

Workforce Management Requirements for Affordable Care Act



HUMAN RESOURCES

The UNIVERSITY *of* OKLAHOMA

Norman · Oklahoma City · Tulsa

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