University System of Georgia Retiree Council (USGRC)

March 31, 2023

Meeting Notes

Meeting held on Zoom

Present:

Abraham Baldwin Agricultural College (no representative present); Albany State University (no representative present); Atlanta Metropolitan State College (no representative present); Augusta University (no representative present); Clayton State University (Debbie Durden, USGRC Secretary, Martha Wicker, voting member); College of Coastal Georgia (Michael Hazelkorn, voting representative, Rebecca Farrow, alternate); Columbus State University (no representative present); Dalton State College (no representative present); East Georgia State College (John Derden, voting representative); Fort Valley State University – no representative present; Georgia College & State University (David Muschell, voting representative, Paul Jahr, alternate); Georgia Gwinnett College (Roger Ozaki, voting representative); Georgia Highlands College (Ken Weatherman, voting representative); Georgia Institute of Technology (Ed Rondeau, USGRC Vice Chair, Wayne Book, voting representative); Georgia Southern University (W.Bebe Mitchell, voting representative); Georgia Southwestern State University (Richard Baringer, voting representative); Georgia State University (Ted Wadley, voting representative, Sandra Lee Owen, alternate, Harry Dangel, former USGRC Chair); Gordon State College (no representative present); Kennesaw State University (Dorothy Zinsmeister, voting representative, Chuck Aust, alternate); Middle Georgia State University Robert Kelly, voting representative, Mike Womack, alternate); Savannah State University (no representative present); South Georgia State College (Jim Cottingham, voting representative, Randy Braswell, alternate); University of Georgia (Nancy McDuff, USGRC Chair, Griff Doyle, Voting Representative); University of North Georgia (no representative present); University of West Georgia (Anne Richards, voting representative, Meg Cooper, alternate, Mitch Clifton, Past-Chair); Valdosta State University (Dennis Marks, voting representative, Bob DeLong, alternate);

University System of Georgia Central Office Representatives:

Sonny Perdue (Chancellor)

Dr. Dana Nichols (Vice Chancellor for Academic Affairs)

Karin Elliott (Associate Vice Chancellor for Total Rewards)

Anessa Billings (Executive Director for Healthcare and Voluntary Benefits)

BeNedra Cleveland (Director of Benefits Administration and Engagement)

USG Faculty Council Representative: Chair: Richard Foreman (Albany State University)

USG Staff Council Representative: Chair: Jasper Stewart (Georgia Southern University)

Alight Retiree Health Solutions:

Mat Burkley, Implementation Client Manager

Steve Cox, Client Delivery Officer - Benefits Administration

Prior to the beginning of this meeting, Dorothy Zinsmeister asked Karen Elliott if a meeting regarding the decision to outsource healthcare for retirees to Aon/Alight led to a conclusion that the decision had accomplished what the System wanted it to.

Karin Elliott: Yes. Overall we believe the strategy has worked. But the Medicare market is evolving. We continue looking at the strategies every year. If it changes – if benefits or the relationship with Alight is not working, we can review this.

Dorothy Zinsmeister: Has any report ever been made to the Total Rewards Steering Committee or to Board of Regents (BOR) members?

Karin Elliott: It did have a big impact on our overall Other Post Employment Benefits (OPEB) liability report. Beginning in 2013-2014, we had to start putting this on our financial statements. So now people see it. Every year, our budget shows what we pay for employees and retirees. Our employees would have to pay more for their premiums to cover this if we were not doing so. We're not saving anything for it. Cost is around 4 billion dollars. A report was made 3-4 years ago. I can pull those numbers. It was a substantial savings. We don't project how it would have been paying for retirees then versus now.

Dennis Marks: The University System has kept its long-term commitment to the $2,736. figure.

Karin Elliott: There's a cap. They already project an increase in that amount, but we haven't changed because it's understood that we gave a generous amount at the outset of this transition. This is something we look at every year when we evaluate the increase. Mat will discuss all this. At the federal level, they will start subsidizing Plan D. costs. So the $2,736 figure will have greater value.

Wayne Book: We have Mutual of Omaha insurance. I tried to change from Plan F to plan G. The change was declined despite no major changes to my health. I can't get a reason for this. I don't know if anyone else has had this problem. It was surprising to me.

Karin Elliott: Mat can address this later in the meeting.

1.Nancy McDuff welcomed the group and **opened the meeting** at 9:01 am. She explained that she would break into the meeting when the Chancellor was able to join us due to his busy schedule. She thanked the leadership committee and the Executive Committee for keeping us moving well as a group and said we would vote at the end of this session on a new President-Elect and a Secretary. She reported that Ed Rondeau was monitoring the chat function and expressed appreciation to Debbie Durden for the work she does as secretary.

[A staff member from the Chancellor's office came into the meeting to report that Chancellor Perdue was wrapping up a Board meeting and would soon join our meeting.]

Nancy McDuff: It takes a lot to pull this meeting together – to arrange for all parties involved to get in. Dana Nichols will be joining us later. I don't ever want to go without thanking all involved in helping to bring together those who can provide us with information.

Dennis Marks: A great shout-out to Anessa for her work on the Guidelines for Surviving Spouses regarding the USG and OneUSG.

Karin Elliott: This is a great time for you to make your announcement.

Anessa Billings: Thank you Dennis. Thank you so much. It's always a pleasure working with you. I have decided to accept an opportunity outside the USG. Today is my last day. So thank you for telling me all you've wanted to have incorporated in these guidelines.

Nancy McDuff: You will be greatly missed by the members of this Council because you've been a great help. Also, good luck to you in the next steps in your career.

Karin Elliott: She did a wonderful job for this office and all of you and we will miss her.

John Derden: Amen.

Nancy McDuff: This is also a good time to thank Dennis for staying on top of communications so retirees can better understand what comes out of the USG and Alight. I don't know what we would do without him.

Karin Elliott: Absolutely – Kudos. How critical, crucial and helpful he's been over the years. He's made our communications better for retirees. He's always willing to help and we appreciate that.

Dennis Marks: Thank you.

Nancy McDuff. I appreciate the great leadership team I have gotten to work with – comprised of former chairs of this council. My thanks to all of them in answering questions and giving me the benefit of their experience. [Chancellor Perdue comes into the meeting.] I am aware you have limited time and don't know if there will be time for questions given your schedule.

2. **Chancellor Perdue remarks**

Chancellor Perdue: I just stepped out of the BOR meeting. I think you may be the last Council I've not talked to. Especially for one who has failed retirement twice I appreciate the shoulders we stand upon and the reputation we've gained over the years as a consequence of your efforts. Karin and the others she works with are a great staff. I've said we don't value our USG enough. I believe it is directly responsible for the economic development we've had in the state. When I was Governor, and companies came to see if they wanted to locate in Georgia, it was about money then. Today it's about talent and people. So to begin with I want to give you my thanks and hope we continue to make you proud. I would prefer to answer questions, but I know you are aware of my time constraints.

Overall, this legislative session was good until the last little part when $66 million was cut from our teaching budget. This is unfortunate. Typically, this state has invested in education when it had the

money. Sadly they chose not to this time. The Governor said he will work with me in the amended budget, however. We're going to make it.

Declining enrollment has been a challenge. Fewer 18-22 year olds exist demographically. The vibrant economy is also a challenge. 20 of our 26 institutions will have less money allocated (prior to the budget just passed) due to enrollment declines. Our budgets are over 80% personnel. We need a realignment. The USG has always been resilient and we will educate students because that's what we do. When I came back from DC, I wrote on Linked In that I was born a dirt farmer. When I was offered this job by the BOR, I realized I needed to change how I wrote that up. This is possibly the most impactful job I've ever had. In my second term in the state Senate, then Lt. Governor Pierre Howard said he would make me chair of a committee. I said I'd like to be chair of the Higher Education Committee and he allowed me to do that. I think that's the biggest impact we can make. The impact on first generation students is significant. If you have any special issues, I'll be happy to take questions.

Nancy McDuff: We know you are busy. So thank you for being here. As you know, this Council was started by former Chancellor Huckaby. Is there anything we're doing or not that could be of assistance to you as Chancellor?

Chancellor Perdue: As you see what's happening on campuses, I'd love to have ideas as you see things changing. Communication is key. Bi-lateral communication is something I value – having eyes and ears throughout the System. I've been very, very pleased with the current Faculty and Staff. I have met with their Councils. As you know things are bubbling up – e.g., post-tenure. I think you will be very much pleased with the result. Students are more active than in the past. The main thing is communication from you to us. That's where you can be valuable.

Dennis Marks: One concern for me is that the present emphasis on job training may be a strategic mistake for the USG. We already have the Technical College system for that. That system does a good job. We in higher education prepare people who can not only handle current experiments. We need people who can think about what experiments to do, what kind of future we want. I think we need to be focusing more on these broader questions rather than on job training.

Chancellor Perdue: I want to assure you that this System is focused on conflict resolution, communication, and critical thinking skills. We are looking at embedding many of these in General Education. We do have to be mindful of employment statistics, but we don't want to dismiss Liberal Arts education, and teaching people how to think. I remember when former Chancellor Stephen Portch (whom I admire) said "Education is what's left when you forget everything you learned." I think this is important.

Martha Wicker: Given the economic constraints, are there any more plans for more mergers?

Chancellor Perdue: No such. We evaluate at some level what is the baseline for a viable institution from a student perspective. I think the jury is still out on whether it [merging of institutions] was necessary during Huckaby's chancellorship. We're seeing a decline in access. Maybe the efficiencies did not accomplish what we expected. But when you get down to 1200-1500 students, we have to evaluate what efficiencies are.

Karin Elliott: It's almost 9:30 and I want to say that tomorrow is your one year anniversary as chancellor. I hope you have a good weekend.

Chancellor Perdue: I've got probably another 5 minutes or so for questions.

Dorothy Zinsmeister: I have a question about the 66 million dollar cut. Have the institutions received guidelines as to how to cut? Or is it up to them to decide what to do?

Chancellor Perdue: We will be trying to do as much mitigation as possible. We are doing this through Tracey Cook, our Chief Fiscal Officer (CFO) to prepare scenarios – where other funds could be used to cover certain things.

Senators have been misinformed about "carry forward funds." They heard there was $544. million in these funds, which sounds like the System got enough money. But the System can't reallocate those funds. Six of the major universities have a high percentage of those funds that come from research dollars. Our smallest 20 institutions have no such funds. But we were issued other funds.

Campuses are already challenged to realign funding due to enrollment decline. Even the good news – the COLA for 15,500 plus employees - was not covered. 101 million dollars we have to cover. 40 million dollars [I missed the significance of this point.] I'm trying to impress this on the General Assembly.

I'm trained through press conferences and will leave if no questions are raised in a 3-second period of time.

Thank you for what you do. We're better than we ever were. Good, better best. Never let it rest.

[There was more to that rhyme, but I missed it.]

Nancy McDuff expressed appreciation for the time Chancellor Perdue provided for meeting with our group. She then introduced Dana Nichols as someone very responsive to our group.

