

## **NEVADA FACULTY ALLIANCE**

The Nevada Faculty Alliance is the independent statewide association of faculty of the Nevada System of Higher Education. The NFA is affiliated with the American Association of University Professors, which advocates for academic freedom, shared governance, and faculty rights. The NFA works to empower faculty to be wholly engaged in our mission to help students succeed.

With education funding now in place, the Nevada Faculty Alliance requests full restoration of state employee benefits and compensation using available state and federal funds.

## Full Restoration of PEBP Benefits for Plan Year 2023

- <u>SB451</u> reduces the state contribution to PEBP benefits from the prepandemic FY2021 level of \$783 per employee per month, by 7.2% in FY2022 and 3.4% in FY2023.
- To **fully restore pre-pandemic benefits for FY2023** would require up to \$847/month (\$783 from FY2021 with 4% medical inflation) or about \$30M for 27000 state active employees (not all supported by the general fund).
- The FY2022 benefits cuts versus the pre-pandemic plan affect the lower-paid and most state vulnerable employees the most: 44% higher premiums, 17% higher deductible, 28% higher out-of-pocket maximum, and 45% lower HSA contribution (employee-only on high-deductible plan).

State PEBP Contribution Per	
Employee	
FY2020 (SB550)	\$761
FY2021 (SB550)	\$783
FY2021 (AB3)	\$718
FY2022 (SB451)	\$727
FY2023 (SB451)	\$755

• The elimination of Long-Term Disability insurance leaves faculty employees who become totally disabled in the future with no income safety net. The cost to restore LTD is up to \$4.6M/year, which could be funded from Excess Reserves for FY2022 (possibly less because the contract is up for bid and claims experience has been moderate).

## COLA for State Employees for the 2021-23 Biennium

• We request a **Cost of Living Adjustment for all state employees including faculty** at least matching classified employee collective bargaining agreements for classified state employees (3% in FY2023). Faculty have had only one merit step in 15 years. CPI inflation has been 4.6% since the last state COLA in July 2019. The estimated cost for a 3% COLA in FY2023 for all state employees supported by the general fund is roughly \$27M.

