HEALTH CARE REFORM

HR Services
May 2013
Full-Time Mandate Summary

• **Mandate**: Offer fulltime employees (faculty, staff, retirees, students) affordable health coverage by January 1, 2014.

• **Fulltime**: An average of at least 30-hours of service (university wide) per week.

• **Responsibility**: Employee, Supervisor, Department & HR Services

• **Penalties**: Severe monetary penalties for failing to comply
Lookback & Stability
For Current Employees

- **Initial Lookback**: July 2013 - December 2013
- **Initial Stability**: January 2014 – June 2014
- **Ongoing Lookback (6-month cycle)**: January 2014 - June 2014
- **Ongoing Stability (6-month cycle)**: July 2014 – December 2014
- Continue to repeat ongoing six-month cycles
Lookback & Stability
For New Employees

- Initial Lookback: 6-months from first day of employment
- Initial Stability: 6-months from date in benefit eligible position
- Ongoing Lookback: coincides with the current employee six month cycle (Jan/June) or (July/Dec)
- Ongoing Stability: coincides with the current employee six month cycle (July/Dec) or (Jan/June)
Evaluating Current Employees

• Temp employees employed on July 1, 2013
    • Averaged above 30 hours per week – eligible for benefits
    • December 1, 2013: Transition to term appointment
    • January 1, 2014 – June 30, 2014: Stability period benefit eligible term appointment
    • Decision point: End term appointment, extend term appointment, or hire into new temp position
  – If rehired into temp position lookback & stability periods follow standard cycle.
    • Lookback: July 1, 2014 – December 31, 2014
    • If average is above 30 hours then transition into term appointment according to stability cycle (effective January 1)
    • If average is below 30 hours then continue to evaluate based on standard lookback cycle (Jan/Jun & Jul/Dec)
Possible Impact to Departments for HCR Compliance

- Departments may not terminate benefits or the employee during the stability period, regardless of the hours worked, except for just cause (as defined by NMSU Policy).
- Additional Cost to Departments: Required to hire an eligible employee, due to lookback period, into a term appointment for a minimum of 6 months regardless of the needs of the department.
- Fringe Rate: The fringe rate will be at the regular employment rates for the fiscal year (32% FY13) for term appointments.
Regular Appointment (Faculty) Hiring Category

- Continuous Employment (typically requires advertising)
  - **Definition:** Faculty hired with no pre-determined end date
  - **FLSA Status:** Exempt
  - **FTE:** Not less than .5 FTE and not to exceed 1.0 FTE
  - **Employment Period:** undefined, no predetermined end date
  - **Multiple Jobs:** eligible for other employment consist with NMSU Policy but cannot exceed a combined 1.5 FTE
  - **Benefits:** annual and academic are eligible for standard NMSU benefits and annual faculty also accrue leave
Temporary Appointment (Faculty) Hiring Category

• Temporary Employment (no advertising required)
  – **Definition**: Short or long term employment with a predetermined end date
  – **FLSA Status**: Exempt
  – **FTE**: Not to exceed .74 FTE
  – **Employment Period**: Maximum of 1 year. Continued employment must be consistent with regularization language in policy 5.15.40. Individuals may be hired on a semester, academic or annual basis.
  – **Multiple Jobs**: Eligible for other temp positions but cannot exceed a total FTE above .74
  – **Benefits**: Participation in NMERB/ARP (if total FTE is above .25) and for voluntary retirement plans (403b and 457b)
Term Appointment (Faculty) Hiring Category

- Term Employment – benefit eligible (no advertising required)
  - **Definition:** Employment with a predetermined end date
  - **FLSA Status:** Exempt
  - **FTE:** Not less than .75 FTE and not to exceed 1.0 FTE
  - **Employment Period:** not less than 6 months with a maximum of 1 year and can be extended for another year for a total two (2) year maximum.
  - **Multiple Jobs:** eligible for other simultaneous employment in appropriate category but cannot exceed total FTE above 1.0
  - **Benefits:** annual and academic are eligible for standard NMSU benefits and annual faculty also accrue leave but do not accrue sick leave and annual leave must be used by September 30th each year
Regular Employment (Non Faculty) Hiring Category