3. **Dana Nichols remarks**

Dana Nichols apologized for not having her camera on during this Zoom meeting due to technological difficulties and went on to comment: It is my great pleasure to say that our work and your work on Emeritus status has finally happened. The Provosts met and voted unanimously to approve the policy presented to them. The only thing they added were statements that indicate retirees with access to email and computer-related programs will go through cyber-related training. This was eventually adopted. [See Appendix A]

It was easy for me to do this and bring the issue to fruition because of the work you all did.

Dorothy Zinsmeister: Now that everything has been approved, when will it go into the Handbook?

Dana Nichols: Barbara Brown is working on revising the handbook and this policy is added to the draft she's revising. Ashwani Monga [Executive Vice Chancellor for Academic Affairs, USG] and I are reviewing this. Hopefully it will be on the website by Spring or early Summer. The handbook itself is really outdated, so revisions are taking much longer than anticipated. I will let the Retiree Council know when this work is completed.

Wayne Book: Will it be retroactive to the curtailment that has happened?

Dana Nichols: What curtailment?

Wayne Book: Where access was limited prior to retirement. It's covered under suggested guidelines.

Anne Richards: When can it be shared with a given campus?

Dana Nichols: The Provosts were encouraged to share it.

Dennis Marks: Were they encouraged to share the last draft – post the tweak to the original proposal?

Nancy McDuff: This is a big moment for retirees, for what we were working on. Getting email access for retirees is not equitable across campuses. Some make it easy, some do not allow retirees to use campus email.

Dennis Marks: I had a conversation on this. UGA has always provided email access to retirees. Now to keep things secure they make an email address inactive if it hasn't been used for a year. I can understand why this is done – so no one has a way of getting into a given university's email system.

Griff Doyle: We got a memo sent this week about use of campus email. Some automatically send their USG emails to their gmail. So it may seem like they are not using their campus address when they actually are.

Dana Nichols: Please forward this to me so I can talk with our IT people about it. I suspect there's a concern at IT that this is a way someone can get in a back door. And if they get anything like that and you want me to follow up, let me know.

Anne Richards: How will faculty be notified about the cyber security training that needs to take place?

Someone mentioned that their IT folks sent a message to faculty about this saying that cyber security awareness training needs to occur. I'll forward you the email. It also said the training was not available currently.

Dorothy Zinsmeister: I've just completed that training. You click on it and have to answer questions. Have to get 4/5 right. It was available at my institution (KSU).

Dana Nichols: When I clicked on it, it said: Not available. Try next week.

Dorothy Zinsmeister: Griff and Nancy. **If you have an institutional email account and have not used it in a year and then this training comes along and you don't do it, they will take your email away. So retiree association members should be informed about this.**

Martha Wicker: We've had to go through two cybersecurity trainings already to maintain our campus email addresses.

Griff Doyle: I noticed a memo went to Vice Presidents, Deans and Directors. So we'll have to make a concerted effort to get the statement to our members.

Nancy McDuff: Any other updates?

Dana Nichols: I went to Statesboro for a workshop. Had a great discussion on the Momentum experience. This was something former Vice Chancellor Denley brought into being to make sure students were making progress toward graduation. It helps them make purposeful choices through "intrusive advising." They make sure students get into English and Math core classes early. Determined

where we are as a system and how to go forward as a system. We have been talking with our Regents about our optional plan for students moving forward. Had to adjust admissions re: ACT and SAT. We have waived test requirements as admissions requirements during the pandemic. My team has been doing research on admitting students with only their high school GPAs as criteria. Regents are looking at this. Do we need to bring these tests back in? There will be more to come on that as the Regents look at the data.

I do have an ask. Any of you who have background in grant-writing or grant management. Ashwani has created a new Regents Advisory Council (RAC) around research opportunities. You guys may have a wealth of experience on this. **Anyone who wants to volunteer to serve on this new research RAC – we can put you to work there.** I think that's all for now. If you have further questions, you can contact dana.nichols@usg.edu Now I'm about two weeks away from 7 months in this position.

Nancy McDuff: Happy Anniversary.

Dana Nichols: It's been a whirlwind, but it's been great.

Nancy McDuff: I am visiting next month to see Dana Nichols. Working on how we can get campuses active in the USGRC who are not yet. Ed Rondeau and I are going in to do this.

4. KARIN ELLIOTT – Health Insurance Updates, Total Rewards Steering Committee Report

Karin Elliott Thanks to all on the retiree council.

I'm excited that Dana is going to work with you toward getting more representation on this Council.

Active Employee Healthcare Migration -2023 Open Enrollment

Health Plan	Dec. 2022	Jan 2023	Difference		% Change
Blue Choice HMO*	5957	5909	-48	Down	-.8%
Comprehensive Care **	13,841	14,343	502	Up	3.6%
Consumer Choice HMO	14,784	14,867	83	Up	.6%
Kaiser HMO	4,330	4,375	45	Up	1%
TOTAL	38,912	39,494	582	Up	1.5%

- *Blue Choice HMO – 314 dependents left the plan, Consumer Choice HSA-157 dependents left the plan, Kaiser HMO – 39 dependents left the plan
- **Comprehensive care – 221 dependents joined the plan
- 1992 employees (5%) had coverage in 2022 and changed to a different healthcare plan in 2023
- 340 employees (.8%) had coverage in 2022 but dropped healthcare coverage in 2023
- 758 employees (1.94%) had no coverage at the end of 2022, but enrolled in healthcare in 2023

The majority of employees live in areas where the plan they have is most available. Some employees have picked up a plan.

Enrollment by Product

Medicare Advantage

26% of USG retirees

Majority enrolled in PPO

Medicare Supplement

76% of USG retirees

Majority enrolled in Plan F

Prescription Drugs

USG retirees are enrolled through 15 different carriers

RETIREE PRE-65 Healthcare Migration 2023 Open Enrollment

Health Plan	Dec 2022	Jan 2023	Difference		%change
Blue Choice HMO	603	569	(34)	down	1
Comprehensive Care	2,079	2,118	39	up	5
Consumer Choice HMO	841	829	(12)	down	2
Kaiser HMO	228	230	2	up	6
TOTAL	3,751	3,746	-5	down	14

47% enrolled in you only coverage

3% pre-65 retirees changed coverage

Greatest migration was from Blue Choice HMO plan to Comprehensive Care Plan

Second greatest migration was from Consumer Choice HSA to Comprehensive Care Plan

Dennis Marks: **Retirees have to end their involvement in a Health Savings Account before they turn 65. They need to be informed to arrange for this a year or 6 months out prior to their retirement.**

Karin Elliott: Good point. I made a note that we address this.

SYSTEM OFFICE BENEFITS UPDATES

USG Healthcare Plan – Active employees and under 65

- Higher utilization, higher drug costs, inflationary pressures
- Accolade – Navigation, condition management provider. As we come out of COVID we see higher utilization in the plan. We continue to see a trend of higher utilization in 2022 and 2023, so have projected this out into 2024. Mental health utilization continues to increase. Staffing

shortages impact inflation costs. Accolade is a solution vendor to provide a greater level of support for employees and pre-65 retirees. They bring clinical support for chronic or serious conditions. We added this. We are in our third year with Accolade and are trying to review how they are engaging with our population. Our employees have not quickly embraced this vendor. The goal is to make sure our employees get the highest quality of care at the right place and the right time. Some suspected this is a way for the System to discourage participants from accessing care, but it's actually a way to support employees engaging with the healthcare system.

- Requests for weight-loss drugs

I've been at the System level for about 10 years. This year, pressures are coming from outside for weight loss drugs. This is a hot topic and we have received requests for additional coverage for weight loss drugs. Some are utilized in conjunction with treatment for diabetes. We're looking at putting some controls around weight loss drugs. We think we'll get more requests from employees. We're getting more requests regarding bariatric surgery.

- Increasing legislation impacting management of the plan. We're seeing more of this and it impacts us. We're having to navigate around that. Sometimes this includes additional costs if we are required to do more. We're working to provide the highest value plan for our members.
- Researching some longer-term strategies to better support members and help with health improvement/management.

*Dental Plan RFP [Request for Proposal] – current vendor is Delta Dental. We pay them a set administrative fee. We're happy with them. But we have not gone out to bid for a while. We are exploring other providers to see if we can get better competitive rates for our employees.

Nzinga Benton has been at the USG six months, looking at USG well-being. It's been a while since we looked at this. Do we need to reposition ourselves or redefine goals? She's looking at all of this. We want to provide more institutional programming support, in-person or virtually. This involves faculty from West Georgia and the nutritional staff at Georgia State University. We want to make sure programs are available to retirees.

Anessa Billings has been leading on total rewards.

Benedra Cleveland has been working on New Hire Orientation

Karin Elliott: These [all the above] are things we look at and talk with Alight about. There are some definite challenges coming into 2024 and we are working closely with the Total Rewards Steering Committee on these.

SYSTEM OFFICE BENEFITS UPDATES

- USG Well-being – redefining purpose and goals, how to provide more institutional programming support
- Employee/HR staff education

New hire Orientation. Total Rewards Statements, new HR/benefits statements using a Trans-theoretical Model of Change in communications that will be released in the Fall. We'll be looking at this. See you tube video: https://youtu.be/VVyhhMzWkiU

[Editorial note: This presents a model of change for those wanting to break harmful habits (such as smoking, overeating, etc.), adopt new habits (such as going to the gym) or generally make some change in one's life. It was developed in the 1970's by James Prochaska and Carlo Diclemente.

It offers a model for how to make change in your life and adopt positive habits – including steps of change to transition to a happier person and more healthy way of living. Some steps last for months at a time so patience is needed.

Stage 1: Precontemplation - Weigh pros and cons of changing unhealthy or problematic behavior. In this stage persons usually downplay the pros. But more research is needed. This is a time to ask yourself some questions.

Stage 2: Contemplation – A shift in perception occurs. People now look within and see how actions or inactions are hurtful. Focus on impact of action or inaction. Many at this stage see change as a loss of identity in some regard and/or as "giving up" something significant to them. Identify things that are holding you back from change. People have trouble accepting the life they will experience without the habitual/harmful behavior. Engage in strategic thinking. Recognize that it's time to change.

Stage 3: Preparation – Make small changes. Test the waters. Reduce the amount you smoke, for example. Do research on obstacles others have faced. Look up alternative plans and actions. Your journey is far from over. Seek out resources. This phase can take 3-4 months.

Stage 4: Action - You have to want and to know that's it's time to change. Have a plan to change and what to do when you encounter an obstacle.

Stage 5: Maintenance – temptations still exist after 6 months. Relapse is still possible. But persons become more confident about their ability to recover from them, stick to the change in behavior and have a plan to avoid temptations. Have to be honest with yourself.

Stage 6: Relapse - For substance abuse problems this occurs about 40-60% of the time. And it can happen even years later. It's hard to avoid temptations. If you honestly look at the barriers you face and what triggered relapse, this information can keep you moving forward. Pull on what you learned from earlier stages.]

Processes of Change that Mediate Progression Between Stages of Change

Precontemplation (Consciousness Raising, Dramatic Relief, Environmental Reevaluation)

Contemplation and Preparation (Self re-evaluation)

Action (Self liberation)

Maintenance (Counterconditioning, Helping Relationships, Reinforcement management,

Stimulus control)

How do we use this model to

Increase engagement with USG health improvement programs

Influence employees to increase healthy behaviors

Educate employees on benefit programs.

