

THE COMMONWEALTH OF MASSACHUSETTS EXECUTIVE OFFICE OF LABOR AND WORKFORCE DEVELOPMENT DEPARTMENT OF UNEMPLOYMENT ASSISTANCE

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DIRECTOR

NOTICE OF MEETING

The Department of Unemployment Assistance (DUA) is considering regulations for the Employer Medical Assistance Contribution Supplement that became law as part of *An Act Further Regulating Employer Contributions to Health Care* in August of 2017. The law temporarily changes the existing employer medical assistance contribution, creates a temporary supplemental contribution and modifies the unemployment insurance rate schedule. The updated contributions are effective for wages paid beginning January 1, 2018 and are time limited, expiring at the end of calendar year 2019. The modifications include:

- A decrease in the scheduled unemployment insurance experience rate
- A temporary increase in the existing Employer Medical Assistance Contribution (EMAC)
- A temporary supplemental contribution for employers with employees covered under MassHealth (the Massachusetts Medicaid program) or subsidized coverage through the ConnectorCare program

In recent years, Massachusetts has seen a shift in health care coverage from employersponsored insurance to publicly–subsidized coverage, increasing the cost to taxpayers. Since 2011, commercial coverage declined by more than 450,000 individuals due to a variety of reasons including: rising commercial health insurance costs; changes in employer sponsored insurance, implementing requirements associated with the Affordable Care Act (ACA); and regulatory landscape changes. During this same period of time, MassHealth enrollment increased by over 500,000 individuals, despite a stable population, low unemployment, and a high rate of health care coverage. The shift from commercial coverage to public coverage has contributed to significant growth in MassHealth spending.

The Administration has proposed a comprehensive package of reforms to attain a sustainable MassHealth program that are currently under review by the legislature. The time-limited increase in the Employer Medical Assistance Contribution and additional supplement will help to offset the costs for employees on subsidized coverage while longer-term reforms are established and implemented.

The draft regulations are available online at this link: <u>https://www.mass.gov/files/documents/2017/11/06/Draft%20EMAC%20Supplement%20</u> <u>regulations%2011-6_0.pdf</u> As part of the process, DUA welcomes interested members of the public to attend listening sessions on the following dates:

When: Monday, November 13, 2017
1:00 p.m. to 3:00 p.m.
Where: Department of Unemployment Assistance Office Charles F. Hurley Building
19 Staniford Street Minihan Hall, 6th floor Boston, MA 02114

When: Tuesday, November 14, 2017 10:00 a.m. to Noon Where: Department of Industrial Accidents Office 436 Dwight Street Springfield, MA 01103

When: Wednesday, November 15, 2017
2:00 p.m. to 4:00 p.m.
Where: Department of Industrial Accidents Office 340 Main Street 3rd floor Worcester, MA 06108

When: Thursday, November 16, 2017 10:00 a.m. to Noon Where: Department of Transitional Assistance 280 Merrimack Street Lawrence, MA 01843

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