

PATIENT PROTECTION AND AFFORDABLE CARE ACT (PPACA) DISCLOSURES

Under PPACA regulations, all applicable large employers (50 or more employees) that provide healthcare coverage are subject to IRS reporting requirements related to their offers of minimum essential coverage (“MEC”) to all full-time employees. PPACA defines full-time employees as employees working 30 or more hours per week during specified periods as defined below.

STANDARD MEASUREMENT PERIOD

The Standard Measurement Period is a designated period of time used to determine if “ongoing” employees are considered full-time under the PPACA. Our Standard Measurement Period is 12 months in length as defined below:

- Begins on November 1 and ends on October 31

ADMINISTRATIVE PERIOD

The Administrative Period is the time used to determine eligibility for, offer of and implementation of healthcare coverage. Our Administrative Period is 2 months in length as defined below:

- Begins on November 1 and ends on December 31

STABILITY PERIOD

The Stability Period is a designated period of time in which we must offer health coverage to full-time employees. Our Stability Period is 12 months in length as defined below:

- Begins on January 1 and ends on December 31

EMPLOYEES ELIGIBLE FOR CUMBERLAND REGIONAL HEALTHCARE COVERAGE

All employees that are contracted to work 30 or more hours a week on a regular basis and are paid an annual salary are eligible for group healthcare coverage as of their date of hire. All variable hour employees that work an average of 30 or more hours a week during the Standard Measurement Period will become eligible for group healthcare coverage as of the next Stability Period (see below for weekly hours calculation).

TRACKING OF VARIABLE HOURLY EMPLOYEES

All employees that are contracted to work 30 or more hours a week on a regular basis and are “salaried” employees are automatically considered full-time and provided enrollment forms for group healthcare coverage upon hire. All variable hour employees are tracked utilizing a database that contains the number of work hours submitted to payroll broken down by day for each employee on a calendar-month basis. The hours are added up for the month by employee for each month in the Standard Measurement Period. All 12 months are then added up by employee and divided by 12 for 12-month employees and by 10 for 10-month employees. If the number of total hours worked equals or exceeds 130 (benchmark for full-time status of at least 30 hours per week for 4.33 weeks) for any employee, that employee will be offered healthcare coverage during the next Administrative Period. This calculation method is an acceptable safe harbor method according to the IRS.

Please contact Jackie Jackson at 856-451-9400 Ext. 211 or at Jackson@crhsd.org if you have any questions.