Data dashboards – This is one of the Chancellor's priorities. Its goal is to better understand what's going on across all of our institutions. From an HR perspective, we are digging into recruiting and retention, looking at where we have higher retention or turnover. We are doing this in every area and department to ensure we're making good decisions at each level.

2024 Open Enrollment Benefits Fairs – will be in-person. We had less participation in our online benefits fairs. Twenty institutions had their benefits fairs in person. Participation was low on the virtual offerings. We will probably do webinars from our office.

TOTAL REWARDS STATEMENT – DRAFT document presented to attendees.

The Chancellor is concerned about the retention of top talent in the USG. The goal of this statement is to provide the employee with the USG's entire range of compensation. It includes contributions the USG is making to healthcare and retirement. It is designed to give employees information and education about total benefits the USG is providing to help them feel they are getting a good benefit in working within the USG.

This is a document intended to show all compensation and benefits associated with employment in the USG. It reads, in part: "These benefits go well beyond your paycheck to help you take care of what matters in all aspects of your life." It also mentions that while employees invest in the USG with "their energy, passion and expertise, USG is committed to investing in you." It includes figures for base pay, additional compensation, health and insurance benefits and retirement benefits. It provides links for an employee's "Online Total Rewards Statement," "Tuition Assistant Program (TAP)" and USG Well-being program to support individuals and their family's health which "includes all aspects of well-being including your physical, mental emotional, and financial health" and offers employees and their spouses the opportunity to earn up to a $200 well-being credit by participating in activities that promote a healthy lifestyle."

It mentions such other benefits as Healthcare, Well-being incentive, Health Savings Account (HSA), Dental, Vision, Basic Life and AD&D (Accidental Death & Dismemberment), Supplemental Life and AD&D, Spouse Life, Child Life, Short-Term Disability, Long-Term Disability, Healthcare FSA Flexible Spending Account), Limited Purpose FSA, Dependent Care FSA. It also lists benefits in retirement, including TRS, 403b Savings Plan, 457b Savings Plan, Medicare, and Social Security.

Nancy McDuff: Do you see employees having to pick up a greater cost now that $66 million has been removed from the USG budget by the Legislature?

Karin Elliott: Our Fiscal Affairs team is working on that. It looks like there will be some increase for our employees. We don't know how to balance some of the factors involved. This is a separate request as part of our current budget or part of our next budget request.

We run on a calendar year. The USG operates on a fiscal year. So there may be conversations about where funding will come to finance increases in the healthcare plan. We are seeing much larger increases in employee utilization of healthcare benefits. We will go to the Board in August with our healthcare request for funding.

Anne Richards: Does this Total Rewards statement go just to those who are already employed at the university, or could it go to those considering employment in the USG?

Karin Elliott: We would love to have this for potential candidates. We are working on that. It is part of this project.

5. **ANESSA BILLINGS. USG RETIREE SURVIVOR INFORMATION upon the DEATH OF A RETIREE.**

[See Appendix B]

Anessa reported that Retiree Council members had determined that it would be helpful to have a means of helping retirees understand and find assistance in the event someone passes away. Typically, the USG provides lists to better educate employees and retirees on matters of significance, but this project seemed to call for the provision of more context. The information Anessa assembled addresses how to report the death of a retiree, what happens to USG coverage such as life insurance, pre-65 healthcare coverage, post-65 healthcare coverage, how to pay for coverage and other frequently asked questions.

Anessa pointed out that retirees should keep in mind that, after the death of a given individual, online access (to the deceased person's healthcare account, email, etc.) is removed. Funds in the HRA under the name of the deceased retiree can not be accessed until the 6-month period of time runs out to cover any outstanding medical costs. Funds remaining in a deceased retiree's account are not automatically put into a survivor's account. Surviving spouses have to establish login information for a new account and get their own login credentials. And there is usually a lag of 30-45 days before a survivor can access this new account on line.

With regard to life insurance benefits, Anessa mentioned that one of the reasons for a delay in distributing benefits is that the USG does not always have beneficiary information in their system. The document she presented in draft form provides an outline of the information needed to access life insurance policies and mentions that a packet of claims information will be sent to the beneficiary. There is no delay if the beneficiary is listed in their electronic database.

Anne Richards and Meg Cooper thanked Anessa for gathering all this information. They had both learned from prior experience that some survivors had considerable difficulties in understanding what to do when a spouse had died, and thought the documentation Anessa provided would be enormously helpful to retirees and their families going forward.

Dorothy Zinsmeister: There is a typo on p. 2 of this draft. Toward the bottom of the page it refers to the Aon Retiree Health Solutions team instead of the Alight Retiree Health Solutions team.

Anessa Billings: If you start using this document and find information missing, please send that information along and we will update this information. Send any feedback to Benedra Cleveland. Nicole McNeil, Benefits Manager, in our office did all the research for it.

Nancy McDuff: My thanks to you as well. I need to put a copy of this in my red emergency folder. How will this information be distributed to retirees?

Anessa Billnigs: It will be put on the HR website, but I am open to suggestions. I think we want to share it with campuses.

Nancy McDuff: Are you ok if various copies are distributed to retirees?

Anessa Billings: I need to make a couple of edits. I would tell them it will be posted and to check on the edits on the USG website. I will probably add a date so you know what is the most current policy.

Mike Womack: My wife has her own account. Does that complicate matters? HR told us it would be simpler to have two accounts. They had to make my wife a prior employee to work things out.

Anessa Billiings: It could complicate matters. I'll have Nicole work with Mat and his team on that. A lot of times it's easier when they can see who is a survivor. So we need to talk about that. It's easier if someone is pre-65, but not as easy for those who are post-65.. They have to create a survivor account somehow.

Ed Rondeau: I think it would be helpful if all HR offices know this document is available.

Karin Elliott: We have a monthly benefits call with our HR representatives. There are still some tweaks to make. We will assure that they will know about this when it's finalized.

Chuck Aust: If this draft is not the official version, you might want to indicate this with the word DRAFT in its background.

Anessa Billings: It will be released soon.

Dorothy Zinsmeister: Once you make those tweaks, is it no longer a draft document?

Anessa Billings: Yes.

Nancy McDuff: Once again, thanks for all your work on this. Best wishes as you make the next move in your career. Thank you for leaving us in such good shape on this matter.

BREAK: 10:55-11:05 am

6. ALIGHT REPORT

Mat Burkley presented the agenda for ALIGHT as follows:

Business Updates from Alight

CMS Medicare Market Updates

Enrollment Behavior and Executive Summary

Your Spending Account Results

Looking Ahead

Alight Business Updates

Integration with Alight – Mat explained that Alight purchased Aon in 2021. A good part of the second quarter of 2022 was spent in branding, moving core systems and processes, and changing the website so Alight would be ready by August for a successful open enrollment period. Additional integration efforts continue in early 2023 (re: finishing up reporting issues).

Focus on "digital"

Mat Burkley: We did a survey last year, asking how retirees would like to receive information from us. More than 60% say they would like more via digital means. We have email contact now but that does not mean we are discounting call-in possibilities. We are trying to meet retirees where they want to meet us.

KEY HEALTHCARE COMPONENTS OF THE INFLATION REDUCTION ACT (IRA)

1. Shift Cost from Retirees to Medicare

   Eliminates 5% retiree cost share of the catastrophic level in 2024 for Medicare Part D.

   Caps retiree spending at $2,000 annually for 2025+ for Medicare Part D, with the limit indexed annually to help the broader retiree population.

2. Improve Medical Outcomes
   Eliminates cost-sharing for vaccines in 2023+ . Used to be paid by the USG but now by Medicare Part D., Medicaid & CHIP
   Limits cost-sharing for insulin products to $35 per month for 2023+ in Medicare Part B & D
   Provides a safe harbor that permits HDHPs [High Deductible Health Plans] to cover any insulin dosage prior to the deductible
3. Regulate Pharmacy Prices and Trends
   The government will start negotiating drug prices, for some of the highest spending drugs for 2026+, for Medicare Parts B & D. They will start with 10 drugs.
   Requires Rebates from manufacturers if drug prices for Medicare rise faster than inflation for 2023+
   Limits Medicare Part D premium growth to 6%/year from 2024 to 2030
4. More help for Low Income Americans
   Expands eligibility for full Medicare Part D Low Income Subsidy benefits for 2024+
   Extends the enhanced ACA marketplace subsidies (introduced in the American Rescue Plan Act) through 2025.

Nancy McDuff: Will these changes affect individuals?

Mat Burkley: We don't yet understand how this might impact retirees.

Dorothy Zinsmeister: Regarding part 3 on your previous slide, related to pharmacies. They are not supportive of reducing prices for medications. The government will negotiate, but how will they go about this? The most utilized drugs are the most expensive. That might result in price increases. I know people who order drugs from other countries (e.g., Turkey, Canada) because they can get better rates because of the huge difference in cost. Some people need the money they save by doing this.

Sandra Owen: You mentioned the expansion of eligibility for full Medicare Part D for low income subsidy benefits. Do you have a figure as to what is considered poverty level or 25% of that? What are the specifics?

Steve Cox: We don't have that today, but can get back to you on it. It shouldn't impact USG retirees.

The Inflation Reduction Act strengthens retiree healthcare benefits in the individual market. The impact on groups plans will vary based on the plan sponsor's specific situation.

MEDICARE MARKET UPDATES
Medicare Part A
Deductible: The inpatient hospital deductible is increasing from $1,556 in 2022 to $1,600 in 2023.
Represents an increase of $44
Part A Premium. Most Medicare beneficiaries pay no monthly premium.

Medicare Part B
Part B Deductible. The annual deductible will be $233 in 2023.
Part B Premium The standard monthly premium will be $164.90 for 2023 (may be higher based on income).
Represents a decrease of $5.20 a month from $170.10 in 2022
New Rule for 2023: General Enrollment Period coverage effective begin date (first of following month vs. July 11). You can thus sign up for Part B each month and be eligible for it the next month.

Medicare Supplement
The average monthly 2023 Medicare Supplement premium for ARHS retirees is $197.10 across all states, all carriers, and all available plan letters.

Medicare Part D

The estimated average monthly premium for Medicare Part D stand-alone drug plans is projected to be $31.50 in 2023.

The average monthly 2023 Medicare Part D premium for ARHS retirees is $38.40 across all states and all carriers.

Medicare Part D Annual Deductible is increasing to a maximum of $505

Medicare Part D annual out-of-pocket threshold is increasing to $7,40

Medicare Advantage

The average monthly 2023 Medicare Advantage premium for ARHS retirees is $25.50 across all states and all carriers.

The annual out-of-pocket maximum for Medicare Advantage plans in 2023 is $8,300.

Medicare Advantage product penetration surpassed 40% nationwide for the first time in January 2023.

ENROLLMENT BEHAVIOR AND EXECUTIVE SUMMARY

Enrollment Period Overview

Retiree Experience

- 2,964 appointments completed, 99.9% on time [one person was late by 9 minutes]
  Expected Service Level: 95%
- 82% satisfaction rating with Benefits Advisor
- Expected Service Level: 90%

We did a review of verbatim comments. Our team is in the process of working through this to understand how we can better coach our advisors.

