

**THE REGENTS OF THE UNIVERSITY OF CALIFORNIA
MEETING AS A COMMITTEE OF THE WHOLE**

March 14, 2013

The Regents of the University of California met on the above date at UCSF–Mission Bay Conference Center, San Francisco.

Members present: Regents Blum, De La Peña, Gould, Island, Kieffer, Lansing, Mendelson, Pattiz, Reiss, Rubenstein, Ruiz, Stein, Yudof, and Zettel

In attendance: Regents-designate Feingold, Flores, and Schultz, Faculty Representatives Jacob and Powell, Secretary and Chief of Staff Kelman, Associate Secretary Shaw, General Counsel Robinson, Chief Investment Officer Berggren, Chief Compliance and Audit Officer Vacca, Provost Dorr, Executive Vice President Brostrom, Chief Financial Officer Taylor, Senior Vice Presidents Dooley and Stobo, Vice Presidents Duckett, Mara, and Sakaki, Chancellors Block, Desmond-Hellmann, Drake, and Yang, Acting Chancellor Conoley, and Recording Secretary McCarthy

The meeting convened at 8:35 a.m. with Chairman Lansing presiding.

Chairman Lansing thanked the Regents for their informative and productive discussions of the prior day regarding new sources of revenue for the University and thanked UC Merced for the update on its Project 2020. She reminded the Regents that their May meeting would be in Sacramento to partner with UC students to engage legislators in conversations about UC's importance to the state and its economy.

PUBLIC COMMENT

Chairman Lansing explained that the Board had been convened as a Committee of the Whole in order to permit members of the public an opportunity to address University-related matters. The following persons addressed the Board concerning the items noted:

1. Mr. Omid Sanjideh, UC Berkeley graduate student, told of a UC Berkeley student who was adversely affected by the UC Student Health Insurance Plan's (UC SHIP) cap on prescription coverage. The student had a chronic condition that necessitated prescriptions costing more than \$4,000 per month; UC SHIP covered only about two months before the annual cap was reached. As a result, this student had to seek charitable donations to pay for her prescriptions.
2. Mr. Ben Keller, UC Berkeley graduate student, spoke of a UC Irvine student who used more than \$100,000 of her \$400,000 UC SHIP lifetime coverage cap for a stay of a few days at UC Irvine Medical Center. She anticipated another three-day hospital stay, which would result in her having used half of her lifetime coverage. This UC Irvine student had expressed her understanding that the purpose of insurance is to provide protection from such expensive medical bills. Mr. Keller relayed another situation of a UC Santa Cruz

graduate student who contracted a severe autoimmune disease. Mr. Keller also told of a UC Berkeley student who pays a large amount of his small income each month to supplement his UC SHIP coverage, because of its coverage caps.

3. Mr. Erik Green, UC Santa Cruz Ph.D. student and vice chair of the UC Student Association (UCSA) University Affairs committee, stated that the proposed extension of the \$60 tuition surcharge associated with the *Kashmiri v. Regents* and *Luquetta v. Regents* judgments would punish students for lawsuits lost by the University. Regarding UC SHIP, Mr. Green said that students should not be punished because of the University's miscalculation of premiums and the resulting deficit. Regarding the Governor's proposed course unit cap, students should not be punished for not being able to get into the classes they need to graduate; instead, funding for more class sections should be provided. Mr. Green stated that students look forward to working with the Regents and the Office of the President to resolve these issues.
4. Mr. Jonathan Ly, UC Merced fourth-year student, expressed gratitude for the Regents' support of UC Merced's growth and its updated Project 2020. He said that UC Merced serves 59 percent first-generation college students and 58 percent Pell Grant recipients. He expressed support for the proposed plan to expand the campus on its existing footprint to avoid the expense of developing additional infrastructure. Regarding the campus' proposal to explore a public/private partnership for development, Mr. Ly said he hoped a private company that supports higher education would be chosen.
5. Ms. Sofia Murga, UC Berkeley Ph.D. student, urged the Office of the President to pay any UC SHIP 2013-14 premium increase, since she said it would likely not be covered by undergraduate financial aid or graduate departments. Ms. Murga applauded efforts to use social networking for fundraising for UC, and encouraged the Regents and UC Office of the President administrators to make a promise through the Promise Platform.
6. Mr. Kenya Wheeler, former UC Berkeley graduate student, spoke of a UC Davis Ph.D. student whose daughter required major surgery at six weeks for a serious liver disease, which necessitates ongoing treatment and non-formulary medications. Rates to insure dependents under UC SHIP are very high, and difficult for graduate students to afford. In addition, if his daughter undergoes a liver transplant, her coverage will reach the cap under UC SHIP, and his family will face medical bankruptcy or significant debt. Noting the important diversity and practical perspective that graduate students who are also parents bring to UC, this Davis student had expressed his view that UC, with its world-class graduate programs, should not fall behind other universities in an area as important as the physical well-being of its graduate students and their dependents.
7. Mr. Charlie Eaton, UC Berkeley graduate student and financial secretary for the UC student workers' union United Auto Workers (UAW) Local 2865, relayed an account of a UC Berkeley student whose daughter, born with a bacterial infection, required a week-long stay in the neonatal intensive care unit, leaving the student with \$40,000 in medical bills. The UC SHIP cap for newborn care was \$25,000, which was used in two days of neonatal intensive care. Mr. Eaton stated that, while the Office of the President has

