

Affordable Care Act (ACA) Update

Agencies will not see ACA Employer Mandate budget impacts until 7.1.15; budget impacts should be considered now.

New employees reasonably expected to work 30 or more hours per week must be offered coverage. §54.4980H-C.2 (p46-47)

Executive Branch Preparations

Ongoing Variable Hour/Seasonal Employees (Current State Employees)

- DHRM began tracking variable hour/seasonal employee's hours on May 1, 2014
 - Standard Measurement Period (track hours) May 1 to April 30 (12 months)
 - Administrative Period (determine eligibility) May 1 to June 30 (60 days)
 - Stability Period (potential coverage period) July 1 to June 30 (12 months)

2014				2015				2016				2017				2018																															
J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D
12 MONTH MEASUREMENT PERIOD - 4 year example																																															
5/1/2014				4/30/2015				7/1/2015				6/30/2016				6/30/2017				6/30/2018																											
12 MONTH STAND. MEAS. PERIOD 1				AP 1				12 MONTH STABILITY PERIOD 1																																							
				STANDARD MEASUREMENT PERIOD 2				AP 2				STABILITY PERIOD 2																																			
				5/1/2015				STANDARD MEASUREMENT PERIOD 3				AP 3				STABILITY PERIOD 3																															
								5/1/2016				STANDARD MEASUREMENT PERIOD 4				AP 4				SP 4																											
												5/1/2017																																			

New Hires (Variable Hour/Seasonal)

- DHRM will track new hire hours on the 1st of the month following the employees hire date
 - 12 month tracking and 12 month stability period
 - Administrative period for new hires = 30 days
 - New employees are measured in both initial and standard measurements simultaneously
 - New employees' transition to "ongoing" after one full initial and one full standard measurement period

Reasonable Expectations and Seasonal Employee's (§54.4980H-1 Definitions (38) p152)

- "Seasonal" employees, defined as about six months or less and occur at the same time each year, will not be offered coverage unless he/she exceeds "seasonal" parameters.

Reporting

- **Internal:** HR Managers will receive monthly reports indicating employee's average hours and will work with his/her agency to determine schedule and budget planning.
- **Federal:** DHRM will work with PEHP and Finance to meet federal reporting requirements.

Pending

Legal Opinions

- Are we one employer (education, Higher Ed, Judicial, Legislative)?
- Are we subject to ACA Whistle Blower provisions for cutting employee hours to 30 or less?
- Is the State of Utah's Department of Education subject to the "educational organization" rehire rules?
- Do we offer coverage upfront if there is an expectation of full-time work, for a specified period of time, but not seasonal by ACA definition?

Separate Insurance Plan

- Should we change statute in order to offer of a separate insurance plan to ACA qualified employees.
- If yes, another legal opinion to ensure this is not discriminatory, is needed.