Customer Service

- 9,391 customer service calls received
- 77% calls answered within 30 seconds
- Expected Service Level: 70%
- 85% satisfaction rating with Customer Service [It's now up to 90%]
- Expected Service Level: 80%

We are helping retirees to better understand the plan comparisons and giving them better explanations. This was an issue we identified. We work to make ourselves better. This is our goal. We want to minimize the time people need to wait to get information. This is the overall average. Some days are busier than others.

Disruption Activity

Every year we work with our carriers to find out what kind of disruption will occur with our carriers. That impacts retirees. It may be a partial change which defaults people into a new plan. Some choose a different plan in these circumstances.

- Crosswalk (auto coverage assignment)

  225 impacted, 177 remained in auto assigned plan

- Plan elimination

This year only 8 retirees were impacted by plan elimination. All 8 enrolled in a new plan with no gap in coverage..

Enrollment Executive Summary
2, 713 plan changes during OEP
1,000 switched Medical
1,560 switched PDP
118 switched Dental
35 switched Vision

44% enrolled via the Web (10% more than last year)
56% enrolled via an Agent (10% less than last year)
OEP total enrollments 2023: 3,100
OEP total enrollments 2022: 3,459

Last year we had larger disruption with drug plans. Formularies change, prescriptions change, medical services remain more consistent. The theme of our whole experience this year is not a lot is changing.

Enrollment by Type (USG vs. All Clients)

USG	ALL RETIREES
MEDICARE ADVANTAGE 26%	MEDICARE ADVANTAGE: 43%
MEDIGAP: 74%	MEDICAP: 57%

Enrollment by Product
Medicare Advantage
26% of USG retirees
Majority enrolled in PPO
Medicare Supplement
74% of USG retirees
Majority enrolled in Plan F

Medicare Advantage plans are becoming more popular. If you have an HMO plan you can't go out of network for your medical care. Those on a PPO plan receive lesser benefits but can go out of network. This is a trend.
With Plan F, there are no out of pocket costs. The flip side is you have to pay more. It's a very efficient plan for many retirees. Plan G is becoming more popular now that plan F is not available. The only difference is in the Part B deductible (which is covered in Plan F but not plan G).
Prescription Drugs
Almost 14,000 USG retirees are enrolled through one of these plans (with 15 different carriers).

Enrollment Executive Summary
Average Premium Changes for 2023 coverage
Medicare Advantage: Average Premium: $16.30 [$2.50 decrease]
Medicare Supplement: Average Premium: $204.40 [$1.70 decrease]

Prescription Drug:	Average Premium:	$35.00 [$2.90 increase]
Dental:	Average Premium:	$45.60 [$4.70 decrease]
Vision:	Average Premium:	$19.70 [$2.10 decrease]
Bundled Plans	Average Premium:	$58.60 [$1.10 increase]

Chuck Aust: I noticed in the last two years that the Anthem BC/BS prescription drug plan has skyrocketed In cost. It went from $30 to $80/month and this year it's up to $93/month. Why has that happened?

Mat Burkley: It's hard for me to answer that specifically. Some things that drive the increase are the formularies offered by a given plan, the price of drugs, and the individual risk components the insurance company faces. I can connect with our folks who work with the carriers.

Chuck Aust: What I have wondered is: Am I a fool for keeping this coverage?

Mat Burkley: Maybe there is a drug on there that only they offer. But I encourage all of you to shop and compare plans. Some go up every year . Others reduce premiums. A lot has to do with the risk they are exposed to. Other things driving premiums are deductibles. Some that go up to $500-$550 deductibles have a lower premium. Consider this.

Chuck Aust: I might need a more expensive drug.

Martha Wicker: Since we have the option to purchase dental and vision through Alight, are we seeing more do this through Alight and dropping coverage in the USG plan?

Karin Elliott: We have not seen this. It maybe because retirees know that once you drop USG coverage, you cannot re-enroll in what you had previously. It's a reason why many keep what they have.

Wayne Book: We intended to change from F to G and were declined. The results I get to questions about why we were declined are vague, and very confusing and uninformative. Is there a better means of determining the reason for this rejection?

Mat Burkley: Typically, there are health questions when you change. And if you are declined, the carrier should be informing you of the reasons why.

Wayne Book: We tried to find this out from the carrier. Their initial response was the carrier doesn't make that decision. It's made by some other evaluation. And we have to contact those other evaluators. We sent them mail, but received an un-informative response.

Mat Burkley: I apologize. Your questions should be able to be answered. I can have someone take a look at your account.

Wayne: That would be helpful. Do you need my email?

Mat Burkley: I can look it up in the System.

Sandra Owen: I want to comment on the formularies of different companies. This can be a problem. As drug costs go up, many of our constituents are faced with a decision regarding generic meds. What might not be understood is the additives. The FDA doesn't look into this. But some are allergic to the additives. So **it's critical to check into whether a company has a "non-formulary" exemption. If this is not there, that is not helpful. Retirees should ask: Do they have a process for non-formulary exemptions?**

Mat Burkley: This is critical. That's why when we have a discussion with retirees, we do recommend that if someone is taking a regular form of a drug they have to check with their doctor about the generic. Our agents should direct retirees to have that conversation and not blindly accept the generic drug. If you're in the middle of the year and can't switch your drug plan until open enrollment, we can get involved in working with the carrier to understand if exemptions are available or get many discounts. We will help the retiree who contacts us.

2022 Ongoing Education –providing support to retirees through various means.
Age in webinars
- Ongoing each month for those who are approaching 65 so they know who we are.
- 12 webinars in 2021
- 96 total USG retirees in attendance.

Virtual Planning for Retirement Meetings
- Partnership with USG
- Social Security, Medicare and retiree exchange
- 2 meetings in 2022: 10/4 and 10/5 (197 lines)

Virtual Benefits Fairs - Host virtual booth (10/24 through 11/4)
Part B eligible expense communication
HRA webinars
- 4 total sessions (1,913 total RSVP)
  - January 12, 491 RSVP
  - May 19, 338 RSVP
  - September 21, 584 RSVP
  - December 13, 500 RSVP
- Had communications about Part B as eligible expenses for retirees who roll over money from year to year. We want to encourage more retirees to use their HRA funds.

2022 Quarterly educational newsletters/monthly Digital Know How Emails
- Maximize your Benefits
- Medicare Education
- Prepare for Open Enrollment
- Open Enrollment

In summary, year-long, we touch base with and have communications with retirees.

HRA Utilization

	2020	2021	2022
Total number of accounts	15,607	16,195	16,698
Accounts exhausting HRA	7,147 accounts (45.80%)	7,461 accounts (46.06%)	7,818 accounts (46.82%)
Accounts rolling over HRA	8,460 accounts (54.20%)	8,734 accounts (53.94%)	8,880 accounts (53.18%)
Average balance 12/31-1/1	$1,841.70	$2,001.61	$2,176.66
Accounts without a claim	865 (5.55%)	803 (4.96%)	839 (5.03%)
2022 USG HRA Contribution	$2,736	$2,736	$2,736
Retirees requesting Medicare Part B reimbursement	1,252	1,439	1,807
% of retirees who utilize Direct deposit	65%	73%	73%
Average of total claims paid Per account	$3,350.39	$3,089.32	$3,447.92
Reimburse Me App claims Submitted (Live 10/2022)			119
Retirees requesting Catastrophic HRA (CHRA)	71	58	54
Average CHRA amount paid	$2,392.36	$2,428.73	$2,420.71

Mat Burkley: Because Part B payments recur, they can be treated as a premium and this doesn't require monthly action on the part of retirees.

Nancy McDuff: Have you looked at the balances rolled over each year rather than the total amount?

Mat Burkley: Every year the plan allows you to roll over funds.

Nancy McDuff: The more years accumulated, doesn't that raise the balance? Or, on an annual basis, what is the amount each year?

Mat Burkley: We work with actuaries and will take this into account to determine this.

Dorothy Zinsmeister: The majority of USG retirees are in Medigap plans. In the balance carried over, how many run out of money and now pay out of their pocket?

Mat Burkley: About 47% exhausted their balance in 2022.

Karin Elliott: We encourage retirees to submit claims and get reimbursement for out of pocket costs and costs for Part B.

Dorothy Zinsmeister: Initially, I ran out of my HRA funds in October. Now I do it in July or August and I don't pay anything else besides my premiums.

Meg Cooper: When we did a survey of UWG retirees and their use of the HRA, a very large percentage who had a medigap plan ran out in September.

Dorothy Zinsmeister: I understand why this is, because Plan F is a very rich plan.

Nancy McDuff: Do we know now the percentage who have exhausted their balance? Is it increasing? I find I run out sooner in the calendar year.

Matt Burkley: It's up 1%. See HRA Utilization [above, p. 20]

Sandra Owen: We have a Plan F. I have to decide what I want to pay out of my own money and what I want to roll over for any insurance premium for the next year. It's a fear we all have – there are a lot of different factors put into with regard to why we roll over what we do. Hopefully, you'll understand that we pay for things you don't know all about.

Karin Elliott: One thing is out of USG control – the Federal Government making decisions around Medicare supplement Plan F. This was concerning to us. We don't know what higher increases in these plans will be. The population in Plan F will get smaller and smaller. How can we convince retirees to consider other plans?

Mat Burkley: The pool of people in Plan F is shrinking, so pressure on premiums will happen. The positive side is there are other alternatives. But a discussion with licensed agents can tell you if these are good or bad for you.

Wayne Book: When we were refused a switch from Plan F to G, is that a component of the insurance company?

Mat Burkley: Yes. The insurance companies have to measure their risk every year, so they might block this shift as a result.

Karin Elliott: If a retiree with certain conditions is in Plan F and wants to move to G, will they have to go through underwriting or will it depend on the carrier? Plan G is very consistent to do this. But costs could be different.

Martha Wicker: Am I correct that some states allowed change from F to G without underwriting but Georgia didn't? So we may need lobbying for this.

Mat Burkley: Medicare Supplement plans are governed by the states (their Departments of Insurance). Medicare Advantage plans are governed by the US government.

Martha Wicker: Someone I know applied to make a switch one year and was denied. She was having cataract surgery that year. She was told to wait until the next year. She did, they applied again after the cataract surgery, and got accepted.

Steve Cox: It's all carrier specific.

Dorothy Zinsmeister: Is it true that underwriting applies even if you change from F to G with the same carrier (as Mutual of Omaha)? Do they still have to do underwriting?

Mat Burkley: Yes.

Looking Ahead -2023 Summary

Continue Monthly Age In Webinars
Participate in Planning for Retirement meeting and Benefits Fair in the Fall
Continue HRA educational webinars – May, September, December and January (2024)
Bi-monthly newsletters
Monthly Digital Know How emails
Continue with USG dedicated model
Updated look to website. We did an update on our website on March 18th. Last year migrated from red and white of Aon colors to black, yellow and white. Now more white space and more "interactive" option cards. These will become more relevant to retirees as these cards move forward. We think the home page will feel different now in a positive way.

