

**TESTIMONY OF TOM FORKNER,
PRESIDENT, ANDERSON (IND.) FEDERATION OF TEACHERS,
BEFORE THE HOUSE EDUCATION AND THE WORKFORCE SUBCOMMITTEE ON HEALTH,
EMPLOYMENT, LABOR AND PENSIONS
SEPTEMBER 4, 2014**

Good morning, Mr. Chairman and members of the subcommittee. My name is Tom Forkner, and I am the president of the Anderson (Ind.) Federation of Teachers, an affiliate of the American Federation of Teachers (AFL-CIO).

Thank you for this opportunity to discuss the many positive effects of the president's healthcare law on our state. First and foremost, I am pleased that more than 132,000 Indianans have already enrolled in a Marketplace plan and now have access to affordable, accessible and high-quality healthcare.

Our local represents about 450 certified teachers and about 100 noncertified custodians, school secretaries and maintenance workers in the Anderson Community Schools. The school system is composed of one high school, one middle school and eight elementary school buildings, including one dedicated to early childhood education for 3- and 4-year olds. All of our members are provided health insurance through our collective bargaining agreement.

There are about 100 classroom aides and 100 food service workers who work in the school system but are not part of our local. Many of the classroom aides work in special needs classrooms, where they help the teacher by working one-on-one with special needs students. Others work under the direction of teachers in regular but larger classrooms, where they work with groups of students or, in some cases, individual students. Sadly, neither the classroom aides nor the food service workers are offered health insurance by the school system.

Our local has established a joint healthcare committee with the school system that continually tracks our claims, identifies trends, detects problems and recommends changes to address any problems. Two union members and two management members serve on this committee, which meets quarterly. Our plan is self-funded, and Anthem Blue Cross Blue Shield serves as our third-party administrator (TPA). Remarkably, by working closely with our TPA

and healthcare consultants, we have been able to keep our healthcare premiums flat—no increase—for the last five to six years. This has been accomplished by a combination of plan design changes and a drawdown from our claims reserve fund. We are very proud of this accomplishment.

About five years ago, our consultants brought to the committee's attention a growing trend in the use of high-cost emergency room and urgent care centers for what appeared to be routine, nonurgent services. The claims data showed us that school employees were going to these expensive settings for treatment of chronic conditions like asthma attacks and sinus infections. After a joint yearlong review, the committee recommended that the union and the school system establish a health clinic, and they agreed. We have contracted with a community hospital in Anderson to provide primary care doctors and nurse practitioners at our high school, with hours of operation that are compatible with our members' work schedules. The clinic is open after school on Mondays, Tuesdays and Thursdays and stays open until 7 p.m. at least one night a week. It is also open on Saturday mornings, which makes it easier for members to make and keep appointments. Members can now get various preventive care services, such as flu and shingles shots, on site, and they can get prescription drugs for chronic illness and eliminate a second trip to a pharmacy. The program has been so successful in bringing down our use of emergency rooms and urgent care centers that we are thinking of either expanding the program to a second facility or extending the days the clinic is open.

Despite the success of the clinic and our recommendation that these services be provided to all Anderson school employees, the school board has not extended coverage to the 200 nonrepresented classroom aides and food service workers. We viewed this as a shortsighted decision, given that these employees come in contact with students, parents, our members and the community on a daily basis. Failing to give them even the most basic services puts everyone at risk and leads to preventable absences in schools and other workplaces.

Prior to the implementation of the Affordable Care Act (ACA), classroom aides and food service employees worked about 33 hours per week. In the fall of 2013, we joined administrators in discussions to assess the impact of the ACA on the school system. Instead of embracing the

new law's fundamental purpose—to provide high-quality healthcare to uninsured Americans—school representatives focused solely on how they could avoid the act's requirement to provide coverage for all employees working 30 or more hours per week. Their shortsightedness led them to pursue a plan to cut the hours of the nonrepresented classroom aides and food service workers to 29 hours or fewer to circumvent the ACA's employer mandate. By reducing the total number of hours they worked, the system avoided any responsibility to provide them with insurance coverage or pay any of the ACA fees. While classroom aides' wages of \$75 per day (\$13,500 a year) were maintained, food service workers, who earn between \$11.10 and \$15.50 per hour (\$11,588 to \$15,660 a year), actually experienced a cut in pay when their hours were lowered from about 33 per week to 29. These groups of workers had to get healthcare through either a spouse, a second job that provides insurance or the federal exchange.

While we have no right to bargain over the wages, hours and working conditions of these employees, we argued that the intent of the ACA was to expand health insurance coverage and urged the system to reconsider its position. We made this recommendation with the full understanding that if the system included these 200 employees in our plan, claims costs would likely increase and put pressure on our premiums. But we believe that this is the right thing to do and that an employer-sponsored plan can provide better benefits for our fellow employees than what is offered under an exchange. Moreover, we have so much confidence in our joint healthcare committee that we believe we can always work together to solve complex problems and keep healthcare costs as low as possible. I know that many employers complain about the imposition of the reinsurance fee and the patient-centered outcomes research fee on their budgets. However, my experience as a local president has taught me that our system doesn't retain costs but instead shifts them to employees or shortchanges student services. So I imagine that the imposition of these fees on health plan sponsors will eventually result in some combination of less pay and more work for our educators, and will detract from the high-quality education that all of our students need and deserve.

Let me end by sharing a story that illustrates the consequences of not providing aides and cafeteria workers with access to healthcare. This summer, a very talented, midcareer special needs classroom aide told me that he was resigning from the school system because he found a

job with higher pay and health insurance. He said that he loved the children he worked with every day and wanted to stay in the system, but could not afford to pass up a job with more money and healthcare. While the system hired a new aide to replace my colleague, this is not always the case. Moreover, the cut in hours from about 33 per week to 29 per week means that the students miss out on about 45 minutes of classroom aide attention per day. In special needs classes, the presence of an aide enables teachers to complete their lessons for the day while meeting the needs of their students with disabilities. If the aide is not there and a student requires assistance, the teacher must stop teaching to do what is needed to help that student re-engage in that day's lesson. These types of disruptions negatively affect student learning and the learning environment.

Thank you again for letting me share my views on the importance of the ACA, based on the experience of my members, all school employees and the students we serve in Anderson.