

Bond Case Briefs

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Schools Describe Impact of Proposed Employer Shared Responsibility Regs.

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Many school administrators, board members, and teachers have commented on proposed health insurance regulations (REG-138006-12) implementing the employer shared responsibility provisions, addressing how the regs would affect their schools, staff, and students.

[Editor's Note: The document at this citation contains a representative sampling of a larger number of comment letters submitted to the IRS on REG-138006-12.]

To Whom It May Concern:

The impact of the RULE being proposed for education concerning the PPACA is going to be very detrimental to our school corporation. The majority of our employees have traditionally worked only nine (9) months out of the year. They work for our school corporation because they like being off work in the summer when their children are off school. This saves families the expense of child care year round. These employees are truly seasonal or part-time and therefore should not be included in the rule that forces school corporations to provide insurance to employees working over 30 hour per week. They should be viewed the same as a person that works at a theme park or pool for the summer.

Funding for school corporations keeps getting reduced every year. As a result of limited funds we will be forced to reduce hours for most of our part-time employees who are already on a limited income. In some instances we will have to hire more part-time employees in order to keep offering the same services to our students. Several of the employees that we will be forced to offer insurance to have the spousal rule, but these employees are better off financially on their spouse's insurance. Some of them have already told us that they will quit if they are offered insurance thus making this rule a financial hardship for the employee and the school corporation.

Please reconsider this interpretation of the act so as to not adversely affect the education of our students. Our primary concern is the best education we can provide for the students in our school corporation. As our expenses continue to increase this becomes increasingly more difficult to accomplish.

Sincerely,

[signed]

Deputy Treasurer

Southeast Dubois County School

Corporation

Ferdinand, IN

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March 6, 2013

To Whom It May Concern,

I would like to express my concern over the proposed IRS regulation 138996-12. Since the Patient Protection and Affordable Care Act was enacted three years ago, public schools were told that they were exempt from the rule because a large number of our school employees work only 180 days a year. On January 2, 2013 this assumption changed with a new IRS regulation. The new rule for public schools will force our school (which has only 200 employees) to provide hundreds of thousands of dollars in health insurance for employees. Public schools have been underfunded since 2007 and this comes at a time when schools cannot afford health insurance for part-time employees. We have also been in deficit financing since 2005 and this has placed a huge strain on the schools.

Although cost is an issue, public schools believe we have been singled out by the rule. Our attorney has informed us that businesses do not have to provide health insurance for their workers who work the 180 days a year. This new rule you are proposing requires public schools to provide health insurance for individuals while businesses are exempt.

Our school would appreciate if you would reconsider IRS regulation 138996-12. Thank you for your time on this matter.

Sincerely,

Andy Wandersee

School Board Member

Centerville-Abington Community

School Corporation

Centerville, IN