



State Universities
of Massachusetts

September 8, 2015

Dear Chairman Timilty and Chairman Murphy,

I write today on behalf of the nine state university presidents, in conjunction with members of our faculty and librarian union, to express support for House bill 2402, an act to establish a commonwealth trust fund to defray or cover the health insurance premiums for part-time faculty members at the state universities.

Massachusetts has always been a national leader in our efforts to provide quality and affordable health care benefits to all our citizens. As you know, our landmark health care law was used as the blueprint for the national health care law passed by Congress a few years ago. As leaders of the legislature, you and your members share a great deal of credit in the fight to bring quality and affordable health care to all our citizens in Massachusetts and across the nation.

Since the enactment of the Affordable Care Act (ACA), millions of Americans have gained access to high quality and affordable health insurance. A component of the ACA law requires employers with 50 or more full-time equivalent employees to provide health insurance to their employees. Employers who do not offer health insurance to eligible employees under the provisions of the ACA, face a monetary penalty through an assessment or fine. This mandate applies to employees not classified as full-time but are the equivalent of full-time employees because the total number of hours worked exceeds 30 hours per week. The penalty applied to employers who do not provide health insurance required under the ACA provisions might be assessed as high as \$3,000 per employee.

As you know, full and part-time faculty members at our nine member state university campuses are Massachusetts state employees, (under the Department of Higher Education), thus impacted by the provisions and requirements of the ACA. The State Universities have a number of part-time state university faculty members covered by this ACA mandate. These part-time campus faculty members do not meet the minimum number of workable hours to qualify for benefits at any single campus, therefore, they are not offered health care benefits through the GIC. Many of these faculty members are considered part-time employees, even though they teach for several public colleges and universities in the Commonwealth. When calculated in the aggregate, these faculty members are essentially teaching a full workload. However, because they are not classified as full-time employees at any single institution, they are ineligible to receive health care benefits through the GIC. This legislation would allow these employees to be covered by the Commonwealth's GIC benefit plan and create a fund to defray or cover costs associated with GIC health care benefit.

In the last decade, enrollment at the state universities has increased by over 35%. The number of full-time faculty positions has not kept pace with the increase of our student body. Part-time faculty members are essential to providing a quality education to the students of our state university system. Establishing this fund would allow us to offer these employees health insurance and defray the costs associated with health care benefits. Additionally, providing health insurance to these employees would avert penalties or fines levied under the employer mandate in the Affordable Care Act.

The trust fund established by passage of this bill would be managed and overseen by the Department of Higher Education with the Commissioner of Higher Education acting as the trustee of the fund. The legislation would also establish a three member committee, with the Commissioner serving as the chair, to expend these funds. The other two members would be appointed by the council of state university presidents and by the Massachusetts State College Association.

On behalf of the President's of the State Universities and our dedicated faculty, I respectfully ask that the members of the Joint Committee on Public Service support House bill 2402, and allow us to provide our part-time faculty members with health care benefits.

Sincerely,

A handwritten signature in black ink, appearing to read "Vincent A. Pedone". The signature is written in a cursive style with a large, stylized initial "V".

Vincent A. Pedone

Executive Officer

State University Council of Presidents