



Policy: **Health Care Savings Plan**
Adopted: 8/20/19
Effective: 9/13/19
Revised:

Purpose	To establish certain components of the city-sponsored Health Care Savings Plan (HCSP) program administered by the Minnesota State Retirement System (MSRS) that allows employees to save money for reimbursement of post-employment medical and dental expenses and/or health insurance premiums
Policy	The city will sponsor the HCSP to allow employees to be reimbursed for certain medical and dental expenses and premiums. Employee sick leave balances will be reviewed the second week of January each calendar year.
Eligibility	Regular full-time employees eligible to earn sick leave as specified in this Employee Handbook are eligible to participate in the Health Care Savings Plan ("HCSP") established under Minnesota Statutes, section 352.98 (Minn. Supp. 2001) and as outlined in the Minnesota State Retirement System's Trust and Plan Documents. Once eligible, an employee will not have a waiting period if transferring to another City of Northfield HCSP. All eligible employee's sick leave balances will be reviewed the second week of January each calendar year. Employee cannot contribute to the HCSP after death.
Deposits Generally	All funds collected by the employer on the behalf of the employee for the HCSP as described in this policy will be deposited into the employee's HCSP account.
Sick Leave Deposits	After an employee's one-year anniversary date of employment as an employee with the city, two (2) hours of sick leave per month that the employee accrues will be converted into cash and deposited in their HCSP. For each month that the employee has more than three hundred sixty (360) hours of accumulated sick leave, the city will convert three (3) hours of sick leave into cash and deposit it into their HCSP. For each month, however, that the employee has more than four hundred eighty (480) hours of accumulated sick leave, the city will convert four (4) hours of sick leave into cash and deposit it into their HCSP.
Severance Pay Deposit	All vacation pay specified in Section 8.01 of this Employee Handbook distributed as cash to the employee. All eligible sick time earned according to Sick Leave policy 8.03 will be deposited into the employee's HCSP.



Policy:

Health Care Savings Plan

Adopted:

8/20/19

Effective:

9/13/19

Revised: