

SOUTHWESTERN COMMUNITY COLLEGE	HUMAN RESOURCES/INFORMATION TECHNOLOGY BENEFITS – AFFORDABLE CARE ACT MEASUREMENT PROCEDURES	Procedure 4.02.01.02
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To comply with the Patient Protection and Affordable Care Act, Southwestern Community College outlines the following methods. These procedures are to be used to determine which employees are treated as full-time employees for purposes of shared responsibility provisions of §4980H of the Internal Revenue Code regarding health insurance coverage.

1. Ongoing Employees

An “ongoing employee” is defined as an employee who has been employed for at least one complete standard measurement period.

The **Standard Measurement Period** is a defined time period of not less than three but not more than twelve consecutive calendar months (as designated by the College). The first standard measurement period will be set for eleven consecutive calendar months beginning December 1, 2013 through October 31, 2014 and continue on the eleven month cycle beginning each December 1 through October 31 of the following year.

The **Administrative Period** is the time between the Standard Measurement Period and the Stability Period used to determine which ongoing employees are eligible for health coverage and offer open enrollment. The first administrative period will be November 1, 2014 through December 31, 2014 and each November 1 through December 31 for subsequent years. To prevent this administrative period from reducing the potential eligibility of health coverage or creating any gaps in health coverage, the administrative period will run concurrent with the standard measurement period of the upcoming year and the stability period of the previous year.

The **Stability Period** is the period of time that allows employees who were determined to be “full-time” during the standard measurement period to be treated as full-time employees for the purpose of health insurance coverage. The first stability period will be January 1, 2015 - December 31, 2015 and continue each calendar year for subsequent years. This stability period will equal twelve consecutive months and equal the duration of the standard measurement period.

2. New Employees

A “new employee” is generally an employee who starts work in the middle of a standard measurement period and would not have accumulated the entire twelve month work history needed to complete a twelve month standard measurement period. This “new employee” would be subject to an Initial Measurement Period.

The **Initial Measurement Period** is the period of time not less than three, but not more than twelve consecutive months. The initial measurement period for each new employee will start on the new employee’s first day of employment and last twelve consecutive months.

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The **Administrative Period** is the period of time from the end of the initial measurement period through the end of the first calendar month beginning on or after the end of the initial measurement period. The total length of this administration period will be one full month plus a partial month, depending on the end of employee's initial measurement period.

The **Stability Period** for such employees must be the same length as the stability period for ongoing employees. Therefore, the stability period for new employees will equal twelve consecutive months beginning the first month after the administrative period.

Once an employee, who has been employed for an initial measurement period, has been employed for an entire standard measurement period, the employee must be tested for full-time status, beginning with that standard measurement period, at the same time and under the same conditions as other ongoing employees. At this point, the "new employee" is now considered an "ongoing employee" and will have the same standard measurement period as other "ongoing employees".

The **Initial Measurement Period** and the following Standard Measurement Period will most likely overlap. Creating two separate measurement periods will ensure that an employee has the opportunity to become eligible for health coverage depending on their working hours in either period.

3. Eligibility

An employee who is employed on average of at least 30 hours of service per week or 130 hours of service per calendar month over the course of any measurement period described above.

4. Compliance and Reliance

For compliance with §4980H of the Internal Revenue Code, the College utilizes a reasonable method consistent with Notices 2011-36, 2011-73, 2012-17 and 2012-58. As additional guidance is issued, the procedures will be amended to ensure continued compliance with the Affordable Care Act.

Legal Citation: §4980H of the Internal Revenue Code; Internal Revenue Service Notices 2011-36, 2011-73, 2012-17, 2012-58

Reference: 4.01.03 – Workload – Curriculum Faculty
 4.01.04 – Workload – Non-Instructional Personnel
 4.01.08 – Workload – Adjunct Faculty
 4.01.09 – Workload – Non-Curriculum Faculty

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Revised: