

THE GREAT EMPLOYEE SIDESTEP

Michael S. Williams

“The mania for giving the Government power to meddle with the private affairs of cities or citizens is likely to cause endless trouble, through the rivalry of schools and creeds that are anxious to obtain official recognition, and there is great danger that our people will lose our independence of thought and action which is the cause of much of our greatness, and sink into the helplessness of the Frenchman or German who expects his government to feed him when hungry, clothe him when naked, to prescribe when his child may be born and when he may die, and, in fine, to regulate every act of humanity from the cradle to the tomb, including the manner in which he may seek future admission to paradise.”

–Mark Twain
April 21, 1867

Full-time, part-time, casual, apprentice, reserve, seasonal, extra help, interns, paid-call and volunteer are all classifications of employment in the world of public safety. Many of these individuals work for low pay and without benefits or retirement.

While employment classifications and compensation requirements are primarily regulated by the Fair Labor Standards Act, there is very little fair about it. Full-time employees are expensive and more and more employers are finding ways to eliminate full-time status which includes many emergency services agencies.

Anyone who has to deal with the implementation of the Patient Protection and Affordable Care Act will no doubt be testing their own personal mental health. The idea that talking to insurance companies, exchanges, accountants, human resources and federal agencies is going to create a pleasurable customer experience is profoundly unlikely.

No question about it, we are all in this together for better or worse, in sickness and in health, until death do us part.

In summary, employers of over 50 full-time employees who work 30 hours or more hours a week on a consistent basis are mandated to offer health insurance or be penalized through the IRS. Large employers are those who have 50 or more full-time employees or part-time employees whose hours added together amount to 30 hours per week.

According to a recent bulletin from the National Volunteer Fire Council “the IRS has long maintained that for tax purposes volunteer emergency responders are considered employees. Consequently, departments that rely on individual volunteers to work for an average of 30 or more hours per week over an extended period of time could be penalized for not offering health insurance coverage.” So what do you suppose this is going to do to organizations that have volunteers that provide emergency services?

Fire and emergency services make extensive use of contractors, seasonal workers, paid-call, part-time and volunteers in various capacities including working in the same hazardous and potentially dangerous environments of their full-time counterparts.

But what happens when something goes wrong? What if someone is injured or killed? What then? Who pays?

The recent deaths of 19 hotshot firefighters from the Granite Mountain Interagency Hotshots punctuates the fact that volunteers and seasonal firefighters do not enjoy the same rights, benefits and protections afforded to their full-time contemporaries.

This is no secret for those engaging in part-time emergency service work. New hires are well noticed of the limitations of their coverage but what about their families? How do young seasonal firefighters for example who are working hard to advance to full-time employment protect themselves and their family in the event of serious injury or death?

Six of the Granite hotshots were full-time Prescott city employees. However, the other 13 were seasonal firefighters, thus not eligible for full-time survivor's benefits. Workers compensation, Social Security and a one-time federal death benefit may well be the limit of their coverage pending future litigation.

The estimated cost to cover the 13 part-time hotshot crew members has been reported to be \$51 million over 60 years with a one-time lump-sum payment of \$24 million. This equates to three times the entire Prescott Fire Department annual budget.

One has to ask can the city afford the pending litigation from family members who feel wronged. The law is on the side of the city as they game the system to save money by not hiring full-time hotshot crew members. However, in the end, what have they saved and at what expense?

The Yarnell Fire creates some real dilemmas for emergency service managers, fire and police administrators, and public health officials who must be work with limited budgets, expensive labor costs and a myriad in state and federal mandates.

Today, only two to three percent of the calls for service to fire departments are for fires so do we need so many firefighters? The decisive argument is yes because agencies must be prepared to respond to the worst case scenario for their jurisdiction. For example, it may only take one firefighter for a dumpster fire, but what about a warehouse or strip mall, passenger train derailment, pipeline explosion or airline crash? But how much does it cost to have such a large force for a something that may occur?

This brings us back to the issue of the Patient Protection and Affordable Care Act. Without a doubt the growing quest to save money in compensation and benefits is driving both the public and private sectors staffing decisions.

The ever annoying question of who is going to pay once again presents itself. Even Congress had to create an exemption for their own staff when they realized the true costs and impact on employee recruitment and retention. This says volumes of what we can anticipate in the years ahead.

The National Volunteer Fire Council recently noted in their article *Why Health Care Reform Could be a Problem for Volunteer Fire/EMS Agencies* “It is hard to imagine that the drafters of the PPACA intended to require volunteer fire and EMS agencies to offer health insurance benefits. One of the main reasons that emergency service agencies rely on volunteers is that they often lack resources to pay full-time salaries and benefits.”

On the other side of the issue are the many full-time public safety employees who enjoy benefits that may be considered by the IRS as “Cadillac” plans and subject to a penalty tax. These are plans that were negotiated between employers and employees but now subject to federal scrutiny.

Thus we have a dilemma that confronts all of us. How do we properly take care of those who take care of us? If we cannot afford emergency services should we have it? Of course, but who is going to pay? What happens when someone is hurt or killed? Should there be a double standard for people doing the same job under the same conditions but are not compensated the same?

Consider for a moment what emergency services are worth to you? What do you think it should cost? What are you willing to pay for fire protection, law enforcement, quality courts, public health or community Para- medicine?

As a community, we need to think about how growing regulations and associated costs are crippling emergency services and the ability to recruit and retain quality people. If we are going to utilize part-time employees and volunteers we need to at least take care of them when they need help.