Arkansas State Teachers Association (ASTA) Member Survey Summary: 2013 Health Insurance Premium Increase

Compiled by: Dr. Michele Ballentine-Linch, ASTA Executive Director

The Arkansas State Teachers Association is a statewide non-union, professional educator organization advancing the profession by offering a modern approach to teacher representation and educational advocacy while promoting professionalism, collaboration and excellence without a partisan agenda. ASTA, a state affiliate of the Association of American Educators, is the fastest growing professional education association in Arkansas and provides benefits, viewed by many educators as critical, including liability insurance, professional development, advocacy, access to legal resources and scholarships and grants.

We hear from members daily. Most recently we began receiving calls from members very concerned with the increase in health insurance premiums. Even more so, as members began to examine their budgets and the financial impact of the increases, we began to hear distressing stories of how families were planning to deal with the increases. This prompted ASTA to survey its members. We received 257 responses. What follows is a brief summary, several survey comments and a list of recommendations based on what we have learned.

Demographics of Educators Who Completed the Survey:

- **GENDER:** 85% Female; 15% male
- **AGE:** 21%= 30-39yrs; 29%= 40-49yrs; 31%= 50-59yrs
- **SCHOOL TYPE:** 96% traditional public school; 4% public charter school
- **GRADE LEVEL:** 74% middle/high school; 24% elementary school
- **POPULATION OF DISTRICTS' TOWNS OR CITIES:** 34% = 1-10,000; 39%=10,001-50,000; 24%= 50,001-500,000

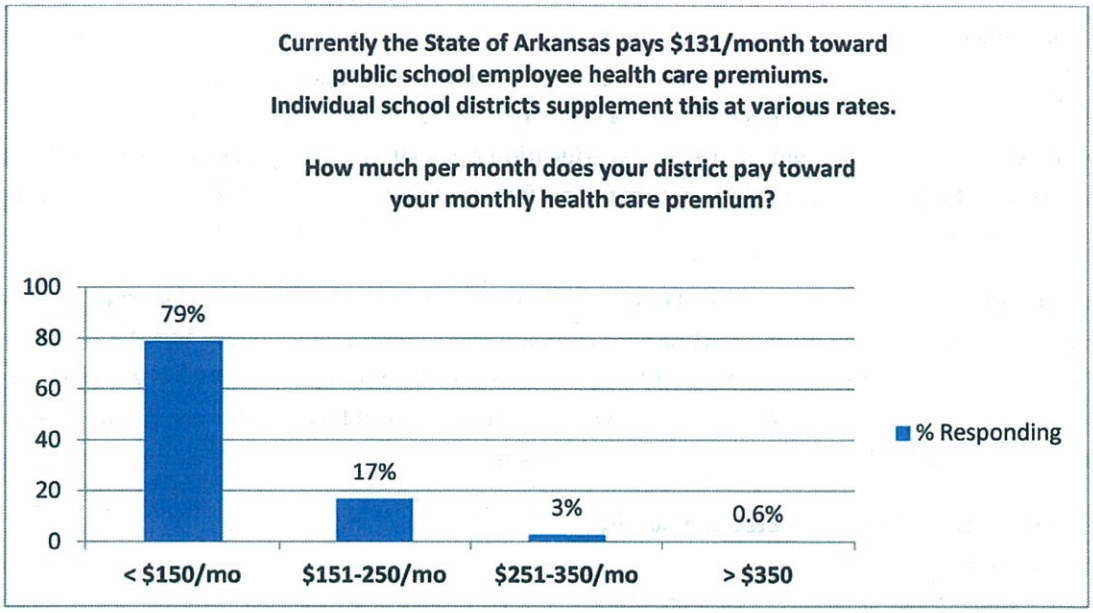
SUMMARY

1. Overall, comments reveal this is a quality-of-life and teacher recruiting/retention issue.
2. **A majority of those surveyed believe public school employees should not be asked to pay more than 10-15% of the actual premium cost.**
3. A majority of respondents report the percentage deducted from their take home pay for health care premiums is 20-40%. The range was 1%-85%. It appears the smaller the district, the greater cost for health care premiums.
4. **A common theme from the comments was the expressed concern that districts had not raised salaries in 2-4 years, yet health care premiums had risen each year.**
5. Arkansas's two-parent educator families and single parent homes appear to be taking some of the biggest hits and there were many reported cases of children having to be dropped from insurance plans.
6. **Quotes that stood out:**

