



Office of the Town Administrator

## MEMORADUM

TO: Board of Finance  
FROM: Karl F. Kilduff, Town Administrator  
RE: Additional Information to Support Supplemental Appropriation to Pay Mandated Heart & Hypertension Benefit for Retiring Police Officer  
DATE: October 8, 2025

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I have been asked to prepare this memo to provide additional information to the Board of Finance regarding the Heart & Hypertension mandate and the funding request for consideration.

### **HISTORY**

The Board of Finance was previously advised of a potential retirement that would include a Heart & Hypertension payment. At the time of budget preparation, it was uncertain as to whether or not this employee would retire before June 30 (as others had done) or if he would retire in the new fiscal year. The amount of the claim was equally uncertain as the retirement date had not been set.

The last report to the Board was during the Supplemental Appropriation approval for police retirement payout for FY24/25. The potential claim was then known to be a cost in FY25/26 and the Board was told payment would be needed no later than November.

Board of Selectmen approval was given on October 7, 2025 by unanimous vote.

### **WHO QUALIFIES UNDER THE HEART & HYPERTENSION LAW?**

- Must be a uniformed and regular member of a paid municipal police or fire department.
- Must have been hired before July 1, 1996.
- Must have passed a pre-employment physical that showed no evidence of heart disease or hypertension.

If eligible, and later diagnosed with heart disease or hypertension, the officer is presumed to have developed it as a result of the job. At the time, the mandate was opposed by municipalities and one of the most generous programs of this nature in the country. A concerted effort over years led to the benefit having an end point.

This request is from the last officer eligible for the benefit. All other active police officers were hired after July 1, 1996. It has been a number of years since an eligible officer retired with the Heart & Hypertension benefit. The Town will have no further Heart & Hypertension benefit payments after this is approved.

### **HOW IS HEART & HYPERENSION ADMINISTERED?**

Benefits under the law mirror the Workers' Compensation process and agreements are approved by the Workers' Compensation Commission. As such, payments envision medical expenses, wage replacement and liability expenses. However, the cost of the benefit is not covered by Workers' Compensation insurance.

### **HOW WAS THE NUMBER REACHED?**

The traditional practice in municipalities is that an officer seeks a lump sum for the benefit cost at retirement. Rarely is it paid out during the working career of an officer.

The agreement will be a full and final settlement. As such, the lump sum will cap out future risk.

By law, the claimant needs to receive compensation equivalent to a normal Workers' Compensation injury. Instead of a back injury or other body part, the calculation is driven by the presence of heart disease and/or high blood pressure. In the case of a lump sum, those costs are recognized as the full cost of a claim, rather than paid out over time. Claim elements include:

- Payments associated with impairment from injury, which are medical estimates of the percentage of loss of function due to injury.
- Wage replacement, which is payment for lost time due to injury, payment if the injury leaves the claimant completely unable to work and/or the injury leaves the claimant able to work in a different job.
- Future medical costs.

The first two items above are a function of an employee's salary.

Any negotiation between the parties revolves around the disability rating for the injury, future exposure based on injury and future medical treatment.

Our attorney gave a value range for the claim based on conservative estimates for the anticipated level of disability, medical expenses and similar agreements. Opposing counsel representing the employee defined a much higher range for the value of the claim. As part of an agreement, the retiring officer accepted \$145,000 which is a number based on the Town's calculation.

The Workers Compensation Commission is scheduled to meet on October 20, 2025 to finalize the stipulated agreement on full and final settlement of the claim. When approved it will become payable shortly thereafter. As the parties are in agreement, approval is anticipated at the amount agreed to.