A screen shot was then presented that showed side-by-side highlights of differences between the old Home page and the new Home page for Alight.
Options on the new page include two new ones beyond the 5 on the prior page:
Log In
Interactive Guide
Medicare Plans
Dental, Vision & Hearing Plans
Contact Us
New; Recommendations
New: Quick Links

The new website helps you learn about Medicare. The older one focused more on retirees learning about changing a plan.

Wrap Up/Questions

Nancy: Mat and Steve. Thank you for a good presentation and for taking questions throughout.

Mat Burkley: It's our pleasure to have this conversation.

7. Nancy McDuff: We **did an informal survey** about how campus meetings take place and determine the selection of representatives to the USGRC and how long people serve as

representatives on the Council. This was done to help inform me in getting more campuses involved.

We had 18 responses. Several campus organizations are not meeting on a regular basis. Most find distance or hybrid meetings working best. About half of the respondents have representatives who serve 5+ years. About ½ have those who serve one year at a time. There are lots of different models for the selection of representatives and alternates. In a large number of cases there is someone who has been the same representative for years. Some have rotation in elections. This helps me realize that there is not one way of doing things. Each campus does what works best for those involved.

8. **RETIREMENT ADVISORY & INVESTMENT COMMITTEE MEETING REPORT to USGRC**

Dorothy Zinsmeister reported on the meeting that took place December 15, 2022. Time: 10:00 am – 12:00 pm (ET).

Location: Board of Regents Office, Atlanta, GA and via Video conference

CAPTRUST Q3 2022 Investment Review and Corebridge (formerly AIG) Review

Board of Regents of the University System of Georgia

Plan Name(s)

University System of Georgia Optional Retirement Plan

University System of Georgia 403(b)

Plan (University System of Georgia 457b) Plan

Attendees: Representatives from the University System of Georgia, CAPTRUST, and

Corebridge

Agenda:

COREBRIDGE PLAN REVIEW AND UPDATE

Regional Vice President thanked USG for their business and updated the committee on the recent name change areas, along with some stats on the breadth and depth of their organization.

Plan updates and demographics

Relationship Manager provided the Committee with an update on the demographics of the plan, trends they are seeing, and several enhancements.

Communication and Education

Director, Communications Consultant discussed the various communication and educational "touch points" for USG participants and ways they are engaging them through targeted messaging in areas like Savings, Roth, participation, asset allocation, etc.

INDUSTRY UPDATE/OVERVIEW

Fiduciary Update

While the USG Plans are not subject to ERISA, CAPTRUST discussed several recent court cases.

ECONOMIC/MARKET UPDATE

Stocks and bonds climbed in the first half of the quarter as concerns about inflation subsided, but the Federal Reserve's aggressive interest policy and messaging brought investors back to reality, resulting in another challenging quarter.

Tailwinds Facing the Market

Supply chain constraints and rising gas prices have been key drivers of inflation.
The US labor market remains resilient.
Widespread pessimism can provide attractive entry points.

Headwinds Facing the Market

The Fed continues to aggressively fight inflation.

Rising mortgage rates have the intended effect of slowing home sales

Historically, markets performed well under division of power. Election outcomes could create policy uncertainty.

INVESTMENT REVIEW

The committee and its advisors reviewed the investments in a manner consistent with the standards and approach defined in the Investment Policy Statement. All plan investments are currently meeting the objectives established by the Investment Policy Statement except two that are Considered for Termination.

Request for Proposal (RFP) UPDATE

Karin updated the committee on the advisory services RFP with the goal of releasing it in January 2023. Karin discussed the potential meeting schedule, and discussed having these meetings more strategic, including such topics as: Communications calendar for all vendors; Vendors to provide recommendations related to employment engagement; Execution of the Investment Policy Statement; Trends in the marketplace such as: Vendor consideration, Legacy asset strategy, Retirement Income solutions, Fixed fee vs. asset based, Auto environment, Small balance payouts.

Part of the role of CAPTRUST and this committee is to review plans and make recommendations. Demographics, enhancements. Communication is important with people who have investments with you. How do you engage with them, they with you?

Industry update.

ERISA ensures plans are doing what they are supposed to. USG Plans are not members of ERISA but CAPTRUST uses their guidelines to assess plan performance.

Karin Elliott: Great job, Dorothy. If you like investing, this committee goes into a deep detail on the issue.

ORP is also part of the discussion because many individuals are in this plan rather than the TRS. So there's discussion of ORP. This committee reviews all the funds in the ORP. Reviews performance and if law com. Recommend change. We look at how many vendors we offer and evaluate the performance of our vendors.

Dorothy Zinsmeister: CAPTRUST provides webinars for employees. Current USG employees who have ORP or 403b or 457b received email about webinars or could talk to agent. Other retirees do not get similar messages. Retirees can go to the USG website, true. But retirees can also go directly to CAPTRUST – if you have ORP, 457b or 403b. You can get on that email distribution list for webinars once you get an appointment with CAPTRUST. If you sign up for a webinar with CAPTRUST, it will reconnect with you and there is no need to call. It is a wonderful resource.

Nancy McDuff: You have been on this committee since its inception. Has its review process resulted in dropping poor performing plans?

Dorothy Zinsmeister: Yes. At one time we looked at all of the plans and decided to chop several. Now only 3 are left: AIG (now Corebridge), Fidelity, and TIAA. You pick one and you can stay with them or change if you want.

Karin Elliott: UGA used to have Lincoln. Each institution used to be able to change. Some employees would move from one institution to another and have to change this as a result. So in 2019 we consolidated plans. We encouraged UGA to roll over to our three carriers, but some who had it earlier can keep their investments in Lincoln.

Dorothy Zinsmeiste: CAPTRUST doesn't look at Lincoln any more, right?

Karin Elliott: True. We encourage our retirees to roll money into plans over which we provide oversight. But if they don't want to they can keep what they have.

Dorothy Zinsmeister: And the oversight is extensive. So it's worthwhile to stick with them.

9. **RICH FOREMAN. USG FACULTY COUNCIL.**

Rich Foreman explained that the USG Faculty Council meets a couple days at a time and is having a face-to-face meeting at Kennesaw State University April 28-29th on the Main campus. 12:30 pm to early Saturday afternoon.

Dorothy can come if she wants to. We have no agenda yet. Waiting to hear back from the Legislative session and the Chancellor. Officers will turn over at that meeting. So I'll be chair until September. Elections will happen in April.

The big thing is the Post-Tenure Review issue as related to AAUP censure of the System. We had tentatively worked with the USG, mostly with Dr. Monga, for a compromise – to insert a Faculty

Committee at the end to see if the process was fair. It sounds like we're not sure how the vote will turn out. It seems we are falling short of what is expected for a final proposal. Even if it's not OK with the AAUP, we may have this in place. It may take awhile for this to be resolved with the AAUP. We're moving in the right direction. We have good relationships with the Council and the BOR. They understand what we are looking for and they are receptive to this. The proposal will be officially presented at the BOR meeting in April but they won't have a final vote until the May meeting. Any questions?

Nancy McDuff: What about declining enrollment on campuses?

Rich Foreman: In the past, dollars were available that could have alleviated the impact. This year, it sounds like money is a lot tighter. Several programs have been eliminated that didn't attract students. Some meaningful programs have been lost, mainly non-tenured faculty along with them, but also long-term faculty. I don't yet have the numbers on this. People are trying to tighten their belts but have problems handling the number of students still enrolled. People are looking for ways of adjusting the funding formula so it is not based just on enrollment but on some kind of success formula (such as the one used in Tennessee). It would take several years to get this in place, however.

10. **JASPER STEWART. USG (STAFF COUNCIL**

I appreciate the invitation to be here. We have a quarterly meeting with a not-well-outlined agenda.

May 19th we will have a more comprehensive meeting at the System office. We typically meet once a year for two days. This time will be a one-day meeting on professional development, well-being, work-life balance – key issues. We'll bring in speakers, including Rick Shots and Scott Lingrell on "Stepping Stones." You can log into a computer and can see what careers might be of interest. We want to bring in more like this to invigorate the group. At Augusta University, September 26-27, 2023, I won't be the chair at that time. My term will end. Scott Taylor is the Chair-Elect and he will take over. We have a presence on all but one campus (Georgia Highlands). So if there is something you want to ask of us, we're here. We're looking for ideas to impact on staff. We are not a governing body, but . . .

Dorothy Zinsmeister: Members of your staff council will eventually retire. If your staff members are interested in having a retiree organization they could be helpful in getting a retiree association started on your campus.

Nancy McDuff: We're trying to get more campuses involved with an active retiree association. But if you can raise that with your group, they can push the powers that be to bring one into being.

Jasper Stewart: Do you have a website?

Nancy McDuff: Yes. It's right below the website for the Staff Council on the USG website.

Jasper Stewart: And they can use that to reach out?

Nancy McDuff: Yes, or someone can contact me directly.

Jasper Stewart: And you are made up of representatives from these campus retiree organizations?

Nancy McDuff: Yes. Do you know whether you have a representative at Georgia Southern?

Jasper Stewart: Yes, we do, but I don't know the person's name. Can you get information on retirement?

Anne Richards: Yes.

Nancy McDuff: It's different on different campuses.

11. **ANY OLD BUSINESS?** None mentioned.

12. **REPORT FROM THE NOMINATING COMMITTEE** (Mitch Clifton)

Mitch Clifton reported that, in the coming year, Ed Rondeau, now Chair-elect, will become the new Chair of the USGRC. Nancy McDuff will become the council's immediate past-chair. Thus offices that have to be filled are: chair-elect and secretary. The Nominating Committee proposed that Debbie Durden be re-elected Secretary and Michael Hazelkorn be elected Chair-elect.

Any nominations from the floor? There being none, Mitch asked for voting members in attendance to use the reaction button to raise their hands if they were in favor of the slate announced, or to state their vote, either yay or nay. He saw no nay votes, and the majority of the 15 institutions represented voted in favor of the motion.

Nancy McDuff: Thank you for chairing this committee. And thank you, Debbie, for serving a second term as our secretary.

Jim Cottingham: I want to express my thanks to you as chair, Nany.

Nancy McDuff. It's been my honor to serve. It wouldn't happen without all those who helped and worked with me – all those on the leadership team, an all of you who continue to serve. We are in good hands.

ADJOURNMENT: The meeting adjourned at 12:55 pm.

Respectfully submitted,

Anne C. Richards

Appendix A
USG Retiree Council Fall Meeting
On-Line Meeting using Zoom
March 31, 2023

9:00-9:05	Chair Calls the meeting to order-Nancy McDuff
9:05-9:20	Secretary calls the role of institutions-Debbie Durden Institutions will be called in alphabetical order
9:20-9:50	Introduction and presentation—Chancellor Sonny Perdue, University System of Georgia Chancellor
9:50-10:20	Update on Changes to the Faculty Handbook relating to Emeritus status-Dr. Dana Nichols, Vice Chancellor for Academic Affairs
10:20-10:50	Health Insurance Updates and Report from the Total Rewards Steering Committee (TRSC)--Karin Elliott, Associate Vice Chancellor, Total Rewards
	Update on Surviving Spouse Benefits checklist-Anessa Billings, Exec Director, Health and Voluntary Benefits
10:50-11:00	10-minute break
11:00-12:30	Alight (formerly Aon) Retiree Health Insurance Benefits Update--Alight Retiree Health Exchange, Mat Burkley
12:30-12:40	Summary and discussion of Survey of Meeting Modes and Campus Representation Selection—Nancy McDuff
12:40-12:50	Retirement Advisory and Investment Committee Report--Dorothy Zinsmeister
12:50-1:00	USG Faculty Council Report--Rich Foreman, Albany State
1:00-1:10	USG Staff Council Report-Jasper Stewart- GA Southern (Chair) or Yvonne Le Roy-Landers-Valdosta State (Secretary)
1:10-1:30	Old/New Business--Nancy McDuff Report of the Nominating Committee—Mitch Clifton, Chair Election of Chair Elect and Secretary
1:30	Adjournment--Nancy McDuff

Committee Reports (Please see appendices for details)
Please note that the Fall, 2022 meeting minutes were approved via votes cast on email.

