

# **COMPENSATION PLAN**

**for**

**MNsure**

**7/1/2017 – 6/30/2019**

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**MNsure  
Compensation Plan**

**1. Authority and Purpose**

The Board of Directors of MNsure is authorized by M.S. §62V.05, subd. 1 (b) (1) to develop and implement a compensation plan for unclassified managerial employees of the agency, subject to review, modification and approval by the Legislative Coordinating Commission and the legislature under M.S. §3.855.

The Commissioner of Management and Budget shall determine whether positions in MNsure meet the definition of manager in M.S. §43A.02, subd. 28 and shall assign each position to a classification or salary range.

The purpose of this Plan is to establish salary ranges and to define salary administration policies for those employees covered by the Plan.

**2. Terms and Conditions other than Salary**

The terms and conditions, other than the administration of salaries, of employees covered by this Plan are the same as those applicable to statutory unclassified managers covered by the compensation plan for managerial employees approved under *M.S.* section §43A.18, subdivision 3.

The following provisions of Chapter 14, Salary Administration, of the Managerial Plan apply to employees covered by this salary plan:

- Salary on Return From Leave of Absence
- Severance Pay
- Health and Dental Premium Account
- Medical/Dental Expense Account
- Deferred Compensation
- Dependent Care Expense Account
- Transit Expense Account
- Health Care Savings Account

No other provision of Chapter 14 shall apply to employees covered by this salary plan.

### **3. Annual Base Salary**

These salary ranges, and annual base salaries set within these ranges are approximations based on the official hourly rate and 2,088 hours of work. Actual compensation will be based on hourly rates of pay. The employees covered by this Plan are exempt from the provisions of the Federal Fair Labor Standards Act.

### **4. Executive Director**

The Board shall establish the initial salary of the Executive Director within the assigned salary range as provided in Appendix 1 and shall review the performance of the Executive Director on an annual basis. The Board may grant a performance-based salary increase and an achievement award to the Executive Director in accordance with the language Part 6.-

### **5. Other Unclassified Managers**

The Executive Director shall set the initial salaries of other managers within the assigned salary range as provided in Appendix 1 and shall review the performance of each manager on an annual basis. The Executive Director may grant a performance-based salary increase and an achievement award to other employees covered by this Plan in accordance with the language Part 6. -

### **6. Salary Ranges and Administration**

#### **General Salary Increases**

Managers covered by this Plan shall receive a salary increase of two percent (2.0%), rounded to the nearest cent per hour effective July 1, 2017, if the Appointing Authority certifies the manager has achieved performance standards or objectives. This salary increase shall not result in a salary above the new maximum of the salary range for the classification

Effective July 1, 2018, managers covered by this Plan shall receive a salary increase of two and one quarter percent (2.25%), rounded to the nearest cent per hour, and if the Appointing Authority certifies the manager has achieved performance standards or objectives. This salary increase also applies to managers whose rates of pay exceed the new maximum of their salary range.

The salary ranges for classes covered by this Plan are contained in Appendix 1.

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**Performance-Based Salary Increases**

The Executive Director is eligible for performance-based salary increase if approved by the Board.

Those who received a merit increase on July 12, 2017 are not eligible for the December 27, 2017 performance-based salary increase as outlined in this section.

Effective December 27, 2017 and the 1<sup>st</sup> day of the pay period in which January 1 occurs each January thereafter, a manager who is in a position covered by this Plan on the previous day is eligible for one performance-based salary increase each year of up to three and one-half percent (3.5%) rounded to the nearest cent per hour if the manager's current salary is not at or over the maximum rate of the new salary range and the Appointing Authority certifies that the manager has achieved performance standards or objectives. The salary increase may be in the form of an adjustment to the manager's base salary rate, a lump sum or a combination of both, but shall not result in a base salary rate above the new maximum of the salary range for the classification. Managers whose salaries are at or over the range new maximum are not eligible for lump sum increases

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**Achievement Awards**

The Board may adopt a formal plan for the administration of achievement awards for managers covered by this Plan. All expenditures shall be in the form of lump sum payments of no more than two thousand dollars (\$2,000) per individual per fiscal year and shall not be incurred as a continuing obligation. The total expenditure for these programs in each fiscal year is limited to no more than five hundred dollars (\$500) times the number of eligible managers actively employed or on leave and vacancies MNSure is actively trying to fill on July 1 of the fiscal year. Payments made under this section shall be effective no later than the last full payroll period in June.

7. **General Salary Administration Policies**

**Entry Appointment.** The Executive Director may make entry appointments at salaries within the salary range at a level deemed appropriate by the Executive Director. Criteria including work experience and educational background shall be used in making the appointments.

**Promotion.** An individual promoted to a position with a higher salary range may be granted a salary increase as follows:

- (1) Placement between the minimum and midpoint of the new salary range;  
or
- (2) Up to a maximum of ten percent (10%) if the increase would place the employee above the midpoint of the new salary range. The Executive Director may grant larger increases based on the employment conditions that may make such action necessary. With the exception of employees who are below the minimum of the new salary range, nothing in the above language should be interpreted as requiring that a salary increase be granted upon promotion.

**Lateral Transfer.** An employee who transfers to another position in the same salary range shall not experience a change in salary.

