MASSACHUSETTS WORKFORCE DEVELOPMENT SYSTEM

MassWorkforce Issuance

100 DCS 08.116 **☑** Information ☐ Policy To: **Chief Elected Officials** Workforce Development Board Chairs Workforce Development Board Directors Title I Administrators **Career Center Directors** Title I Fiscal Officers DCS Operations Managers cc: **WIOA State Partners** From: Alice Sweeney, Director Department of Career Services Date: November 13, 2017 **Subject: DUA Employer Medical Assistance Contribution Supplement Listening** Sessions **Purpose:** To notify Local Workforce Development Boards, One-Stop Career Center Operators, and other local workforce partners that 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

Background: In recent years, Massachusetts has seen a shift in health care coverage from employer-sponsored 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:

 $\frac{https://www.mass.gov/files/documents/2017/11/06/Draft\%20EMAC\%20Supplement\%20regulations\%2011-6_0.pdf.$

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 from 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 from 10:00 a.m. to Noon

Where: Department of Industrial Accidents Office 436 Dwight Street, Springfield, MA 01103

When: Wednesday, November 15, 2017 from 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 from 10:00 a.m. to Noon

Where: Department of Transitional Assistance

280 Merrimack Street, Lawrence, MA 01843

When: Tuesday, November 28, 2017 from 11:00 a.m. to 1:00 p.m.

Where: Cape Cod Community College

Lorusso Technology Building (upstairs solarium) 2240 Iyannough Road, West Barnstable, MA 02668

Comments may also be submitted to the following email address: EMACSupplement@massmail.state.ma.us

Please note that photo identification is required of all persons entering the building.

Action

Requested: Please share with staff, partners, customers and employers as appropriate.