Appendix B

4.5.4 Guidelines for Awarding of Emeritus/Emerita Status

Source:
BOARD OF REGENTS POLICY 2.11 TITLE OF EMERITUS OR EMERITA

Board of Regents Policy 2.11 *Title of Emeritus or Emerita* allows the President at his or her discretion, to confer the title of emeritus or emerita on any retired faculty member or administrative officer who, at the time of retirement, had ten years of honorable and distinguished University System of Georgia (USG) service.

Institutions must develop and publish their own guidelines for award of emeritus/emerita status. The Board of Regents policy specifies only that the retired faculty member must have "had ten or more years of honorable and distinguished service." The following are expectations for institutions developing their guidelines for award of emeritus or emerita status.

- The conferral of emeritus/emerita status is considered a distinctive honor, not a right, and is not automatic.
- The criteria for awarding the honor of emeritus/emerita status must be clear.
- There must be a clear process for informing retirees of the requirements to apply for emeritus/emerita status.
- Information about conferral of emeritus/emerita status should be readily available on the institution's website and in information generally provided to eligible persons planning for retirement.
- Emeritus/emerita status can be awarded to both retired faculty and administrators.
- Conferring of the emeritus/emerita title may be based on the candidate's faculty or administrative rank at the time of retirement.
- Institutions must specify the institutional office or offices involved in the management of requests for emeritus/emerita status.
- Institutions must specify who initiates the request for emeritus status, all of the processes that must be followed to result in the president of the institution recommending awarding of emeritus/emerita status.
- The timetable to be followed in applying for emeritus/emerita status must be clearly specified.
- Institutions must establish a time limit for applying for and awarding emeritus/emerita status.
- While the Board of Regents policy specifies a minimum of "ten years of honorable and distinguished University System of Georgia (USG) service," institutions must specify whether the service must be full-time, continuous leading up to retirement, and whether or not all or the ten years must have been served at the institution awarding emeritus/emerita status.

- Institutions may specify whether emeritus/emerita status is available to faculty and administrators in both tenured and non-tenured status.
- Institutions must specify the benefits, privileges and recognition associated with emeritus/emerita status at the institution (see below).
- Nothing in the institutional guidelines may usurp the authority of the president of the institution to manage emeritus/emerita appointments and privileges.

Benefits, Privileges, and Recognitions that may be Associated with Award of Emeritus/Emerita Status

The following is a list of possible benefits, privileges, and recognitions that may be associated with emeritus/emerita status. None of these are binding on institutions, and institutions are not restricted to the listed benefits, privileges and recognitions.

- Certificate showing emeritus/emerita award and rank
- Inclusion in faculty/administrator listing on institutional emeritus/emerita web pages and the catalog
- Emeritus/emerita institutional photo identification card
- Continued use of institutional email, contingent upon participation in the same cybersecurity trainings as active employees
- Use of institutional software and technology resources, contingent upon participation in the same cybersecurity trainings as active employees
- Full library access (the same as active faculty), including remote access to electronic resources
- Eligibility to serve on graduate thesis or doctoral dissertation committees, project committees, or as non-voting members of institutional committees as appropriate.
- Continued use of institutional office space as appropriate when available
- Parking privileges
- Use of institutional fitness facilities at no charge
- Invitations to participate in public ceremonies of the institution
- Invitations to certain departmental, college, and institutional events
- Complimentary copies of institutional publications
- Ability to enroll and attend classes at no charge, subject to space availability and approval of the instructor and institution

Appendix C

USG Health Update slide show sent as a separate document.

Appendix D

University System of Georgia **Benefits**
Centered on You.

USG Retiree Survivor Information - Death of a Retiree

Reporting the Death of a Retiree

Some benefits are time sensitive, so it is important to report a death as soon as possible. The best way to report a death is by calling **OneUSG Connect – Benefits at 844-587-4236, Monday – Friday from 8:30am – 5 pm ET**.

Anyone can report a death to USG, however, the person reporting the death will need to have the following information:

- Full Name AND
- Social Security Number of the retiree or DOB or Address
- If you are the power of Attorney or designee appointed by the state, you will need to provide that to the OneUSG Connect- Benefits call center and other benefit carriers.

After the death is reported, online access is removed, and the surviving dependent(s) will be set up as a survivor account immediately or as soon as administratively possible. The surviving dependent cannot access the benefits through the deceased retiree's account. They will need to contact OneUSG Connect – Benefits at 844-587-4236 if they have trouble logging into OneUSG Connect – Benefits (https://oneusgconnect.usg.edu/).

Important: For any future calls, the caller will need the following information Retiree name and SSN, plus one additional piece of identifying information such as Date of birth or address. The OneUSG Connect – Benefits call center cannot provide the life insurance amount or who is the designated beneficiary. Alight will only discuss the benefits that the survivor is eligible to continue.

What happens to your USG coverage

Life Insurance

Once the death is reported, the OneUSG Connect – Benefits center will create a claim with the MetLife, the life insurance provider. The MetLife will mail a claims packet directly to the beneficiary on file, which may be different than the person who reported the death.

The claim is filed with **1-2** business days from the date the death was reported, and the Insurance provider will mail the claims packet within **1-2** business days from the date of receipt. All questions about the claim's status, life amount, and/or final payment should be address directly with the Insurance provider, MetLife.

Payment is generally issued within **4-7 days** after the beneficiary has returned all the necessary information from the claims packet.

Required Documents for Life Insurance Claim:

- Copy of the Death Certificate
- Life Insurance Form (from packet) **AND**
  - Trusts – W9 and certificate of Trust **OR**
  - Probated Estate – W9 and estate papers **OR**
  - Non-probated Estate – Small Estate Affidavit **OR**
  - For claims with no designated beneficiary, the plan will pay based on an order of succession as outlined in the MetLife plan document.

Appendix E

Alight Slide Presentation sent as a separate document.

Appendix F

Retirement Advisory & Investment Committee Meeting Report to USGRC
March 31, 2023

December 16, 2022, Time: 10:00 AM –12:00 PM (ET)
Location: Board of Regents Office, Atlanta, GA and via Video conference
CAPTRUST Q3 2022 Investment Review and Corebridge Review

Board of Regents of the University System of Georgia
Plan Name(s):
University System of Georgia Optional Retirement Plan
University System of Georgia 403(b)
Plan University System of Georgia 457(b) Plan
Attendees: Representatives from the University System of Georgia, CAPTRUST, and Corebridge

Agenda

COREBRIDGE PLAN REVIEW AND UPDATE
Regional Vice President thanked USG for their business and updated the committee on the recent name change areas, along with some stats on the breadth and depth of their organization.

Plan updates and demographics
Relationship Manager provided the Committee with an update on the demographics of the plan, trends they are seeing, and several enhancements.

Communication and Education
Director, Communications Consultant discussed the various communication and educational "touch points" for USG participants and ways they are engaging them through targeted messaging in areas like Savings, Roth, participation, asset allocation, etc.

INDUSTRY UPDATE/OVERVIEW
Fiduciary Update
While the USG Plans are not subject to ERISA, CAPTRUST discussed several recent court cases.

ECONOMIC/MARKET UPDATE

Stocks and bonds climbed in the first half of the quarter as concerns about inflation subsided, but the Federal Reserve's aggressive interest policy and messaging brought investors back to reality, resulting in another challenging quarter

Tailwinds Facing the Market

· Supply-chain constraints and rising gas prices have been key drivers of inflation.
· The U.S. labor market remains resilient.
· Widespread pessimism can provide attractive entry points.

Headwinds Facing the Market

· The Fed continues to aggressively fight inflation.
· Rising mortgage rates have the intended effect of slowing home sales.
· Historically, markets performed well under division of power. Election outcomes could create policy uncertainty.

INVESTMENT REVIEW

The committee and its advisors reviewed the investments in a manner consistent with the standards and approach defined in the Investment Policy Statement.

All plan investments are currently meeting the objectives established by the Investment Policy Statement except two that are Considered for Termination.

RFP UPDATE

Karin updated the committee on the advisory services RFP with the goal of releasing it in January 2023. Karin discussed the potential meeting schedule, and discussed having these meetings more strategic including such topics as:

· Communications calendar for all vendors
· Vendors to provide recommendations related to employee engagement
· Fiduciary training to all committee members
· Execution of the Investment Policy Statement
· Trends in the marketplace such as:
    - o Vendor consolidation
    - o Legacy asset strategy
    - o Retirement income solutions
    - o Fixed fee vs. asset based
    - o Auto enrollment
    - o Small balance payouts

University System of Georgia

Retiree Advisory Council

March 31, 2023

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Attendees

- Alight
  - Steve Cox
  - Mat Burkley

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Agenda

- Business Updates from Alight
- CMS Medicare Market Updates
- Enrollment Behavior and Executive Summary
- Your Spending Account Results
- Looking Ahead

