

Part-Time Faculty Health Insurance Program Frequently Asked Questions

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PROGRAM AND ELIGIBILITY

1. How do districts determine who is qualified to participate in the Part-Time Faculty Health Insurance Program?

Per Education Code section 87861, part-time faculty refers to any faculty member whose teaching assignment equals or exceeds 40% of the cumulative equivalent of a minimum full-time teaching assignment, and multidistrict part-time faculty refers to any faculty member whose total teaching assignments at two or more community college districts equals or exceeds 40% of the cumulative equivalent of a minimum full-time teaching assignment. Additionally, a part-time faculty member, multidistrict part-time faculty member, or their dependents whose premiums for health insurance are paid by an employer other than a community college district are not eligible to participate in the program. Education Code generally defines faculty to include instructors, librarians, and counselors (Ed. Code, section 87003 (a).) Therefore, part-time instructors, librarians, and counselors are eligible to participate in the program.

2. If the district's collective bargaining agreement provides health insurance to part-time faculty with less than a 40% teaching assignment, can they be claimed for reimbursement through this program?

No. The Education Code requires a teaching assignment that equals or exceeds 40% of a full-time teaching assignment to participate in this program. Districts are not prohibited from providing health insurance to any part-time faculty; however, the district cannot receive reimbursement for payments for the faculty that do not meet the definition in the Education Code.

3. How does a district determine if an individual qualifies as a part-time faculty member, by looking term by term or the academic year in the aggregate?

Statute does not specify a timeframe for determining eligibility and individual insurance providers may have specific eligibility requirements that must be adhered to above and beyond statute and administrative guidance. Districts are not prohibited from determining eligibility by assessing teaching load over the academic year in aggregate.

4. What happens if a faculty member falls below part-time faculty status for one term?

Districts may continue to offer part-time faculty health insurance if that faculty member falls below the required 40% threshold for a term. However, the premium paid during that term would not be reimbursable under current law and should not be included on reimbursement claims to the Chancellor's Office, unless the annual aggregate teaching load for that faculty member is equal to or greater than 40%.

5. Are districts required to submit Board Approval of their health insurance program to the Chancellor's Office?

No.

MULTIDISTRICT PART-TIME FACULTY REIMBURSEMENT PROGRAM

6. How does a district calculate their share of reimbursement for a multidistrict part-time faculty?

The district's share of reimbursement may not exceed the proportionate share of the cost of the district's most commonly subscribed family coverage plan. If a district does not offer a family coverage plan to full-time faculty, then the reimbursement may not exceed the proportionate share of the cost of the district's most commonly subscribed plan. The reimbursement amount = $(A \div B) * C$, where

A = total premium paid by the multidistrict part-time faculty

B = total number of districts in which the multidistrict part-time faculty works

C = percent of health care cost paid by the district toward the total cost of the premium for full-time faculty premiums.

7. How will districts determine teaching assignment load for multidistrict part-time faculty?

Per Education Code 87865 (c), districts "may require reasonable documentation from a multidistrict part-time faculty member to verify that the faculty member's total cumulative teaching assignments at two or more community college districts equals or exceeds 40% of the cumulative equivalent of a minimum full-time teaching assignment." The burden of proof is on the multidistrict part-time faculty to provide sufficient verification. The Chancellor's Office will provide survey templates which may be used and/or customized by districts for this purpose.

8. What is the minimum verification a district should require for multi-district part-time faculty reimbursements?

District may request proof of employment, teaching assignments, and health insurance enrollment and premium paid by the multidistrict part-time faculty.

9. How should a district calculate the multidistrict part-time faculty proportionate share of reimbursement if they pay a flat amount instead of a percentage share of cost?

Per Education Code section 87865, the formula to calculate the district's proportionate share of the total health insurance premium paid by the multidistrict part-time faculty member is: premium paid by the multidistrict part-time faculty divided by the number of districts in which the faculty member works, multiplied by the percentage of health care cost paid by the district toward the cost of the health insurance premium. If a district pays a flat amount, that flat amount would be the maximum reimbursement. If the total before applying the percentage is less than the flat amount, the district would reimburse 100% of that total. If the total is more than the flat amount, the district reimburses the flat amount.

10. How will required information be gathered from part-time faculty and how often?

Districts may survey multidistrict part-time faculty and request verification of employment, teaching load, and health insurance premium paid as frequently as each session.

11. If a multidistrict part-time faculty works more than 40% teaching assignment in a district that doesn't offer a part-time faculty health insurance program, can they still be considered a multidistrict part-time faculty in the district(s) they work that may have a program offering reimbursements?

Yes. A multidistrict part-time faculty can obtain reimbursement for insurance from any district they work for that is offering it, if their combined cumulative teaching assignment is equal to or greater than 40% of the cumulative equivalent of a minimum full-time teaching assignment.

12. What is the multidistrict part-time faculty maximum reimbursements a district can provide if there is no 'family plan' offered?

If no 'family plan' is offered to full-time faculty, the district may use the district contribution of the most commonly subscribed plan to calculate the maximum reimbursement amount.

13. Can multidistrict part-time faculty participate in a reimbursement program if they only work for a 6-month term?

Districts may offer a reimbursement program to all multidistrict part-time faculty that qualify on an annual aggregate basis.

INSURANCE OPTIONS

14. What can a district do if the health insurance provider is unable to provide term by term adjustments?

Districts could offer a reimbursement program. For example, the part-time faculty could obtain coverage through Covered California and the district would reimburse the faculty up to a set amount. Districts may submit a reimbursement claim for amounts paid through a reimbursement plan for district part-time faculty.

