

Committee on Faculty Benefits and Housing

On June 4, 2019, I attended the quarterly meeting of the University's Retirement Plan Investment Committee. This was the second at which representatives from the C-FSC, T-FSC, and AMC were included as non-voting observers. The regular business of the quarterly meetings is review of recommendations from the University's actuarial consultants, Cammack Retirement Group, about funds to be added to, removed from, or continued on the "watch list," that is, the list of funds receiving special scrutiny of their continued suitability as retirement investment options. In addition, our council's March 8, 2018 resolution concerning the Vanguard Total International Bond Index Fund has been added to the agenda. The agenda also included a preliminary discussion about other changes to the funds line-up, which was continued in a meeting on August 31st. I am unable to attend the next quarterly meeting, on September 10th, because it conflicts with my teaching; but I reviewed the meeting materials in advance and sent written comments to the committee. The final quarterly meeting of the year conflicts with the December meeting of the University Senate, and I have requested that the committee seek to avoid such obvious conflicts in the future.

On June 20th, Michael Ferguson, Scott Taitel, and I met jointly with the T-FSC committee, Assistant Vice President for Global Benefits Trish Halley, and Jim Archer from the University's benefits consultant firm Willis Towers Watson, for our annual discussion of proposed changes to benefits for the coming calendar year. Medical and pharmacy expenses at that time were projected to rise by 4.8% for calendar year 2020, which is somewhat lower than the rate of increase (6% to 8%) over the past four years. As a result, and in response to feedback from the two councils, the University proposed a number of possible enhancements to benefits, which would bring the rate of increase to c. 7% for 2020. The consensus of the two committees was that these were all worthwhile (they include better coverage for mental health and in fertility treatments, as well as a number of other more generous changes in the types of procedures and number of various provider visits covered). We asked for some further modeling of the impact on benefits premiums, and for a second meeting, which took place on July 16th. I have since been inform by Trish Halley that Willis Towers Watson has now found on further review that expenses have risen more than initially projected. For this reason, the University has had to prioritize the councils' joint recommendations. I expect that we will see improvements to the mental health benefit for 2020, but that our other recommendations will have to wait. I am confident, however, that the University is committed to seeing those other changes through, in order to keep us competitive with benefits at our Ivy+ comparison schools. Also notable is that the T-FSC joined us this year in recommending a progressively-tiered differential increase in benefits premiums for the coming year.

On September 25th, the committee will meet with Benefits Office staff to review drafts of the open-enrollment informational materials for 2020.

Respectfully submitted,

Vincent Renzi,
chair