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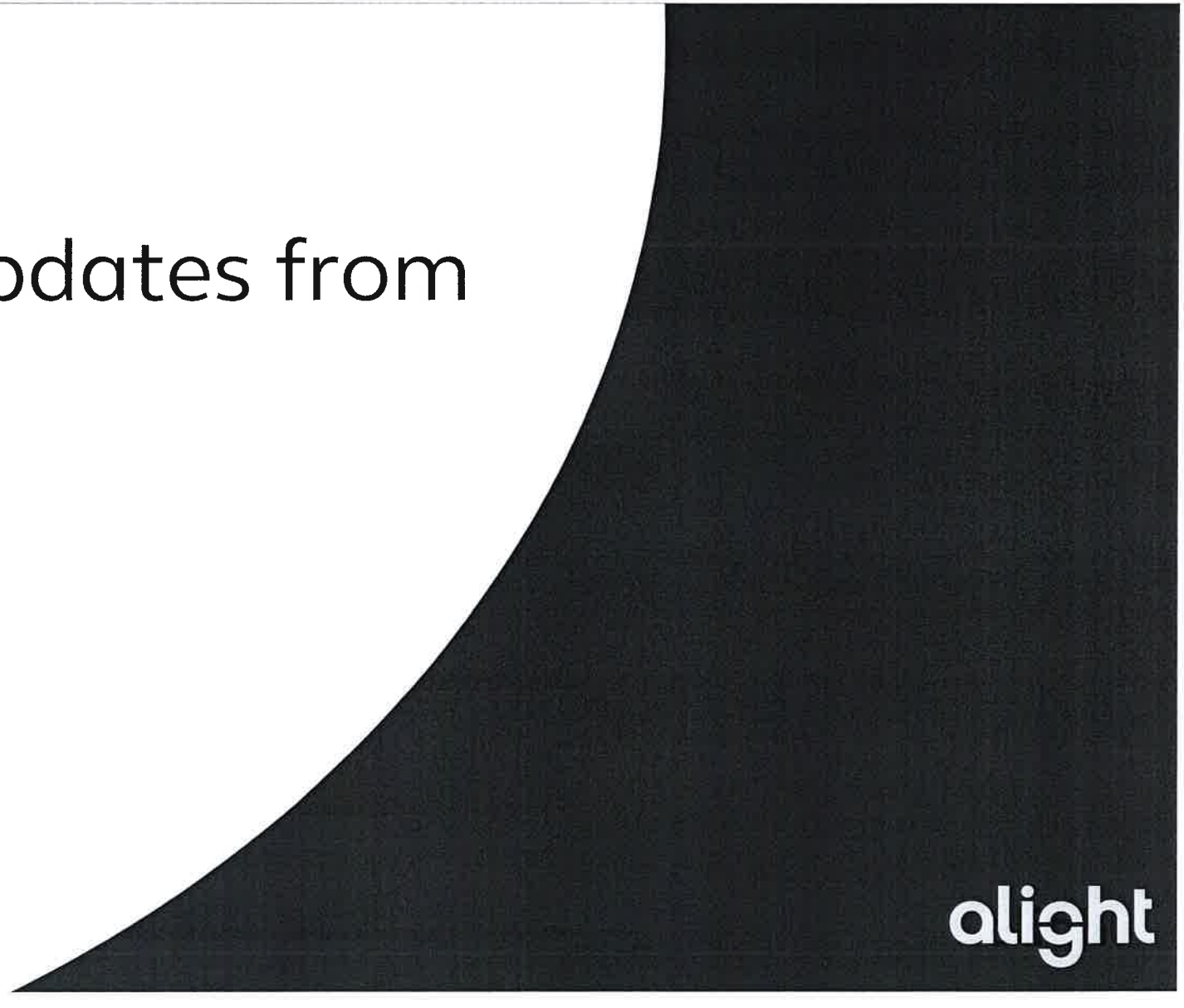
Business Updates from Alight



Alight Business Updates

- Integration with Alight
  - Branding
  - Systems
  - Processes
  - Website
- Additional integration efforts continue in early 2023
- Focus on “digital”

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Medicare/CMS Updates

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Key Healthcare Components of the Inflation Reduction Act (IRA)

1 Shift Cost from Retirees to Medicare

Eliminates 5% retiree cost share at the catastrophic level in **2024** for Medicare Part D

Caps retiree spend at $2,000 annually for **2025+** for **Medicare Part D**, with the limit indexed annually

2 Improve Medical Outcomes

Eliminates cost-sharing for vaccines in **2023+** in **Medicare Part D, Medicaid & CHIP**

Limits cost-sharing for insulin products to $35 per month for 2023+ in Medicare Part B & D

Provides a safe harbor that permits HDHPs to cover any insulin dosage prior to the deductible

3 Regulate Pharmacy Prices and Trends

Negotiates drug prices, for some of the highest-spending drugs for 2026+, for Medicare Parts B & D

Requires Rebates from manufacturers if drug prices for Medicare rise faster than inflation for 2023+

Limits Medicare Part D premium growth to 6%/year from 2024 to 2030

4 More Help for Low Income Americans

Expands eligibility for full Medicare Part D Low Income Subsidy benefits for 2024+

Extends the enhanced ACA marketplace subsidies introduced in the American Rescue Plan Act through 2025

The Inflation Reduction Act strengthens retiree healthcare benefits in the individual market. The impact on group plans will vary based on the plan sponsor's specific situation.

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Medicare Market Updates

Medicare Part A

- **Deductible:** The inpatient hospital deductible is increasing from $1,556 in 2022 to $1,600 in 2023
- Represents an **increase of $44**
- Part A Premium: Most Medicare beneficiaries pay no monthly premium

Medicare Part B

- **Part B Deductible**: The annual deductible will be **$233 in 2023**
- **Part B Premium:** The standard monthly premium will be **$164.90** for 2023 (may be higher based on income)
- Represents a **decrease of $5.20 a month** from $170.10 in 2022
- New Rule for 2023: General Enrollment Period coverage effective begin date (first of following month vs. July 1)

Medicare Supplement

- The average monthly 2023 **Medicare Supplement premium for ARHS retirees is $197.10 across all states, all carriers, and all available plan letters**

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Medicare Market Updates

Medicare Part D

- The estimated **average monthly premium** for Medicare Part D stand-alone drug plans is projected to be **$31.50 in 2023**
- The average monthly 2023 Medicare Part D premium for **ARHS retirees is $38.40** across all states and all carriers
- Medicare Part D Annual **Deductible** is increasing to a **maximum of $505**
- Medicare Part D annual **out-of-pocket threshold is increasing to $7,400**

Medicare Advantage

- The average **monthly 2023 Medicare Advantage premium for ARHS retirees is $25.50 across all states and all carriers**
- The annual **out-of-pocket** maximum for Medicare Advantage plans in **2023 is $8,300**
- Medicare Advantage product penetration surpassed 40% nationwide for the first time in January 2023

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Enrollment Behavior and Executive Summary

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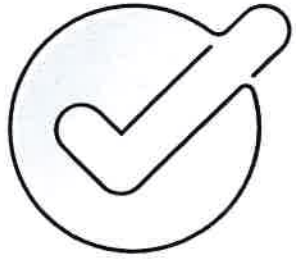
Enrollment Period Overview



Retiree Experience

— 2,964 appointments completed, 99.9% on time
  - Expected Service Level 95%

— 82% satisfaction rating with Benefits Advisor
  - Expected Service Level 90%

Customer Service

— 9,391 customer service calls received

— 77% calls answered within 30 seconds
  - Expected Service Level 70%

— 85% satisfaction rating with Customer Service
  - Expected Service Level 80%

Disruption Activity

— Crosswalk (auto coverage assignment)
  - 225 impacted. 177 remained in auto assigned plan

— Plan elimination:
  - 8 impacted. 8 enrolled in a new plan

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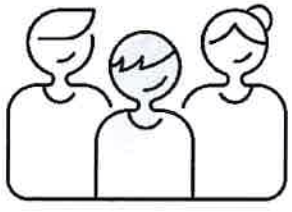
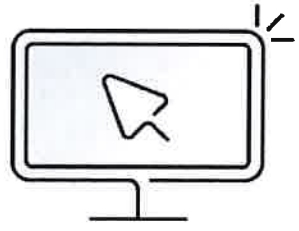
Enrollment Executive Summary



2,713 plan changes
during OEP

1,000 switched Medical
1,560 switched PDP
118 switched Dental
35 switched Vision



44% enrolled via the Web
(10% more than last year)

56% enrolled via an Agent
(10% less than last year)

OEP total enrollments 2023: 3,100
OEP total enrollments 2022: 3,459

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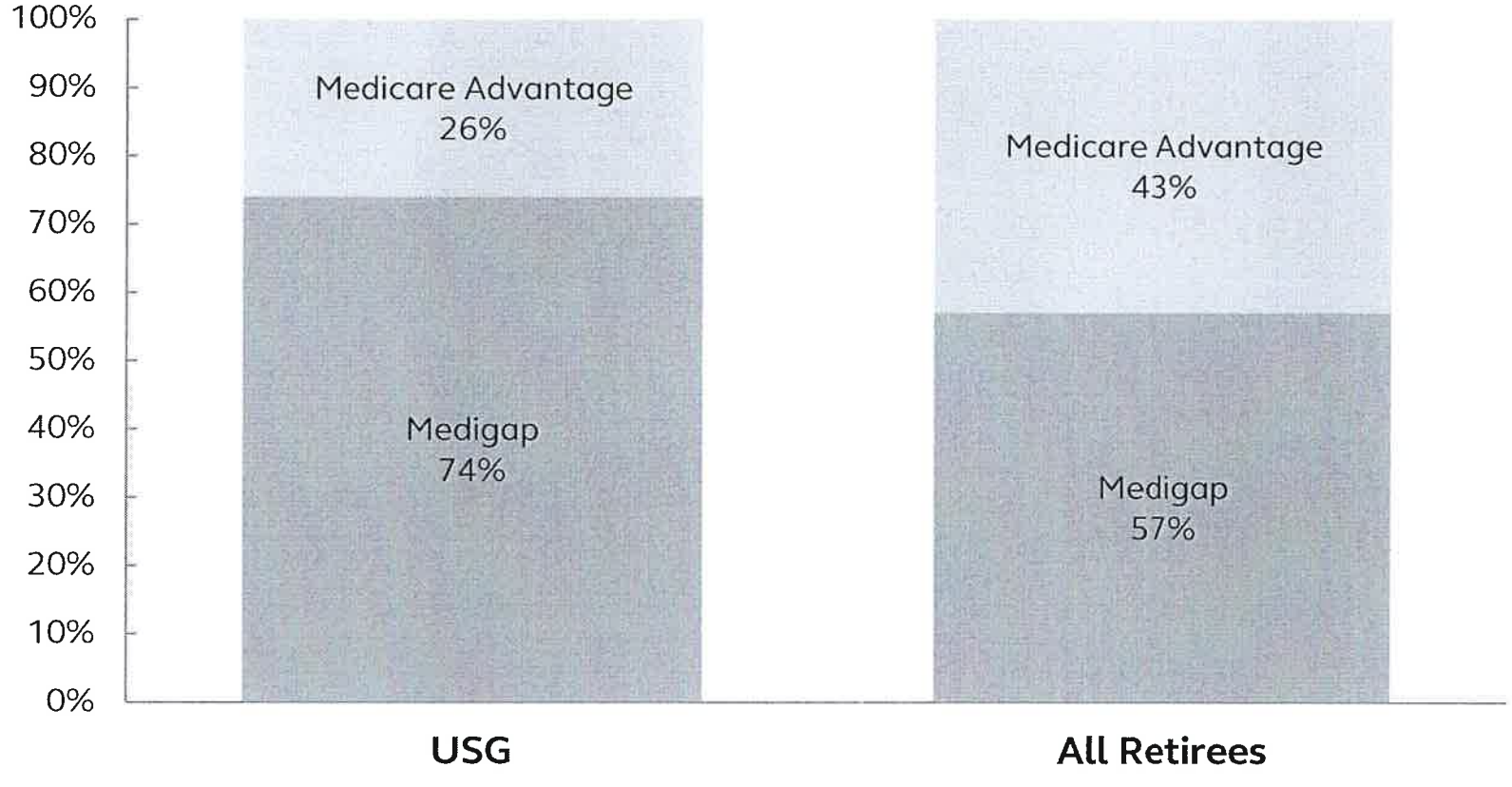
Enrollment by Type

USG vs All Clients



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Enrollment by Product

- Medicare Advantage
  - 26% of USG retirees
  - Majority enrolled in PPO
- Medicare Supplement
  - 76% of USG retirees
  - Majority enrolled in Plan F
- Prescription Drugs
  - USG retirees are enrolled through 15 different carriers

