

**Senate Bill 3532 (Trotter)
House Bill 6162 (Currie)
COMMUNITY COLLEGE RETIREE HEALTH INSURANCE**

IEA POSITION—OPPOSE

1. These bills add retirees from City Colleges of Chicago to the current College Insurance Program (CIP) for retirees. This program is administered by the Illinois Dept of Central Management Services.
2. The bills require all full time community college faculty and staff to increase their contributions for CIP from .5% of annual salary to .75% of annual salary. The increase will begin July 1, 2011.
3. There are currently 5,000 downstate annuitants enrolled in CIP. If these bills pass, another 1,800 members may enroll. This number represents those who have retired within the past 10 years. It is not known how many potential enrollees exist that retired more than 10 years ago.
4. At the current contribution rate of .5% of salary, there is approx. \$150,000 in salary support for each annuitant under CIP. City Colleges annuitants only have a salary of \$68,000 to support each annuitant that they would bring into CIP.
5. Healthcare costs for CIP are growing at 10-14% annually. Funding for the program is growing at 5-6% annually. An increase in contribution rates will be required within the next year just to keep the program afloat at its current level, without adding annuitants from City Colleges of Chicago.