- **Continuous Employment** (typically requires advertising)
  - **Definition:** Employees hired with no pre-determined end date and hours do not vary during the employment period.
  - **FLSA Status:** Either exempt or nonexempt
  - **FTE:** Not less than .5FTE and not to exceed 1.0FTE
  - **Employment Period:** undefined, no predetermined end date
  - **Multiple Jobs:** *(Exempt only)* eligible for other NMSU employment but cannot exceed a combined 1.5 FTE
  - **Benefits:** eligible for all standard NMSU benefits
Temporary Employment (Non Faculty) Hiring Category

- **Temporary Employment (no advertising required)**
  - **Definition:** Short or long term employment with a predetermined end date and hours do not typically vary during the employment period.
  - **FLSA Status:** Either exempt or nonexempt but timesheets must be submitted to allow hours to be monitored
  - **FTE:** not to exceed .74 FTE
  - **Employment Period:** maximum of 1 year and can be rehired continuously
  - **Multiple Jobs:** eligible for other temp employment but cannot exceed a total FTE above .74
  - **Benefits:** Participation in NMERB (if above .25 FTE) and for voluntary retirement plans (403b and 457b)
Term Employment (Non Faculty) Hiring Category

- Term Employment – benefit eligible (no advertising required)
  - **Definition:** Employment with a predetermined end date and hours do not typically vary during the employment period.
  - **FLSA Status:** Either exempt or nonexempt classifications; exempt not required to submit timesheets
  - **FTE:** Not less than .75 FTE and not to exceed 1.0 FTE
  - **Employment Period:** not less than 6 months with a maximum of 1 year and can be extended for another year for a total (2) years maximum.
  - **Multiple Jobs:** eligible for other simultaneous employment in appropriate category but cannot exceed total FTE above 1.0
  - **Benefits:** eligible for standard benefits offered to regular employees but do not accrue sick leave and annual leave must be used by September 30 each year.
Student Employment

• All student employment including regular and workstudy will be limited to:
  – 0.50 FTE during the semester (20 hours per week average)
  – 1.0 FTE during the summer & breaks (average hours for lookback period not to exceed 29 hours per week)*

• Employment hours for all regular and workstudy students must be monitored/tracked to ensure students do not exceed 29 hours per week over the lookback period.

• Initial lookback for student: July 1, 2013 for those employed during the summer or August 19, 2013 (approximately) for students with no summer employment.
Grad Student Employment

• All graduate assistant employment will be limited to:
  – .50 FTE during the semester (20 hours per week average)
  – 1.0 FTE during the summer & breaks (average hours for lookback period not to exceed 29 hours per week)*

• Initial lookback for graduate assistants: July 1, 2013 for those employed during the summer or August 19, 2013 (approximately) for graduate assistants with no summer employment.

• Waivers will not be approved during summer months. During the academic year, waivers may be approved for an additional 5 hours at a total FTE of .625 FTE.

• The Graduate Assistant Employment Guidelines have been revised, effective July 1, 2013 and will soon be available on the HRS website.
Processing of Temp Staff & Faculty (B3/B4)

- Current Temp Staff and Faculty (B3/B4) will all term June 30, 2013
  - List of temps provided to summary org/departments
  - Notice provided to employees by department
- Temp Staff rehired in new employment categories (temp or term) beginning July 1
  - No 90-day break in employment required regardless of FTE
- Temp Faculty hired in new employment categories beginning July 1, 2013 (temp or term)
  - Subject to policy 5.15.40 – regularization of positions
Other Processing Changes

• No extensions for current temps beyond June 30, 2013
• All requests submitted for new temp hires must have a term date of June 30, 2013
• Offer letters required for each staff and faculty position – at the time of each hire to include: Dates of employment; Full Time Equivalency (FTE); Pay; Employment Rights; and Benefit Eligibility
• No immediate impact to temporary faculty hired for summer 2013
• Beginning July 1, 2013 - Term appointments may be used for benefit eligible positions with a predetermined end date
• Visiting faculty will be hired into faculty term appointments
• Emergency hires for both faculty and staff will be hired into the appropriate term appointment/employment
HCR Timeline

• May – College meetings, policy changes, student/grad handbook changes
• June – Policy approvals, final communications, terminations and re-hires
• July – Initial lookback period; begin tracking hours
• August – Rehire temp faculty and begin trending reports for hours worked
• September/October – Trending reports for hours worked
• November – Determination for term appointment/benefit eligibility
• December – Hire term appointments for HCR compliance