Changes to HRFE New Hire Wizard for ACA

Summary of Law

Under the Patient Protection and Affordable Care Act (PPACA), the University is required to offer qualifying employer health insurance coverage to substantially all (95%) employees who regularly work 30 or more hours per week, with coverage effective no later than January 1, 2016. PPACA requires us to make a decision about full-time status at the time of hire:

1) Full-Time: If the employee is reasonably expected to be full-time (i.e., expected to average 30 or more hrs/week) at the time of hire, then the employee must be offered health insurance coverage. If this is the case, then we cannot take into account for how long the employee might be employed – if s/he is expected to work 30+ hrs/week at the start, then the offer of coverage must be made.

2) Variable Hour: If it cannot reasonably be determined at the time of hire whether or not the employee will average at least 30 hrs/wk, then the employee is considered “Variable Hour” and an 11-month Initial Measurement (lookback) Period will determine whether or not the employee is full-time. Each year, an annual 12-month Standard Measurement will be used to review the full- or part-time status of all on-going Variable Hour employees.

Note that the following information is relevant for new employees who do not meet CMS insurance coverage eligibility requirements.

System Changes to HR Front End

The following changes have been made to the HR Front End (HRFE) New Hire Wizard to assist with determining who should be offered coverage at the time of hire.

1. Logic has been added to determine if certain new hires can be designated as either:
   a. PPACA eligible at the time of hire
   b. Included in the Initial Measurement (lookback) Period
   c. Not eligible for a PPACA health plan.

2. A new screen has been added to the New Hire Wizard after the State Universities Retirement System (SURS) Eligibility screen and before the New Hire Review screen. For certain new hires whose eligibility cannot be automatically determined, questions on the new screen will be used to determine eligibility.

3. The New Hire Review screen has been modified to indicate whether the new hire will be offered health insurance at the time of hire.

Once the State Universities Retirement System (SURS) Eligibility screen has been completed and the HR processor clicks the Continue button the New Hire Wizard will attempt to determine PPACA health plan eligibility.

1. If HRFE can determine the employee is PPACA health plan eligible based on e-class, benefit category, and appointment percentage, the HR Processor is taken directly to the New Hire Review screen where “PPACA Health Plan: Yes” will be displayed.
   a. E-class of PB, RB, GA, A, B, C or D
   b. Not CMS eligible
   c. Appointment percentage of 75% or greater
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2. If HRFE can determine the employee is NOT PPACA health plan eligible based on e-class, benefit category, and appointment percentage, the HR Processor is taken directly to the New Hire Review screen where “PPACA Health Plan: No” will be displayed.
   a. E-class of PB, RB, GA, A, B, C or D
   b. Not CMS eligible
   c. Appointment percentage of less than 75%

3. If eligibility cannot be determined based on e-class, benefit category or appointment percentage, the HR processor will be presented with the PPACA Health Plan Eligibility screen.
   a. If the employee has an e-class starting with E, H, S, or T

Patient Protection and Affordable Care Act (PPACA) Health Plan Eligibility screen

Question 1

“Is this employee expected to work for a period of six months or less, and that period begins and ends each calendar year in approximately the same part of the year, such as summer or winter?”

1. If “Yes” is selected:
   a. The next set of questions will remain hidden
   b. The new hire will be included in the Initial Measurement (lookback) Period
   c. “PPACA Health Plan: Lookback” will be displayed on the New Hire Review Screen

2. If “No” is selected:
   a. The next set of questions will appear
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Question 2

“Is this employee reasonable expected to average 30 or more hours per week?”

1. If “Yes” is selected:
   a. The new hire will be eligible for PPACA health coverage at the time of hire
   b. “PPACA Health Plan: Yes” will be displayed on the New Hire Review Screen (screenshot below)
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2. If “No” is selected:
   a. The new hire will be included in the Initial Measurement (lookback) Period
   b. “PPACA Health Plan: Lookback” will be displayed on the New Hire Review Screen (screenshot below)

If additional information is needed before answering Question 2 above, click the Need More Information? Button for guidance.
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New Hire Wizard

Search>> Demographics>> E-Class>> PPACA>>

Patient Protection and Affordable Care Act (PPACA) Health Plan Eligibility

The Employee is not eligible for CMS health benefits. It is necessary to determine if the employee will be eligible to be offered coverage under the PPACA Health Plan at the time of hire, or whether eligibility will be determined at the end of a "lookback" measurement period.

Is this employee expected to work for a period of six months or less, and that period begins and ends each calendar year in approximately the same part of the year, such as summer or winter?

- Yes
- No

Is this employee reasonably expected to average 30 or more hours per week?

- Yes
- No

Less Information

If you are unsure how to answer the above question, the following questions can help you determine whether or not there is an expectation of averaging 30 or more hours per week.

Remember, you are prohibited from taking potential employment break periods or length of appointment into account in determining the expectations for hours of service.

1. Is this employee replacing an employee who averaged 30 or more hours per week?
2. Are other employees in the same or comparable positions expected to average 30 or more hours per week?
3. Was the position advertised or communicated to the new hire, or otherwise documented (i.e., through a contract or job description), as requiring hours of service that would average 30 or more hours per week?

Select "Yes" if you reasonably expect the employee to provide service that will average 30 OR MORE hours per week, and/or you can answer "yes" to the above questions = Employee will receive a PPACA Health Plan offer.

Select "No" if you reasonably expect the employee to provide service that will average LESS THAN 30 hours per week, OR you can answer "no" to the above questions, OR the employee's hours will vary such that you are unable to reasonably determine at this time = Employee's eligibility will be determined at the end of a "lookback" measurement period.
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The PPACA eligibility information will remain visible on the Employee General Information tab of Employee Record View while the new hire transaction is active. Once the transaction has been applied and is no longer active, this information may be found in Transaction History.