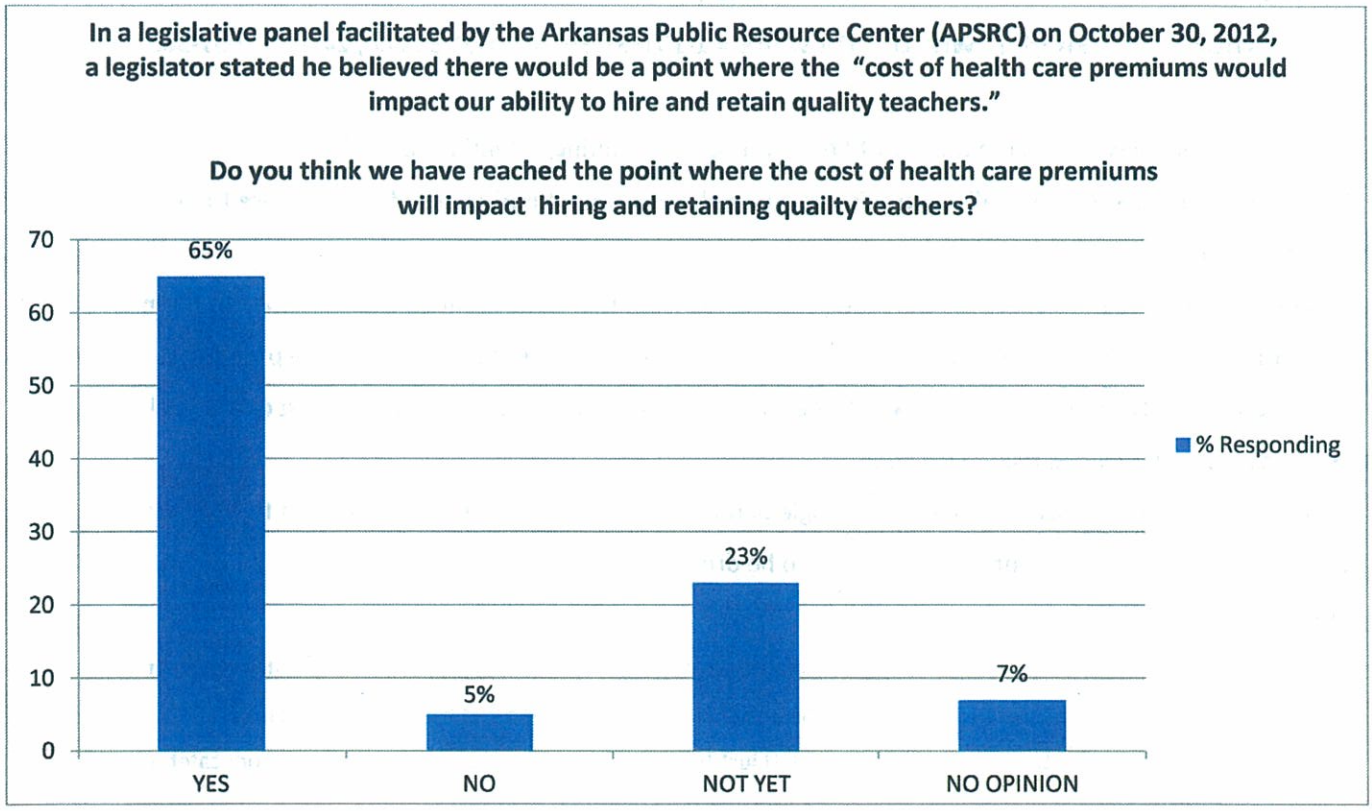
- I am a teacher but my mother works in the school cafeteria and last year she had to pay the school district $25 a month to work for them (because the insurance was taking the entire amount of her check). When our health care premiums increase this year, she will now have to pay over $100 A MONTH just to have the privilege of working for the school cafeteria. This is an outrage and a shame. We shouldn't have to do such back-breaking, unappreciated work just to afford our healthcare.
- My friend who teaches on the state plan (UALR) pays only around $200 a month for her and her husband on one policy. It would cost me $1,300+ to add my husband to my policy.
- I am overwhelmed. I have truly considered leaving the profession for a factory job where I would at least have insurance for my family.

