

COUNTY OF SAN LUIS OBISPO DEPARTMENT OF HUMAN RESOURCES

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Notice of Affordable Care Act Variable Hour Employee Status & Look-back Measurement Method

New employees hired to work a variable hour or seasonal schedule

While temporary employees in Bargaining Unit 00 are not regularly eligible for health insurance benefits, you may obtain medical insurance eligibility during the duration of your employment with the County.

The Patient Protection and Affordable Care Act (PPACA) places all employees into three categories: full- time, part-time, and variable hour employees, regardless of how the employer defines them. PPACA defines a full-time employee as an employee working 30 hours or more per week or 130 hours or more per month. An employee is a variable hour employee if, based on the facts and circumstances at the date the employee begins providing services to the employer (the start date), it cannot be determined that the employee is reasonably expected to work on average at least 30 hours per week.

To comply with PPACA, medical insurance eligibility includes temporary and seasonal employees that meet the definition of a full-time employee.

If you are hired into a part-time position, a position where your hours vary and The County of San Luis Obispo is unable to determine as of your date of hire whether you will be a full-time employee, or if you are hired as a seasonal employee who will work for six (6) consecutive months or less (regardless of monthly hours worked), you will be placed in an initial measurement period (IMP) of 12 months to determine whether you are a full-time employee under PPACA. Your IMP will begin on the first of the month following your date of hire and will last for 12 months. If, during your IMP, you average 130 or more hours per month over that 12-month period, you will be full time and you will be offered coverage by the first of the second month after your IMP ends.

Hours that count toward full-time status include each hour for which an employee is paid or entitled to payment for the performance of duties for the employer, and each hour for which an employee is paid or entitled to payment during which no duties are performed due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty, or leave of absence. ACA full-time status can affect or determine medical benefits eligibility but is not a guarantee of benefits eligibility. Your full-time status will remain in effect during an associated stability period that will last 12 months from the date that status is determined.

Temporary employees meeting PPACA eligibility requirements will be notified by HR. To ensure compliance with PPACA affordability threshold, you will be eligible for an employer contribution toward the cost of medical coverage. Employees in Bargaining Unit 00 will be eligible for the High Deductible Health Plan or the County's lowest-cost medical plan only. You would also be eligible for a cafeteria contribution towards your medical benefits in the amount of \$466.

Ongoing employees

The County of San Luis Obispo uses the look-back measurement method to determine health plan eligibility for ongoing employees. An ongoing employee is an individual who has been employed for an entire standard measurement period. A standard measurement period is the 12-month period in which the County of San Luis Obispo counts employee hours to determine full-time status. An employee is deemed full-time if he or she averages 130 or more hours a month over the 12-month standard measurement period. Employees considered full-time will be eligible for benefits and offered coverage as of the first day of the stability period associated with the standard measurement period. If your employment is terminated during a stability period and you were enrolled in benefits, you will be offered continued coverage under COBRA.

The County of San Luis Obispo uses the standard measurement period and associated stability period annual cycle set forth below.

Example: If you are hired in February, your measurement period will end the following February. You will then become eligible for benefits (stability period) effective April 1.

New employees hired to work full-time

If you are hired as a new full-time employee (work on average 130 or more hours a month), you and your child dependents are eligible for health plan coverage as of the first of the month following your first day of employment. For example, if you are hired on April 8, your health insurance eligibility would begin on May 1.