

UIC GEO Health Benefits Costs



Academic Fiscal Officers

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Budget & Program Analysis

Overview

- **GEO health benefits and costs**
- **Funding Sources**
- **Historical Underfunding**
- **Assigning Costs/Next Steps**

UIC Graduate Employees Organization

- The UIC GEO bargaining unit was originally recognized and certified in August 2004
- Who is represented by the GEO?
 - Graduate Assistants between 25% and 67%, and
 - Performs the duties of a TA or a GA
- Who is NOT in the GEO?
 - Graduate Assistants less than 25% and over 67%, or
 - Performs the duties of a RA
- Currently in contract negotiations

Employer Contribution to GEO Health Benefits

Under contract terms, UIC pays:

- **Health Care per GA/TA**
 - \$125/GA/semester (AY13)
 - \$150/GA/semester (AY14)
 - \$175/GA/semester (AY15)
 - \$200/GA/semester (AY16)
- **Vision and Dental Coverage**
 - Contract costs
- **Health Service Fee**
 - 100% of fee

GEO Health Benefit Costs

	<u>Health*</u>	<u>Vision</u>	<u>Dental</u>	<u>Total</u>	<u>% Change</u>
FY 2011	\$1,107,773	\$9,014	\$203,600	\$1,320,387	n/a
FY 2012	\$1,085,614	\$13,731	\$208,690	\$1,308,035	-0.94%
FY 2013	\$1,098,060	\$18,644	\$213,907	\$1,330,611	1.73%
FY 2014	\$1,186,795	\$11,580	\$220,000	\$1,418,375	6.60%
FY 2015	\$1,208,827	\$9,703	\$225,500	\$1,444,030	1.81%
FY 2016 (est)	\$1,321,000	\$10,000	\$230,000	\$1,561,000	8.10%
FY11 - FY16 growth in total costs					18.22%

*includes health insurance and health service fee

GEO Health Benefits Costs – Who Pays?

In FY 2011, UIC recovered \$650K from campus units to cover GEO health benefit costs.

	Total Cost	Grant \$	Realloc \$	Shortfall
FY 2011	\$1,320,387	\$295,890	\$650,000	(\$374,497)
FY 2012	\$1,308,035	\$333,700	\$650,000	(\$324,335)
FY 2013	\$1,330,611	\$338,150	\$650,000	(\$342,461)
FY 2014	\$1,418,375	\$260,503	\$650,000	(\$507,872)
FY 2015	\$1,444,030	\$252,861	\$650,000	(\$541,169)
FY 2016 (est)	\$1,561,000	\$276,000	\$650,000	(\$635,000)

GEO Health Benefits – Going Forward

- The campus can no longer assume unfunded cost liabilities without a reallocation.
- Beginning FY 2017, the first \$650K of Health Benefits costs will be paid by the Campus held budget
- The unfunded portion will be passed back to hiring units
 - Estimated < 2% of wage costs

GEO Health Benefits – Going Forward

- Mechanism
 - Unfunded costs charged at the college/vice chancellor unit level
 - Redistribution by Unit as appropriate
 - Based on proration of prior year actuals attributed to each college/unit's share of overall wage costs of GEO covered employees
 - This method is more equitable as it charges hiring units rather than everyone as a % of state budget

GEO Health Benefits

Questions?