

DISCUSS EMPLOYER CONTRIBUTION FOR GTA/GRA HEALTH INSURANCE

Summary and Staff Recommendation

Pursuant to their Memorandum of Agreement, the University of Kansas with the Graduate Teaching Assistants Coalition represented by the Kansas Association of Public Employees, requested the Kansas State Employees Health Care Commission to raise the employer contribution rate for the health insurance plan for KU GTAs to the standard subsidy allowed for single coverage for other part-time state employees, or from 50% of the cost of coverage to 75%. The Health Care Commission having previously extended the same rate of contribution to all Graduate Teaching Assistants and Graduate Research Assistants at the six state universities, has requested the Board's recommendation before it responds to the request. Staff recommends receiving input from the State University Council of Presidents or, in the alternative, recommending to the HCC a uniform rate of contribution of the standard subsidy for all other part-time employees.

Background

As part of the Memorandum of Agreement (MOA) between the University of Kansas (KU) and the Graduate Teaching Assistants Coalition (GTAC) represented by the Kansas Association of Public Employees (KAPE), KU agreed to the following provision:

The University will jointly author with KAPE a request to the Health Care Commission that the University be allowed to provide an employer contribution for the GTA health insurance comparable to the standard subsidy allowed for single coverage for other part-time State employees. The University agrees to request legislative funding sufficient to allow for the implementation and maintenance of this additional eligibility and employer expense for GTA health insurance. This proposal is also contingent upon legislative approval of the funding request, as well as restrictions or limitations placed upon the University's budget authorization related to employer cost of health insurance premiums.

The standard subsidy allowed for single coverage for other part-time State employees is 75% of the cost of coverage. The MOA was approved by the Board of Regents at its September, 2002 meeting and was also approved by the Department of Administration near the same time.

Pursuant to the MOA, KU, KAPE and GTAC jointly authored a letter requesting the Health Care Commission to increase the employer subsidy for KU GTAs. The Health Care Commission (HCC) has the statutory responsibility to set the employer contribution amount for all state agencies. Upon receipt of the letter, the Secretary of Administration, who sits on the HCC, wrote on behalf of the HCC requesting the Board of Regents' recommendation on the request.

The HCC first extended health care benefits to GTAs and GRAs several years ago as a result of an early agreement between KU and GTAC. As a policy matter, the HCC imposed the same employer contribution rate upon all of the six state universities. The HCC has indicated, and our own inquiries seem to confirm, that while KU and KSU support extending the employer contribution, the other state universities are opposed to the increase. The HCC has further indicated that, should the Board recommend a differing employer contribution rate, it should articulate a rational basis for such differing treatment. The HCC has requested the Board's recommendation by April 1.

In light of the potential fiscal impact on the state universities, staff recommends that the Board receive input at its March meeting from the State University Council of Presidents, particularly addressing the rationale for extending differing rates should COPS adopt that recommendation. In the absence of a recommendation from COPS, staff recommends indicating to the HCC a preference for increasing the employer contribution rate for all GTAs and GRAs at the six state universities so that those rates will match the contribution for all other part-time employees.