15. Can districts offer part-time faculty a stipend payment in lieu of enrollment in a medical plan?

Stipend payments are not eligible for reimbursement, but there is no prohibition on offering a stipend program to part-time faculty. To be eligible to submit part-time faculty health reimbursement, a district must offer a health insurance plan or reimbursement plan.

16. Would the reimbursement to the employee be considered taxable income?

Districts should consult their Human Resources payroll professionals, legal counsel, and collective bargaining agreements to determine whether a reimbursement to an employee is considered taxable income.

17. Is there a minimum period for which districts must provide insurance to part-time faculty? Can the coverage be short term, or does it have to be full year?

There is no minimum time frame. Any costs paid for premiums for health insurance coverage of participating faculty during the fiscal year can be claimed for reimbursement, whether the district provided the healthcare for the full year or for individual terms/sessions. Districts should consult with their health insurance provider to determine the provider's eligibility requirements and period of coverage options.

18. Is the Chancellor's Office exploring statewide pooled health insurance options that districts can tap into?

Yes. The Chancellor's Office will continue to explore this as an option for the future.

CLAIM REIMBURSEMENT PROCESS

19. When will districts receive the reimbursement?

The P2 apportionment certification will reflect 80% of the total allowable reimbursement based on claims submitted in June. Recalculation apportionment certification will reflect 100% of the total allowable reimbursement.

20. How will the funds be allocated?

First, all participating districts will be allocated up to 50% of the total cost of the premiums paid for the health insurance coverage of participating part-time faculty, multidistrict part-time faculty, and their dependents. If there are not sufficient funds available for the full 50% allocation, the funds will be allocated proportionally based on each district's claimed costs.

If there are remaining funds after the initial allocation, the remaining funds will be allocated proportionally, up to 100% of the total cost of premiums paid, to districts that establish a program pursuant to the following criteria:

- Offers health insurance coverage to all part-time faculty who meet the requirements in subdivision (c) of Education Code section 87861.
- Offers part-time faculty the same health insurance benefits provided to the full-time faculty at the community college district.
- Limits individual premiums paid by part-time faculty to no more than the actual individual premium paid by full-time faculty in that district.
- Offers health insurance coverage to all multidistrict part-time faculty who meet the requirements in subdivision (b) of Education Code section 87861, and pursuant to Section 87865.

21. Does the district have to meet all four of the requirements in Education Code section 87867 (b) to receive the full 100% reimbursement?

Yes, the district must meet all four requirements to be eligible for 100% reimbursement. If the district does not meet the four requirements, they remain eligible for a 50% reimbursement.

22. What is considered “offering” health insurance coverage?

“Offering” health insurance coverage means the district has made health insurance coverage available to part-time faculty if they choose to sign up for a plan through the district, or the district has a program in place to reimburse part-time faculty up to a set amount for health insurance coverage that they individually purchase.

23. How does a district determine what is considered “the same health insurance benefits” as full-time faculty?

Health insurance plans offered to part-time faculty should be comparable/equivalent to the plans offered to full-time faculty.

24. What if a portion of the part-time faculty at a district qualify for the same plan offered to full-time faculty, but a portion of them do not qualify due to a lower load percentage? For example, the plan requires a 50% load, so the faculty who teach between 40% and 50% would not qualify. Should the district offer the same

plan to the faculty who qualify and a different comparable plan to the faculty who do not qualify? Or can the district offer a different comparable plan to all part-time faculty?

We recommend that the district consult with their legal and HR professionals to make this determination. For the purposes of this program, ‘part-time faculty’ is defined as having a load of 40% or greater. Using that definition, if the part-time faculty group as a whole cannot be covered by the plan offered to full-time faculty, it is permissible for the district to offer a coverage option that will cover the entire part-time faculty group as defined in statute. However, there is also nothing in statute to prohibit offering different plan options to part-time faculty depending on their load percentage, and the district would be eligible to receive up to 100% reimbursement as long as all four requirements are met, including the requirement that the district offers “the same health insurance benefits provided to the full-time faculty”.

25. At what point in time will districts be considered eligible for the 100% reimbursement?

Districts must meet all four requirements described in question 20 to be eligible to submit a claim for 100% reimbursement. A district becomes eligible during the fiscal year that all four eligibility requirements are met. An annual reimbursement claim submitted after the date the district establishes eligibility may be reimbursed up to 100%, pending available funding. For example, if a district meets all four requirements as of January 15, 2023, the annual reimbursement claim submitted on June 1, 2023 is eligible to receive up to 100% reimbursement for that fiscal year.

26. For part-time faculty working fall and spring terms, are districts able to claim reimbursement if they provide healthcare for the full year? Will multidistrict part-time faculty be treated similarly, in terms of eligibility for reimbursement?

Yes, reimbursement can be claimed for the annual premiums for part-time faculty and for multidistrict part-time faculty working the fall and spring terms if the annual aggregate teaching assignment is equal to or greater than 40%. Districts should work with their insurance providers to determine final eligibility requirements, as providers may have additional eligibility requirements that exceed the annual aggregate 40% teaching load threshold.

27. When are claim forms due?

Education Code requires that claims be submitted no later than June 1. Claims for the fourth quarter may be estimated to meet the statutory claim submission deadline. Participating districts should submit a revised claim reflecting actual eligible expenditures from the prior fiscal year no later than November 30.