

UNIVERSITY OF ILLINOIS
Urbana-Champaign • Chicago • Springfield

Office of the President
364 Henry Administration Building
506 South Wright Street
Urbana, IL 61801-3689

Timothy L. Killeen
President

March 7, 2016

TO: UIC Academic Professional Advisory Council Executive Committee
Colleen Piersen, Chair
Ahlam Al-Kodmany, Vice Chair
Mary Berta, Secretary
Kathleen Stauffer, Treasurer
Margaret Moser, Co-Secretary

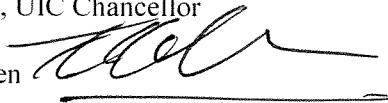
UIC Senate Executive Committee
Catherine Vincent, Chair

UIC Staff Advisory Council
Darlene Kendall, President
Graundia Smith, Vice President

UIC United Faculty
Janet Smith, President

CC: Michael Amiridis, UIC Chancellor

FROM: Timothy L. Killeen



RE: Response to your letter dated January 8, 2016 re: UI Healthcare

I thank you for your letter to my office regarding University of Illinois' Healthcare. I sincerely appreciate the concerns expressed in your letter. From a historical perspective I am aware of the following:

The State of Illinois bargains with the State's AFSCME union as the sole union with which CMS negotiates employee benefits. CMS has traditionally extended the bargained program of benefits to non-bargained state employees. After negotiations are complete, the resulting rules and cost structure must also be approved by the State Joint Committee on Administrative Rules (JCAR).

As you note in your letter to me, it may seem concerning that one union has the responsibility to, in effect, bargain on behalf of all employees covered under the State of Illinois Employee's Group Insurance Act. However, arguably, this bargaining has, in the past, been advantageous to University of Illinois employees.

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Of course, given the financial climate and budget impasse within the State, it appears that everything is on the table, including the health insurance options offered to state employees. The state has been in contentious negotiations for months on the terms of the state's AFSCME contract, which includes health insurance, life insurance, and other state benefits. Recently, Governor Rauner declared an impasse in these negotiations. He is seeking a ruling from the Illinois Labor Relations Board (ILRB) confirming that an impasse has been reached in negotiations. The Governor continues to urge that AFSCME take the state's "best and final" offer to its membership for a ratification vote, and the state may be able to implement its last offer if the ILRB agrees to that an impasse exists. While the University has not been provided a copy of this offer, we've been able to glean details from Governor Rauner's letter to employees and AFSCME's communication to members, as well as news media. You may already be aware of these communications, but in case you are not;

Rauner's Letter:

http://files.sjr.com/media/news/Governor_Rauner_Letter_to_State_Employees.pdf?_ga=1.19212920.1728120939.1444074305

Tribune article: <http://www.chicagotribune.com/news/local/politics/ct-bruce-rauner-union-afscme-contract-talks-met-20160115-story.html>

His letter states the following:

First off, we haven't raised premiums at all this fiscal year. For next year, we'll offer additional, less-costly plans. For employees who choose a silver plan, like those offered by many private sector employers, we have proposed no increases in premiums. Only employees who choose the state's expensive, platinum health plan will see twofold increases to help cover a fraction of the cost of this plan.

AFSCME in turn rejected the Governor's proposal and outlined their position in a communication to members:

<https://drive.google.com/file/d/0B4Bi-iePG1O6TW9BVkpEdDBxWVk/view?pref=2&pli=1>

The University continues to closely monitor this situation and will broadly communicate once we understand the impact any changes may have on University of Illinois participants. Chancellor Amiridis and I welcome a meeting when the situation is more clarified. Again, thank you for your concerns and for taking the time to outline them to me via your letter.