Workforce Management
Requirements for
Affordable Care Act
Affordable Care Act

- What is ACA?
- Requirements
- Challenges
- Penalties
- Action Plan
Affordable Care Act

• Effective January 1, 2015, required to offer ‘affordable, minimum value’ health insurance to 70% of all ‘full-time employee.’

• FT - average of 30 hours or more per week

• “Affordable” - employee’s cost for employee-only coverage $\leq$ 9.5% of annual income

• “Minimum Value” - plan pays at least 60% of cost of all benefits provided under plan
Affordable Care Act Requirements

• Must track those who receive any type of compensation and are working 30 hours or less per week
• Twelve month measurement period
• Adjunct Faculty hours
• Must track or credit hours for all employees
Affordable Care Act Challenges

- How are we going to track?
- Conversion calculation for exempt employees
- Overtime calculations must be standardized for campus
- Must identify employees working multiple jobs across campuses
Affordable Care Act Penalties

- Tax imposed if employer . . .
  - fails to offer coverage to at least 70% of full-time employees
  - provides benefits that are not affordable or don’t meet minimum value standard
- $2,000/yr. times number of FT employees in excess of 30 employees
- $3,000/yr. for each FT employee who receives a premium tax credit on state exchange
Affordable Care Act Action Plan

- Distribute Workforce Management Guidelines
- Ensure policies are in place to comply with ACA work rules
- Track or credit hours for all employees