November 30, 2012

7.


Currently the State of Arkansas pays $131/month toward public school employee health care premiums. Individual school districts supplement this at various rates.
How much per month does your district pay toward your monthly health care premium?
100
80
60
40
20
0
79%
17%
3%
0.6%
< $150/mo
$151-250/mo
$251-350/mo
> $350
% Responding

8.


In a legislative panel facilitated by the Arkansas Public Resource Center (APSRC) on October 30, 2012, a legislator stated he believed there would be a point where the "cost of health care premiums would impact our ability to hire and retain quality teachers."
Do you think we have reached the point where the cost of health care premiums will impact hiring and retaining quailty teachers?
70
60
50
40
30
20
10
0
65%
5%
23%
7%
YES
NO
NOT YET
NO OPINION
% Responding

9. Quotes Representing Common Themes:

Our district doesn't contribute anything. This is one reason our secondary schools **can't retain qualified teachers**, especially those with math and science degrees. These teachers find employment in the private sector or other districts who offer better salaries and benefits. **Public education is not equal in each county in Arkansas and this is one of the contributing factors.**

I believe AR educators should **pay the same percentage as all other "State Employees"**.

I have always had my insurance for me and the **kids**. That is no longer an option now that it is going to be about $600 a month. We are already paying so much but to increase by 20% takes money that I need to **clothe and feed my children**.

My husband and I have two teenagers who will be going to college within 2 years. I have to make the **choice between college savings or medical insurance.** I literally have to hurry up and get all Dr. visits in before the end of the year because after Jan. 1, my deductible will have to be paid in full before my plan will pay ($3000). **I will not go to the Dr. next year for things that I probably should, because it will be too expensive to go.**

Support staffs are hit very hard since they do not make as much as teachers, their premiums will cut into money needed for basic living expenses.

Many of us have had to make the **decision not to insure spouses or children** because of the high cost of premiums. This includes electing not to have coverage for ourselves, which soon won't be an option.

I went to a high deductible choice because the insurance policy I had chosen for years previously went up to about 900.00/month for me and my spouse. Way too high to afford.

The policy I'm able to afford will basically help me if I have a major medical incident; other than that, I pretty much live as though I don't have health insurance. My policy has a $3000 deductible and no copays for doctors' visits. **There have been many times that I've been sick but unable to go to the doctor because of cost.**

And by the way, my **district pays nothing** toward our health care...only dental and vision.

We **haven't seen any raise in 3 years** so we continually **work for less** take home pay each year.

10. ASTA Recommendations:

- **This issue needs to be treated as the quality-of-life and teacher recruitment/retention issue it truly appears to be.**
- Funding formulas used to support health care premiums need to be more targeted and purposeful for state agencies and public schools.
    - Our research uncovered the fact that **state agencies are fully compensated monetarily for employee positions that are never filled.** This money is often used to pad benefits of state employees. This system welcomes abuse and waste and is not a purposeful, targeted approach to effectively aligning resources.
    - Public school employees, no matter how they are defined in terms of being a state employee, deserve a thoughtful study and approach to funding their health care benefits.
- **The health care premium issue needs to be a priority for districts and state leaders. Our state leaders need a clear picture of this health care premium issue, what districts contribute and time they've dedicated to improving the situation in relation to how each district aligns its other resources including time, money, people, athletic spending and building projects.**
- Because of the critical role public school employees play in the economic development and sustainability of this state, investing in the health and well-being of our teachers and other school employees, in a fair and equitable manner, will be of great benefit to the state of Arkansas.
- **Because they do not receive facilities funding, some of the hardest hit districts are our open-enrollment public charter schools. It is recommended that charter schools receive equitable funding equivalent to traditional public schools.**

Respectfully Submitted,

Michele Linch

Michele Ballentine-Linch, PhD
Executive Director
Arkansas State Teachers Association
6301 Park Plaza Drive, Suite 1
Little Rock, AR 72205
Tel: 877-742-ASTA (2782)
Cell: 501-766-3931
Fax: 501-400-8276
www.astapro.org

November 30, 2012