

MA AFL-CIO

Legislative Fact Sheet



No One Should Go Broke Paying for Health Care!

Limit Out-of-Pocket Expenses for GIC Health Plans by supporting S.1474, filed by Senator James Timilty & H.2569 Filed by Representative Paul Mark



Since 2015, the state's Group Insurance Commission (GIC) has shifted nearly \$300 million of healthcare costs onto workers through increased copayments and deductibles. These cost-increases, which far outpace wage growth or cost-of-living increases for retirees, represent a direct tax increase on public employees.

Increases to co-pays and deductibles disproportionately impact:

- The elderly
- Those with serious medical conditions

Out of Pocket Costs Are Out of Control

In FY 2015 (before \$300 million was shifted onto workers), nearly 1,700 families in the GIC had out-of-pocket expenses over \$5,000, with many of those families paying up to the current cap of \$10,000 per year. These out-of-pocket expenses are in addition to their premium contributions.

How does GIC cost-shifting affect the average worker?

Over the last decade, the average state employee who was hired after 2003 and is enrolled in the Unicare Indemnity family health insurance plan has seen their monthly healthcare expenses rise by \$480 per month. (FY07 – FY16 Actuarial Analysis provided by the Milliman company, June 2015)

The Solution: S.1474 & H.2569 would help to ensure that families don't have to go broke paying for their medical care by capping annual out-of-pocket maximums for active and retired public employees at \$2,500 for individuals and \$5,000 per family.