



Healthcare for Part Time Faculty-HB 3007

Background and Problem:

- Currently faculty and researchers working part time at our public universities and community colleges, are forced to bear 100% of their healthcare costs.
- Many of these faculty work at multiple institutions sometimes cumulatively working full time. But many have been purposefully kept at part-time and adjunct work and positions.
- These faculty are professional educators, with their teaching and research positions representing all or most of their income, but often their jobs are low-wage, making the burden of paying all their health insurance costs high.
- These low-wage/adjunct/part-time positions, combined with the lack of affordable health care can affect our state's ability to recruit and retain high-quality educators, and they add to the inequity and unfairness of our higher-ed system.
- In 2009, HB 2557 created an optional system where eligible part-time faculty could enroll in health insurance coverage under OEBC at 100% employee cost.
 - Eligible employees must work 600-1800hrs per year as defined by their employer.
- Due to the cost burden, there has been limited up take of this program.
- Currently only Portland, Clackamas and Lane Community Colleges offer cost sharing for part-time faculty benefits.

Solution: HB3007

- Update HB 2557 (2009) to include a floor of 90/10 cost share for part-time employee healthcare benefits.
- 90/10 split is based on the cost sharing agreements at PCC, Clackamas and Lane Community Colleges.
- This would be available to part-time faculty only, not spouses and dependents.
- It would use the existing OEBC administrative procedures for identifying and notifying eligible employees.
- This is targeted at low income faculty, who are already at low wages because of the low adjunct wages.
- The goal is to create a floor of universal and expected benefits for faculty, that employees can bargain up from.

Fiscal Impact:

- Expected cost: \$15,005,177 to general fund.



FAQ:

- Does this program in any way incentivize Community Colleges and Universities to move more faculty to part time?
 - **No!** Institutions cannot change eligibility requirements for existing insurance programs under the bill, and are not incentivized to move full time faculty to part time.
 - We are losing part time faculty workforce, and not creating competitive offers to recruit and retain educators. **This program helps us keep qualified educators in our classrooms, teaching and supporting students.**
- Why OEGB?
 - University benefits may be run through PEBB, but the faculty eligible for coverage under this bill are currently able to purchase coverage at 100% their own cost from OEGB, so the administrative procedures for identifying the eligible faculty are under OEGB.
 - According to PEBB/OEGB staff “PEBB coverage would likely be more expensive since almost all PEBB premium rates are higher than comparable OEGB premium rates.”
 - PEBB vs. OEGB conversation took place in 2009 when these faculty became able to purchase coverage. AFT has both OEGB/PEBB member coverage and OEA has all OEGB coverage, so there is more comfort among members with OEGB. In 2009 there was no difference in cost.
 - In comparison to comparable market place plans, OEGB makes use of existing systems and simplifies the process for faculty, making this the most streamlined system for the state and eligible employees to use.
- How did we end up at a 10% employee contribution share?
 - This was based on some existing collective bargaining agreements with OEA and AFT members at the 3 community colleges who offer the coverage
- What is the decision making around open enrollment / benefit year?
 - Open Enrollment for OEGB August 2021, (5 months post passage)
 - Coverage beginning October 1st, 2021
 - This is based on the existing open enrollment and benefit calendar for OEGB, they have let us know that this is a feasible timeline for them
- Does the Agency’s expectation that there are 1,700 (approx.) eligible members align with what AFT/OEA project based on what they know about their members?
 - Yes, on average over the last 10 years of the program there have been about 1700 eligible faculty, however in 2019 there were only **1532 faculty eligible**.
 - They also agree with the projection that about 70% of eligible members will enroll, based on existing agreements with the 3 community colleges and review from OEGB consultants