



Virginia
Regulatory
Town Hall

Emergency Regulation Agency Background Document

Agency Name:	Department of Human Resource Management
VAC Chapter Number:	1 VAC 55-20
Regulation Title:	Commonwealth of Virginia Health Benefits Program
Action Title:	Amends Section 1VAC 55-20-320 This amendment would change the number of hours a full –time employee must work to be eligible for health insurance benefits.
Date:	December 3, 2002

Section 9-6.14:4.1(C)(5) of the Administrative Process Act allows for the adoption of emergency regulations. Please refer to the APA, Executive Order Twenty-Four (98), and the *Virginia Register Form, Style and Procedure Manual* for more information and other materials required to be submitted in the emergency regulation submission package.

Emergency Preamble

Please provide a statement that the emergency regulation is necessary and provide detail of the nature of the emergency. Section 9-6.14:4.1(C)(5) of the Administrative Process Act states that an “emergency situation” means: (i) a situation involving an imminent threat to public health or safety; or (ii) a situation in which Virginia statutory law, the Virginia appropriation act, or federal law requires that a regulation shall be effective in 280 days or less from its enactment, or in which federal regulation requires a regulation to take effect no later than 280 days from its effective date. The statement should also identify that the regulation is not otherwise exempt under the provisions of § 9-6.14:4.1(C)(4).

Please include a brief summary of the emergency action. There is no need to state each provision or amendment.

The Commonwealth of Virginia is currently in a budget crisis, which may cause the state to cut back on the essential services it provides to protect the health and safety of its citizens. This amendment would allow government agencies necessary flexibility to address workload requirements by permitting, at their discretion and employees’ agreement, the latitude to adjust the number of hours their employees work, (from 40 to 32) yet to continue to consider the employees as full-time for the provision of health care benefits. This adjustment would make the definition of “full-time” consistent with

the definition of “full time” used in other policies. By allowing the opportunity to retain employees who may be interested in working fewer hours, the agency will be able to reduce the overall budget, yet retain the flexibility to provide diverse services, from experienced employees, to the citizens of the Commonwealth. Unless the change is adopted on an emergency basis, those employees who opt for a thirty-two (32) hour workweek risk the loss of their health insurance coverage. This is a risk that neither the Commonwealth as an employer nor the affected employees want to take. Without the amendment, the reduced workweek plan may fail and the immediate savings opportunity would be lost. The effect of such lost savings could be detrimental to public health and safety by forcing other essential services to be cut.

Basis

Please identify the state and/or federal source of legal authority to promulgate the emergency regulation. The discussion of this emergency statutory authority should: 1) describe its scope; and 2) include a brief statement relating the content of the statutory authority to the specific regulation. Full citations of legal authority and web site addresses, if available for locating the text of the cited authority, should be provided.

Please provide a statement that the Office of the Attorney General has certified that the agency has the statutory authority to promulgate the emergency regulation and that it comports with applicable state and/or federal law.

§ 2.2-2818. Health and related insurance for state employees.

Substance

Please detail any changes, other than strictly editorial changes, that would be implemented. Please outline new substantive provisions, all substantive changes to existing sections, or both where appropriate. Please provide a cross-walk which includes citations to the specific sections of an existing regulation being amended and explain the consequences of the proposed changes. The statement should set forth the specific reasons the agency has determined that the proposed regulatory action would be essential to protect the health, safety or welfare of Virginians. The statement should also delineate any potential issues that may need to be addressed as a permanent final regulation is developed.

1VAC55-20-320. Eligible employees.

Currently an employee must work 40 hours a week to be eligible for health benefits. The amendment would reduce this to 32 hours per week. With the current budget crisis agencies are being forced to look at how they currently do business. Limiting the number of hours an employee works may be an attractive means of reducing an agency’s budget while maintaining valuable services performed by experienced employees. Offering health benefits is a recognized means of retaining employees and a key element of the total compensation package provided employees

Please describe the specific alternatives that were considered and the rationale used by the agency to select the least burdensome or intrusive method to meet the essential purpose of the action.

This is one of many ideas that are currently being looked at in an attempt to give governmental agencies the ability to reduce spending while maintaining vital services to the citizens of Virginia.

Family Impact Statement

Please provide a preliminary analysis of the potential impact of the emergency action on the institution of the family and family stability including to what extent the action will: 1) strengthen or erode the authority and rights of parents in the education, nurturing, and supervision of their children; 2) encourage or discourage economic self-sufficiency, self-pride, and the assumption of responsibility for oneself, one's spouse, and one's children and/or elderly parents; 3) strengthen or erode the marital commitment; and 4) increase or decrease disposable family income.

Enter Statement Here: N/A