

Town of Phillipston

Reduction and Control of Employee Benefit Costs

Purpose

The purpose of this policy is to establish a means by which the Town will reduce and control the costs of employee benefits such as health insurance, retirement, OPEB set-asides and the like while ensuring compliance with the requirements of MGL 32B, the Worcester Regional Retirement System,¹ the Affordable Care act and similar such statutes.

This policy will be administered by the Chief Administrative Officer (CAO) or such person as s/he may delegate.

Definitions

Benefit eligible: any employee working 20 or more hours per week on a regularly scheduled basis during the regular work week of permanent or temporary employment provided that no seasonal, intermittent, or emergency employees shall be included unless specified herein (MGL C. 32B, s. 2).

Full-Time Employee: A person working a regularly scheduled work week of 40 hours.

Intermittent employee: A person working a schedule that is set on a periodic and irregular or on-call basis not exceeding, in general, 15 hours in a week, 60 hours in a month, or 800 hours in a year. Persons in these positions are often referred to as per diem employees.

Part-time employee: A person working a regularly scheduled work week of less than 20 hours per week.

Seasonal employee: A person working a schedule that has a defined beginning and end during the course of a year related to the specific provision of a given task (e.g. laborers, recreation counselors, lifeguards) and not exceeding 1,040 hours over the course of a six month season.

Policy

The town shall subscribe to the following practices and procedures in implementing this policy:

1.) Persons hired after the effective date of this policy.

- a.) No person shall be hired such that they are benefit eligible but work less than full time unless the CAO shall certify that all reasonable efforts have failed because (a) there is a lack of sufficient and reasonably compatible work tasks to aggregate into a full-time position, (b) regionalization has proven undesirable or unachievable, or (c) it is not possible to achieve critical mass or funding and that , therefore, provision of the service through a less than full-time position is "mission-critical."
- b.) No person shall be placed upon the Town's insurance plans until the first of the month after their completion of one full calendar month of service following the date they commence work.
- c.) Except as required by COBRA or similar statutes, no person shall be permitted, to remain on the Town's insurance plan following the last date for which they are paid for service to the Town.

¹ "Employees who are regularly scheduled to work 1040 hours or more in a calendar year must become members of the retirement system."

2.) *Persons in the employ of the Town as of the effective date of this policy.*

- d.) The CAO shall, within thirty (30) days of the adoption of this policy, report on all persons in the employ of the Town who are benefit eligible together with a plan to conform their hours or position to fulfill the intent of this policy.
- e.) Annually thereafter, in conjunction with the submission of the proposed operating budget for the coming fiscal year, the CAO shall submit a similar analysis.

3. *Persons employed in Seasonal or Intermittent Capacities.*

Notwithstanding the exemption from being benefit eligible that is assigned to persons in such positions, they shall be enrolled in the Town's health and similar insurance plans, in accord with the Affordable Care Act, after 60 days of employment if they are regularly scheduled to work 30 hours or more per week.

4. *Periodic Review*

Annually, at the time of preparing a recommended budget, the CAO shall review this policy with staff to determine how effectively it is meeting its purpose. S/he shall submit suggested revisions to the Selectboard for consideration and adoption with the annual budget message.

Approved by the Selectboard December 17, 2018.