

CONTENT AREA

Affordable Care Act – Changes to Employee Health Insurance Eligibility

ANNOUNCEMENT

Dear Agency HR and Benefit liaisons:

The Patient Protection and Affordable Care Act includes requirements that necessitate a change to our definition of eligible employees for the purpose of health insurance. For consistency sake, we will apply the same changes to all benefits offered through ADOA. It is important that you understand the changes. Heavy penalties apply if we are not compliant with the law.

Beginning in 2015, the definition of eligible employee for the purposes of benefits offered by ADOA pursuant to Arizona Revised Statutes Title 38, Chapter 4, Article 4 and Arizona Administrative Code Title 2, Chapter 6, will be:

- 1) “Eligible Employee” means an individual who is hired by the state, including the Universities, and is regularly scheduled to work at least 20 hours per week for at least 90 days. Eligible employee does not include:
 - a) A patient or inmate employed at a state institution;
 - b) A non-state employee, officer or enlisted personnel of the National Guard of Arizona;
 - c) A seasonal employee, unless they are determined to have been paid for an average of at least 30 hours per week using a 12-month measurement period
 - d) A variable hour employee, unless they are determined to have been paid for an average of at least 30 hours per week using a 12-month measurement period
- 2) “Seasonal Employee” means an individual who is employed for not more than six months of the year and whose employment is dependent on an easily identifiable increase in work associated with a specific and reoccurring season. Seasonal employees do not include employees of education organizations who work during the active portions of the academic year.
- 3) “Variable Hour Employee” means an employee, if based on the facts and circumstances at the employee’s start date, for whom the employer cannot determine whether the employee is reasonably expected to be employed on average of at least 30 hours per week, including any paid leave, over the applicable 12-month measurement period because the employee’s hours are variable or otherwise uncertain.

Please note that for existing non-benefit eligible employees, we will be using a 12-month look-back period (October 12, 2013 to October 11, 2014) to determine if they passed the 30 hour per week threshold. Please note that this period has already begun and current employment status will be part of the calculation.

Six training sessions regarding these changes are scheduled in February, but as they have an immediate impact, we wanted to make you aware of them now. Please plan on attending one of the scheduled sessions. University liaisons please note that this training is specific to state agencies.

Training Information:

Register through YES (limited seating in each session)

Go to www.yes.az.gov and log on to YES. Click on Employee Training, then on Registration by Category. Select ADOA Courses, search for course number, click on number to register.

ADBEN103 (Course Number)

Affordable Care Act (ACA) (Course Title)

February 10, 2014 at 10:30 am and 1:00 pm

February 11, 2014 at 10:30 am and 1:00 pm

February 12, 2014 at 10:30 am and 1:00 pm

ISSUED

January 24, 2014