**Movement to a lower salary range.** An employee who voluntarily moves or is reassigned to a position in a lower salary range may retain their current salary unless the employee's salary is above the maximum rate for the lower salary range. The Executive Director has the discretion to reduce an employee's salary to any rate in the lower salary range. The Executive Director has the discretion to permit an employee to retain their salary above the maximum for the lower range, provided that the employee is not eligible for any increases in base salary until the maximum of the assigned salary range exceeds the employee's salary.

**Counters to External Offers of Employment.** The Executive Director may adjust the salary of any employee who has an employment offer at a higher salary from an employer other than the state government of Minnesota. There must be evidence of the offer. The base salary offered to an employee shall be limited to the salary range to which the position is assigned. Any salary adjustment resulting from a counter offer to an employee shall not be deducted from the aggregate merit increases available to employees covered under this Plan.

#### **Review of Salary Range/Positions**

- (1) *Position Descriptions.* Position descriptions shall be reviewed by the Executive Director at least every three years to determine if changes have occurred in the position or in the organizational structure. The Executive Director must approve revised or new position descriptions.
- (2) *Review of Present Salary Range/Positions.* The Commissioner of Management and Budget will assign new positions or reassign existing positions to appropriate salary ranges based upon the requirements of

the position. Factors, including, but not limited to, the complexity of the position and the knowledge, skills and abilities required to perform the assigned duties and the salaries of similar positions in state government and similar external organizations. An employee or his/her supervisor may initiate a request for position re-evaluation or salary range assignment review at any time.

**Appendix 1**

**Effective 7/1/17 - 6/30/18**

Class Code	Class Title	Range	Minimum	Midpoint	Maximum
		24	\$ 111,237	\$ 135,218	\$ 159,200
8923	MNsire Exec Director	23	\$ 107,510	\$ 130,682	\$ 153,832
		22	\$ 103,847	\$ 126,231	\$ 148,615
		21	\$ 100,333	\$ 121,972	\$ 143,588
8920	MNsire Deputy Director	20	\$ 96,926	\$ 117,840	\$ 138,732
8924	MNsire Financial and Admin Officer	19	\$ 93,645	\$ 113,836	\$ 134,005
		18	\$ 90,451	\$ 109,980	\$ 129,489
8927	MNsire Chief Comp & Legal Off	17	\$ 87,469	\$ 106,296	\$ 125,123
8926	MNsire Senior Director	16	\$ 84,253	\$ 102,505	\$ 120,758
		15	\$ 81,357	\$ 98,991	\$ 116,604
		14	\$ 78,439	\$ 95,477	\$ 112,494
8921	MNsire Director	13	\$ 75,863	\$ 92,218	\$ 108,575
		12	\$ 73,093	\$ 88,960	\$ 104,826
		11	\$ 70,431	\$ 85,787	\$ 101,142
		10	\$ 67,918	\$ 82,763	\$ 97,607
8925	MNsire Manager	9	\$ 65,447	\$ 79,823	\$ 94,178
		8	\$ 62,977	\$ 76,948	\$ 90,920
		7	\$ 60,720	\$ 74,286	\$ 87,831
		6	\$ 58,526	\$ 71,603	\$ 84,658
		5	\$ 56,460	\$ 69,111	\$ 81,740
8922	MNsire Exec Aide	4	\$ 54,266	\$ 66,555	\$ 78,844
		3	\$ 52,285	\$ 64,255	\$ 76,225
		2	\$ 50,454	\$ 61,955	\$ 73,434
		1	\$ 48,580	\$ 59,698	\$ 70,793



**Effective 7/1/18 - 6/30/19**

Class Code	Class Title	Range	Minimum	Midpoint	Maximum
		24	\$ 114,018	\$ 138,599	\$ 163,180
8923	MNsured Exec Director	23	\$ 110,198	\$ 133,949	\$ 157,678
		22	\$ 106,443	\$ 129,387	\$ 152,330
		21	\$ 102,842	\$ 125,021	\$ 147,178
8920	MNsured Deputy Director	20	\$ 99,349	\$ 120,786	\$ 142,201
8924	MNsured Financial and Admin Officer	19	\$ 95,986	\$ 116,682	\$ 137,355
		18	\$ 92,712	\$ 112,730	\$ 132,726
8927	MNsured Chief Comp & Legal Off	17	\$ 89,656	\$ 108,954	\$ 128,251
8926	MNsured Senior Director	16	\$ 86,359	\$ 105,068	\$ 123,777
		15	\$ 83,391	\$ 101,466	\$ 119,519
		14	\$ 80,400	\$ 97,864	\$ 115,306
8921	MNsured Director	13	\$ 77,759	\$ 94,524	\$ 111,289
		12	\$ 74,921	\$ 91,184	\$ 107,447
		11	\$ 72,192	\$ 87,932	\$ 103,671
		10	\$ 69,616	\$ 84,832	\$ 100,047
8925	MNsured Manager	9	\$ 67,083	\$ 81,819	\$ 96,532
		8	\$ 64,551	\$ 78,871	\$ 93,193
		7	\$ 62,238	\$ 76,143	\$ 90,027
		6	\$ 59,989	\$ 73,393	\$ 86,774
		5	\$ 57,872	\$ 70,839	\$ 83,783
8922	MNsured Exec Aide	4	\$ 55,623	\$ 68,219	\$ 80,815
		3	\$ 53,592	\$ 65,861	\$ 78,130
		2	\$ 51,716	\$ 63,504	\$ 75,270
		1	\$ 49,794	\$ 61,190	\$ 72,563