

## **Academic Senate**

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January 25, 2017

Governor Bruce Rauner Office of the Governor 207 State House Springfield, IL 62706

## Dear Governor Rauner,

It has been brought to our attention that a proposal is currently being discussed that would sharply increase health care costs of State of Illinois employees who are part of the CMS health insurance plan. If implemented, such a proposal will be extremely detrimental, not just for those employees working at Illinois State University and other public universities across the state but for many other State of Illinois employees. These individuals and their families will be forced to endure a very significant loss in real income. Specifically, this proposal would double monthly premium contributions as early as FY2017 if an employee keeps his or her current health plan, and would allow the state to impose up to a 10 percent increase in premium contributions in both FY2018 and FY2019.

Thus, as an example, an instructional assistant professor earning \$43,700 per year who is enrolled in the quality care insurance plan covering two dependents would pay approximately \$6,927.12 in additional premium costs over the next three years. Premium contributions would increase from the current rate of \$4,776.00 per year to nearly \$11,703.12 per year by FY2019, nearly 27% of annual income. The proposed increase would cost a civil service employee making \$44,900 per year enrolled in a managed care insurance plan covering two dependents \$4,225.92 in additional premium costs over the next three years. Premium contributions would increase from \$2,940.00 per year to nearly \$7,165.92 per year by FY2019, almost 16% of base pay. Professors and other employees would need an eight to fifteen percent increase in salary or wages just to break even. Increases of this magnitude would be devastating to our newest faculty and staff as well as to our longest standing and most dedicated. These increases do not include increases due to changes in out-of-pocket costs related to deductibles, copayments, coinsurance, and out-of-pocket maximums or increases associated with changes to the dental plan.

We urge you, Governor Rauner, to reconsider such increases to the CMS health insurance plan. These increases would unduly burden our employees and their families. Such

increases will send the message that the cost of being employed in Illinois is too great. They will be the catalyst of the net migration of talent to other states. Please do not pass the cost of our state's budget crisis onto our hardworking employees who daily put the State of Illinois first.

Members of the Academic Senate of Illinois State University

Submitted on their behalf by:

Susan Kalter

Chair

Kyle Walsh

Vice Chair

cc: Senator Jason Barickman

Representative Dan Brady

Senator William E. Brady

Senator John J. Cullerton

Representative Jim Durkin

Mr. Scott Harry, Director, Governor's Office of Management and Budget

Mr. Michael Hoffman, Acting Director, Illinois Department of Central Management Services

Representative Michael J. Madigan

Senator Christine Radogno

Representative Keith Sommer