2012-2013 Report of the Committee on Personnel Benefits
April 2013

The Committee met 7 times this year, with the final meeting on April 16. The Committee will meet one more time in August to discuss retiree medical and prescription drug benefits.

2012-2013 Specific Charges

1. Continue to review the requirements of Health Care Reform that will go into effect in 2013 and beyond, and consider needed changes in University benefits.

The Human Resources department briefed the committee on a variety of implementation issues related to Health Care Reform. Among these issues, the new 30 hour rule defining who is a full time employee eligible for health benefits may have the most significant impact on employment patterns at the University, particularly for adjunct and other part time or short term positions. It is the sense of the committee that the University is appropriately engaged with Health Reform implementation issues.

This charge should continue during implementation of the Affordable Care Act.

2. Monitor the effectiveness of Penn's program with Health Advocate.

The Human Resources department briefed the committee on utilization of the new Health Advocate program. It is the sense of the committee that the program provides a useful service for employees but that many people are not aware of the range of services that were available. Committee members encouraged the Human Resources Department to continue communications regarding the program and to work with Health Advocate to develop additional measures of the effectiveness of the program.

This charge should continue for at least one more year.

3. Investigate how information on health insurance and retirement alternatives is disseminated, how constituencies use this information, and how the communication and decision process can be improved. Explore how Penn can productively engage with faculty conducting research related to employee benefits in order to improve Penn's benefit design, communication, and utilization.

The committee invited faculty to present research related to employee benefits at each of its meetings this year. This innovation was very well received by the committee and by the faculty invited to present their research. This year the research presentations principally focused on retirement benefits. Professor Jill Fisch and Assistant Professor Tess Wilkinson-Ryan from the Law School
presented their research on retirement investments, with a special focus on the importance of fees. Assistant Professor Katy Milkman from the Wharton School presented her research on retirement program participation during the November meeting, with a special focus on the role of “prompts” to increase participation. Professor Olivia Mitchell from the Wharton School presented her research on pensions during the April meeting. Based on these presentations and a briefing from the Human Resources Department, it is the sense of the Committee that University employee participation in retirement savings programs is at or above that of our peer institutions but that additional outreach that takes into account the research findings could improve participation. Committee members were impressed with the research presented by our faculty and encouraged by the willingness of the Human Resources Department to engage with the research in order to improve the communication and decision process.

The HR department will be working directly with Dr. Milkman and her colleagues to participate in her research over the next several months.

This charge should continue.

4. Monitor the implementation and effectiveness of Penn's wellness initiatives.

The committee was actively and productively engaged in monitoring Penn’s wellness initiatives. Early in the fall the committee worked with Human Resources Department personnel to evaluate a proposed survey to be included as part of a Health Risk Assessment. The committee invited Dr. Ezekiel Emmanuel to discuss the smoke free campus initiative. The committee also received a briefing from committee member Dr. Carolyn Cannuscio regarding similar initiatives on other campuses. Committee members were generally supportive of the concept of Penn becoming a smoke- and tobacco-free campus. It was the sense of the committee that there are important implementation details to be worked out and that any smoke free campus policy should be announced well in advance of implementation, as part of a larger policy to improve the health and wellness of the Penn community. Committee members expressed concern regarding policies—like those recently implemented in the Penn health system—that limit the employment eligibility of people who use any tobacco products.

This charge should continue.

5. Continue monitoring the impact of the LPS open enrollment policy for the summer term to determine if this has helped those in the Penn community who do not meet the typical admissions standards.

The LPS open enrollment policy has made it possible for Penn employees who do not meet the typical admissions standards to take courses at Penn. The LPS program is eager to enroll additional employees through the open enrollment policy. Some such employees have entered into degree granting programs. Access to the LPS program is a valuable benefit that has helped some employees, but it has not, and cannot be expected to, address access for all.

The PBC considers this matter to be closed.
6. Review and discuss this Committee's general charge and identify two or three issues that should be given the highest priority for the committee's work in AY 2013-2014.

The proposed high priority issues for AY 2013-2014 are: (1) monitoring and evaluation of wellness initiatives, (2) monitoring and evaluating the take-up of the high deductible health plan, and (3) furthering the engagement between University researchers and Human Resources to improve retirement planning and health care benefit selection and utilization by University employees.

2012-2013 Committee Members

Chair:
Tom Baker

Faculty:
David Balamuth
Eric Bradlow
Carolyn Cannuscio
Scott Harrington
Andrea Liu
Daniel Polsky
Irene Wong

PPSA:
Emma Grigore
Eleanor Rupsis
Jared Susco

WPPSA
Peter Rockett
Joyce Woodward-Jones

Ex Officio:
Jack Heuer
Susan Sproat
Lynn Lees

Human Resources and General Counsel Staff
Sheila Hall
Liz Salasko
Geri Zima