

HEALTH CARE REFORM

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Full-Time Mandate Summary

- Mandate: Employers must offer fulltime employees (and their dependents) affordable health coverage by January 1, 2014.
- Fulltime: An average of at least 30-hours of service (university wide) per week.
- Employee Types: Faculty, staff, retirees, and students
- Penalties: Penalties for failure to comply



Initial Lookback & Measurement Periods – Current Employees

- Initial Measurement (*lookback*) Period: 6-months
 - July 1, 2013 – December 31, 2013
 - Responsibility: Employee, Department, Hiring Manager & HR Services
- Initial Stability Period: 6-months
 - December 1, 2013: Transition to term appointment
 - January 1, 2014 – June 30, 2014: Effective dates for benefits



Ongoing Lookback & Measurement Periods – Current Employees

- Lookback Periods: 6-month cycle
 - Lookback 1: January 1 – June 30
 - Lookback 2: July 1 – December 31
- Stability Periods: 6-month cycle
 - Stability 1: June 1 transition to term appointment & benefit eligible July 1 – December 31
 - Stability 2: December 1 transition to term appointment & benefit eligible January 1 – June 30



Evaluating Current Employees

- Temp employees employed on July 1, 2013 without a break of employment of more than 26 weeks immediately prior to July 1
 - *Initial Lookback: July 1, 2013 – December 31, 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/June & July/December)

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 Existing Employee 6 Month Cycle
- Ongoing Stability: coincides with the Existing Employee 6 Month Cycle

Evaluating New Employees

- Example 1: Temp employee hired October 1, 2013
 - *Initial Lookback: October 1, 2013 – March 31, 2014*
 - Averaged below 30 hours per week – not eligible for benefits; no change in employment
 - *Ongoing Lookback: January 1, 2014 – June 30, 2014*
 - Averaged below 30 hours per week – not eligible for benefits
 - No change in employment
 - Continue with July – December and January – June lookback cycles
 - Averaged above 30 hours per week – eligible for benefits
 - June 1, 2014: Transition to term employment
 - July 1, 2014 – December 31, 2014: Stability period benefit eligible term appointment
 - Decision point: End term appointment, extend term appointment, or hire into new temp position
 - If applicable, continue evaluation during next lookback cycle January 1, 2015 – June 30, 2015

Evaluating New Employees

- Example 2: Temp employee hired October 1, 2013
 - *Initial Lookback: October 1, 2013 – March 31, 2014*
 - Averaged above 30 hours per week – eligible for benefits
 - March 1, 2014: Transition to benefit eligible term appointment
 - April 1, 2014 - September 31, 2014: Term appointment earning benefits
 - Decision point: End term appointment, extend term appointment, or hire into new temp position
 - If rehired into temp position then lookback & stability periods follow standard cycle.
 - Lookback: July 1, 2014 – December 31, 2014 (includes time worked under the term appointment for July 1, 2014 through September 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

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:** eligible for other NMSU employment but cannot exceed a combined 1.5 FTE
 - **Benefits:** eligible for all standard NMSU benefits



Variable Employment (Non Faculty) Hiring Category

- Short Term Employment (no advertising required)
 - **Definition:** Short term employment, a pre-determined end date and hours may vary weekly 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 .25 FTE
 - **Employment Period:** a single quarter (Jan-Mar, Apr-June, Jul-Sept, Oct-Dec) can be rehired continuously
 - **Multiple Jobs:** eligible for other variable positions but cannot exceed .25 FTE
 - **Benefits:** eligible for voluntary retirement plans (403b and 457b)



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 less than .26 FTE and not to exceed .74 FTE
 - **Employment Period:** maximum of 1 year and can be rehired continuously
 - **Multiple Jobs:** eligible for other temporary positions but cannot exceed .74 FTE
 - **Benefits:** eligible for NMERB 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 up to two (2) years.
 - **Multiple Jobs:** not eligible for any other simultaneous employment regardless of category
 - **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.

Rights for Non Regular Staff Categories

- Rights for Non Regular Staff (variable, temp and term):
 - No grievance or appeal rights except as provided by 4.05.10 Appeals/Grievances – Discrimination-Based Staff
 - Not eligible for salary increases, in-range adjustments, reclassifications, promotion, transfer, retention, counter offers, etc.



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



Variable Appointment (Faculty) Hiring Category

- Short Term Employment (no advertising required)
 - **Definition:** Short term employment with a pre-determined end date generally on a course by course basis.
 - **FLSA Status:** Exempt
 - **FTE:** Not to exceed .25 FTE
 - **Employment Period:** a single semester or part of term not to exceed 1 semester. Continued employment must be consistent with regularization language in policy 5.15.40
 - **Multiple Jobs:** eligible for other variable positions but cannot exceed .25 FTE
 - **Benefits:** participation in voluntary retirement plans (403b and 457b)



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 less than .26 FTE and 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 temporary positions but cannot exceed .74 FTE
 - **Benefits:** eligible for NMERB 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 1.0F TE
 - **Employment Period:** not less than 6 months, either annual or academic, with a maximum of 1 year and can be extended for up to two (2) years.
 - **Multiple Jobs:** not eligible for any other simultaneous employment regardless of category
 - **Benefits:** annual and academic are eligible for standard NMSU benefits and annual faculty also accrue leave



Rights for Non Regular Faculty Categories

- Rights for Non Regular Faculty (variable, temp and term) are defined by policy
 - 4.05.40 Appeals Discrimination - Faculty
 - 4.05.50 Faculty Grievance Review and Resolution
 - 5.47 Faculty Discipline and Appeal Process



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
- Additional Cost to Departments: The fringe rate will be charged at the regular employment rates for the fiscal year (32% FY13) for term appointments



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 (variable, temp, 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 (variable, temp, term)
 - Subject to policy 5.15.40 – regularization of positions



Other - Faculty & Staff Hires

- 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



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
 - Dates of employment – start and end dates
 - Full Time Equivalency (FTE)
 - Pay – salary/wage
 - Employment Rights – Grievance
 - Benefits eligibility

Student Employment

- All student employment, including regular, workstudy and grad, will be limited to:
 - .50 FTE during the semester
 - .75 FTE during breaks and over the summer
- Employment hours for all regular and workstudy students must be monitored/tracked to ensure students do not exceed .75 FTE (30 hours) over the lookback period.
- Initial lookback for student: July 1, 2013 for those employed during the summer or August 17, 2013 for students with no summer employment.



HCR Timeline

- April – Initial communications, policy revisions, processing changes
- May – Focused communications, review of policy changes by committees, employee communication templates, system changes, student/grad handbook changes
- June – Policy approvals, final communications, terminations and re-hires
- July – Initial lookback period; begin tracking hours
- August – Re-hire temp faculty & visiting faculty, 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