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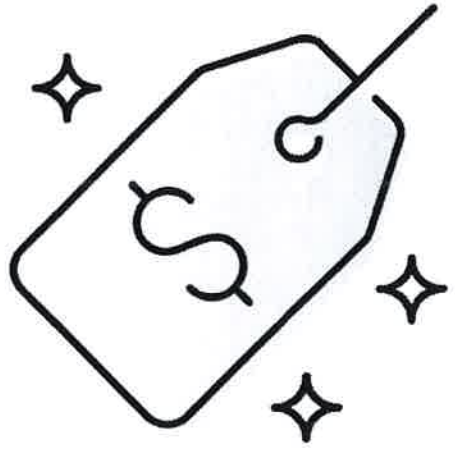
Enrollment Executive Summary



Average Premium Changes for 2023 Coverage

— Medicare Advantage:	Average Premium: $16.30	**$2.50 decrease**
— Medicare Supplement:	Average Premium: $204.40	**$1.70 decrease**
— Prescription Drug:	Average Premium: $35.00	**$2.90 increase**
— Dental:	Average Premium: $45.60	**$4.70 decrease**
— Vision:	Average Premium: $19.70	**$2.10 decrease**
— Bundled Plans	Average Premium: $58.60	**$1.10 increase**

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2022 Ongoing Education

- **Age in webinars**
  - Ongoing each month
  - 12 webinars in 2021
  - 96 total USG retirees in attendance
- **Virtual Planning for Retirement meetings**
  - Partnership with USG
  - Social Security, Medicare and retiree exchange
  - 2 Meetings in 2022
    - 10/4 and 10/5 (197 lines)
- **Virtual benefits fairs**
  - Host virtual booth (10/24 through 11/4)
- **Part B eligible expense communication**
- **HRA webinars**
  - 4 total sessions (1,913 total RSVP)
    - January 12; 491 RSVP
    - May 19; 338 RSVP
    - September 21; 584 RSVP
    - December 13; 500 RSVP
- **2022 Quarterly educational newsletters / monthly Digital Know How emails**
  - Maximize your benefits
  - Medicare Education
  - Prepare for Open Enrollment
  - Open Enrollment

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Your Spending Account Results

HRA Utilization

	2020	2021	2022
Total number of accounts	15,607	16,195	16,698
Accounts exhausting HRA	7,147 accounts/ 45.80%	7,461 accounts/ 46.06%	7,818 accounts/ 46.82%
Accounts rolling over HRA	8,460 accounts/ 54.20%	8,734 accounts/ 53.94%	8,880 accounts/ 53.18%
Average balance 12/31-1/1	$1,841.70	$2,001.61	$2,176.66
Accounts without a claim	865/ 5.55%	803/ 4.96%	839/ 5.03%
2022 USG HRA Contribution	$2,736	$2,736	$2,736
Retirees requesting Medicare Part B reimbursement	1,252	1,439	1,807
% of retirees who utilize direct deposit	65%	73%	73%
Average of total claims paid per account	$3,350.39	$3,089.32	$3,447.92
Reimburse Me App claims submitted (Live 10/2022)			119
Retirees requesting CHRA*	71	58	54
Average CHRA* amount paid	$2,392.36	$2,428.73	$2,420.71
*Catastrophic HRA			

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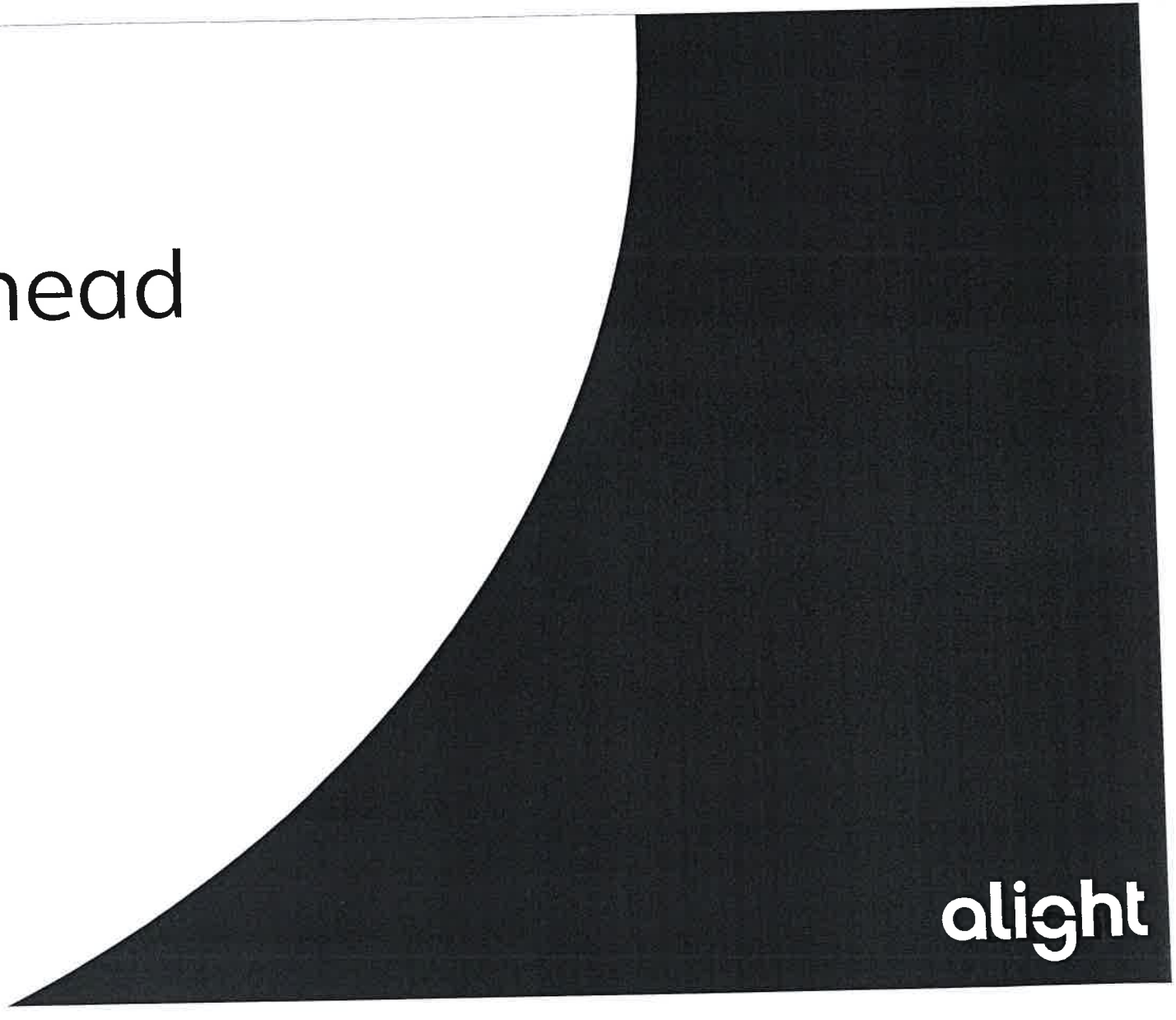
Looking Ahead



Looking Ahead – 2023 Summary

- Continue Monthly Age In Webinars
- Participate in Planning for Retirement meeting and Benefits fair in the Fall
- Continue HRA educational webinars – May, September, December and January (2024)
- Bi-monthly newsletters
- Monthly Digital Know How emails
- Continue with USG dedicated model
- Updated look to website

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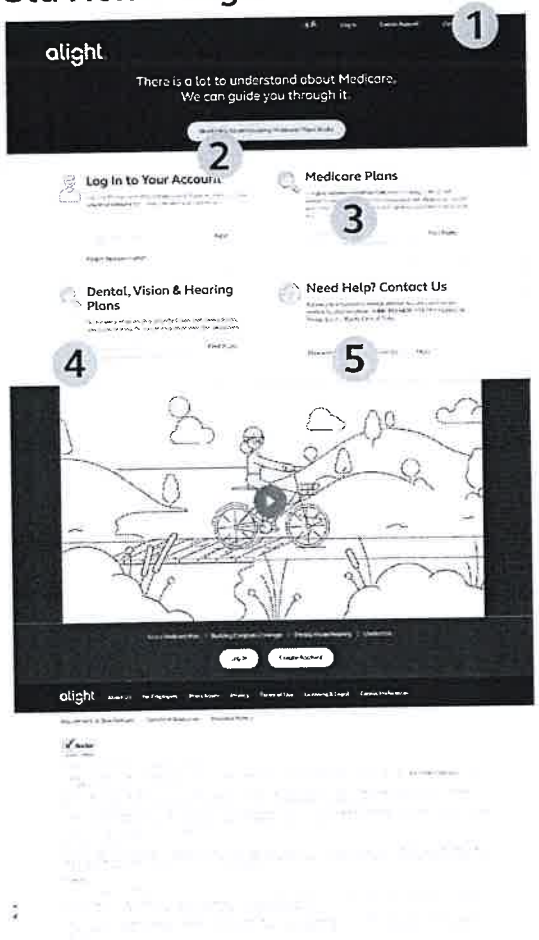
Web side-by-side highlights comparison

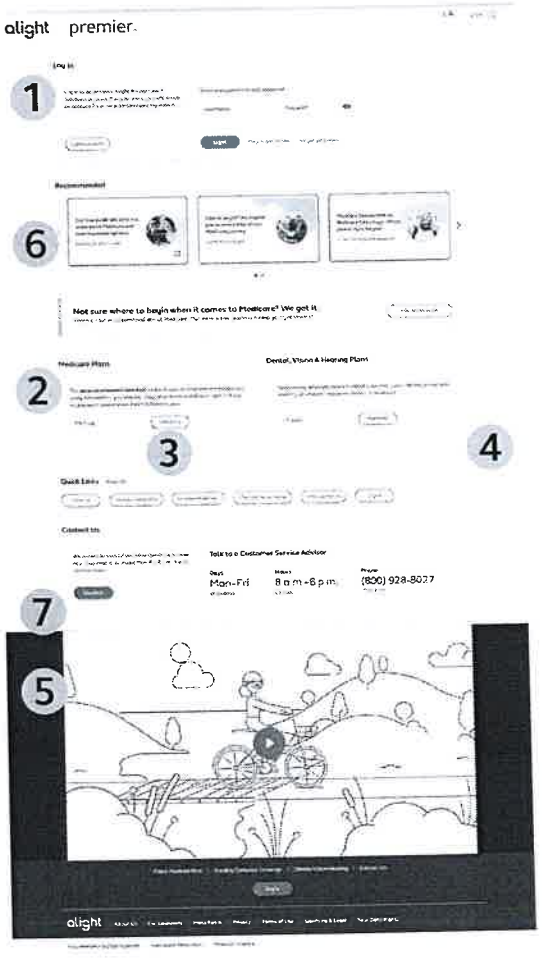
Old Home Page



1. Log In
2. Interactive Guide
3. Medicare Plans
4. Dental, Vision & Hearing Plans
5. Contact Us

6. **New:** Recommendations
7. **New:** Quick Links

New Home Page



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Wrap Up & Questions

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