 a month for you—assuming you receive 100 percent of UC's contribution? If you are in the Medicare version of the same plan and get the full UC contribution, you pay nothing while UC pays about \$675 a month. 📌

### Open Enrollment continued from page 1

improved contact lens benefit. Those few participants whose providers will no longer be in the network may keep their current provider but receive a lower benefit or they can choose a new provider in the Choice network.

For complete details about Open Enrollment, see your Open Enrollment booklet or the Open Enrollment website ([atyourservice.ucop.edu/open\\_enrollment](http://atyourservice.ucop.edu/open_enrollment)). 📌

# Share Your Stories



## Life Overseas

Several UC retirees living overseas recently wrote about living outside the United States.



**Kay Flavell**, UC Davis retiree, writes from New Zealand:

In July 2001, a week after retiring early as associate professor of Critical Theory at UC Davis,

I flew to my homeland of New Zealand to begin a new adventure. Three months earlier I'd purchased a run-down villa next

to the National Wildlife Centre at Pukaha Mount Bruce, in the lower North Island. My dream was to turn it into an international artist residency, a 'hermitage' for artists, writers and environmentalists from all over the world. The first hermitage was my small condo in North Berkeley that I'd already transformed into a live-work space for two writers to share.

Over the past decade, 130 artists, writers and musicians have lived and worked at

our two locations. I've never regretted giving up my last 10 years of pension in order to begin this new life. Do it now is my advice.

Directing a residency program is a very rewarding life, and I wonder whether another UC retiree—artist, writer or environmentalist—will take up the challenge when I resign from the directorship two years from now, in May 2013. 🐣



**Rebecca Failor**, Lawrence Livermore Lab retiree, writes from the Netherlands:

When my husband accepted the position as "Head

of the Laboratory" for the Organization for the Prohibition of Chemical Weapons ([www.opcw.org](http://www.opcw.org)), I knew the start of my

retired life would be different. After 31 years at Lawrence Livermore National Laboratory, I spent my last week of work serving as a Laboratory Emergency Duty Officer. Within 24 hours of turning in my badge, I was on the plane to the Netherlands.

Setting up our new life in The Hague has brought plenty of stimulating options and challenges, such as learning Dutch. The American Women's Club has brought

new friends, fun activities, and time to speak English!

There are so many travel options, only limited by the time available. After my first year of retirement, I wonder how I ever had time to work! 🐣



**John Mills**, UCSF retiree, writes from Melbourne, Australia:

I reckon I'm the only UC retiree living in Australia (if I'm not, I'd love to

hear from those that are: [mills@portsea.net](mailto:mills@portsea.net)). I was on the UCSF faculty for many years, left in 1991 to take up a position

in Australia, and just stayed, and stayed. Australia is a lovely country in every way, and I've had so many opportunities thrown at me here that I'm only semi-retired. One big difference between Australia and the USA, for citizens (I'm now a dual citizen), is the government-funded health care scheme, which is very generous.

As the Aussies say, "no worries" about health matters. Come and visit! 🐣

### Share Your Stories

We'd like to hear from you. Whether you have a challenging issue related to retirement or a story about the joys of your life as a retiree, write to us and we may share your story in New Dimensions. Reach us by email ([NewDimensions-L@ucop.edu](mailto:NewDimensions-L@ucop.edu)) or regular mail (New Dimensions editor, 1111 Franklin Street, #7305, Oakland, CA 94607).

## New Dimensions

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## Retiree Association Contacts

If you have questions about your UCRS retirement benefits, call the UC Customer Service Center at 1-800-888-8267 (8:30 a.m. to 4:30 p.m. PT)

Use the listings below if you want to join an association or to inform your association of an address change. If you have moved away from your home campus emeriti/retiree association, you are welcome to join the association where you live.

### UC Berkeley Retirement Center

Patrick Cullinane, Director  
510-642-5461, ucbrc@berkeley.edu  
thecenter@berkeley.edu

### UC Davis Retiree Center

Sue Barnes, Program Manager  
530-752-5182  
retireecenter@ucdavis.edu

### UCI Center for Emeriti and Retirees

Jeri I. Fredericks, Director  
949-824-7769  
emeriti@uci.edu or retirees@uci.edu

### LANL Retiree Association

Mary Mariner  
505-672-1950  
Chuck Mansfield  
505-662-2115

### LBNL Retiree Association

Suzanne Stroh  
510-524-1953  
scstroh@gmail.com

### LLNL Retiree Networking Group

llnlretirees.org

### UCLA Emeriti/Retirees Relations Center

Eddie Murphy, Director  
310-825-7456  
emeriti@errc.ucla.edu

### President's and Regents' Retiree Association

Patricia Pelfrey  
510-528-4490, ppelfrey@berkeley.edu

### UC Riverside

Emeriti: Anthony W. Norman  
951-776-0363  
anthony.norman@ucr.edu  
Retirees: Cliff Wurfel  
951-689-3885, falaise27@cs.com

### UCSD Retirement Resource Center

Suzan Cioffi, Director  
858-534-4724, RetireeLink@ucsd.edu  
or Emeriti@ucsd.edu

### UC San Francisco

Emeriti: Dr. Harry Ralston  
415-509-7250, hjr@phy.ucsf.edu  
Retirees: Richard Drake  
415-514-2019  
info@retirees.ucsf.edu

### UC Santa Barbara Emeriti/Retiree Relations Center

805-893-2168

### UC Santa Cruz

Emeriti: Stanley D. Stevens  
831-475-9172  
sstevens@library.ucsc.edu  
Retirees: Nancy Pascal  
831-423-2422  
njpascal@cruzio.com

Note to associations: To update a listing, write to Anne Wolf at New Dimensions (email: anne.wolf@ucop.edu).

## Are you moving?



To continue receiving *New Dimensions*, be sure to notify UC of your new address. You may change your address online: [atyourserviceonline.ucop.edu/asyo](http://atyourserviceonline.ucop.edu/asyo) or you may submit a *UC Benefits Address Change Notice*, available online at [atyourservice.ucop.edu](http://atyourservice.ucop.edu). or by calling the UC Customer Service Center at 1-800-888-8267.

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## Comments or questions?

Write *New Dimensions* at:  
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