provided estimates of the cost to remove the lifetime coverage and annual prescription caps, no figures have been provided for the cost of removing the cap on newborn care or how many students have exceeded this cap. Mr. Eaton urged the Office of the President to provide this data so that UC SHIP coverage can be brought in line with the standards of the Patient Protection and Affordable Care Act. Mr. Eaton also expressed concern that UC students and their dependents could effectively be blocked from accessing income subsidies for new health care plans that will become available in January 2014 on the benefit exchange.

8. Ms. Kathryn Lybarger, president of American Federation of State, County and Municipal Employees (AFSCME) Local 3299, expressed AFSCME's support for students in their concerns about UC SHIP. Ms. Lybarger stated that, the prior week, whistleblowers from across the UC medical system released a report, "A Question of Priorities: Profits, Short Staffing, and the Shortchanging of Patient Care at UC Medical Centers," highlighting chronic understaffing and other deficiencies at UC's medical centers, which she characterized as highly profitable. She noted that these problems are preventable if the medical centers' priorities are changed. The report also addressed chronic understaffing. Ms. Lybarger urged the Regents to read the report. She asked why frontline patient care would be shortchanged when the medical centers are profitable, and executive pay is increasing.
9. Mr. Randy Johnson, magnetic resonance imaging technician at UCSF Medical Center, said that staff layoffs are being planned even though a new UCSF hospital will open in 1.5 years. He expressed his view that UCSF cannot maintain patient care while opening a new hospital and laying off existing employees. Mr. Johnson referred to a shortage of respiratory care staff that necessitated triaging of breathing treatments. He stated that registry employees are being used who do not have adequate training to treat acutely ill UCSF patients. Mr. Johnson stated that during the 20 years he has worked at UCSF the focus has changed from patient care to profits. He questioned giving bonuses to UCSF executives when employees are being laid off.
10. Mr. Tim Thrush, UCSF ultrasound sonographer for high-risk pregnancies and genetic testing, expressed his view that the number of hospital front-line staff has been reduced to bolster profits. Mr. Thrush stated that well-trained, experienced, career staff, rather than per diem registry staff, are necessary to support the high-level care programs at UCSF. He said that UCSF has had seven findings in recent years of "immediate jeopardy," meaning a situation that has either caused or will likely cause a serious injury or death to a patient. Mr. Thrush said that staffing must be adequate to provide the care that patients expect from UCSF.
11. Ms. Margaret Hardy, UC Berkeley undergraduate student, spoke of the effect of UC SHIP coverage caps on a UC Santa Barbara graduate student whose daughter was born with life-limiting medical problems following a healthy pregnancy. Her daughter was covered by UC's Graduate Student Health Insurance Plan (GSHIP), and the family was left with six-figure medical bills after their child's death, because her medical coverage was capped at \$300,000.

12. Ms. Victoria Fernandez, second-year student at UC Berkeley, expressed her appreciation for the Board's commitment to sustainability, which has allowed UC to become a leader in this area. She asked that a discussion of divestment of holdings in the fossil fuel industry be placed on the agenda for a future meeting.
13. Mr. Nolan Pack, UC Berkeley student and Associated Students of the University of California (ASUC) Senator, stated that ASUC had unanimously passed a resolution the prior month to divest itself of any holdings in the fossil fuel industry. UC Berkeley students understand that fossil fuels damage the environment. He said that ASUC's divestment was based on an understanding that the future cannot be based on investment in fossil fuels, rather than investment in renewable energy. He asked that an item be put on the agenda for a future Regents meeting to discuss divestment of UC's holdings in the fossil fuel industry.
14. Ms. Emili Abdel-Ghany, UC Davis third-year student, commended UC for its many efforts in sustainability. She stated that UC has more Leadership in Energy and Environmental Design-certified buildings than any other university in the nation, and has been recognized for its efforts in sustainability by the *Princeton Review* and *Sierra* magazine. She urged the University to divest its holdings in the fossil fuel industry.
15. Mr. Zen Trenholm, UC Berkeley student and board member of the California Student Sustainability Coalition, stated that UC has been a leader in sustainability and urged the Regents to divest its investments in the fossil fuel industry.

The meeting adjourned at 9:00 a.m.

Attest:

Secretary and Chief of Staff