

KU AFFORDABLE CARE ACT FAQs & Glossary of Terms

The Shared Responsibility provisions of the federal Affordable Care Act (ACA) will impact eligibility for the State Employee Health Plan (SEHP). Individuals who are not currently eligible for the SEHP will become eligible if they meet hours worked criteria under the ACA or if their positions are deemed ACA-eligible.

Benefits-Eligible vs ACA-Eligible Employees

Q: What does it mean to be benefits-eligible or ACA-eligible?

A: *Benefits-eligible* employees are eligible for all benefits including mandatory retirement; death and disability; State Employee Health Plan (medical, prescription drug, dental and supplemental vision plans as well as health and dependent flexible spending accounts and a health savings account for Plan C medical plan participants); and basic and optional group life insurance. Faculty and staff who are in “regular” positions with FTE greater than or equal to 48% are benefits-eligible. *ACA-eligible* employees are employees in non-benefits eligible positions who, per the Shared Responsibility provisions of the ACA, meet the criteria necessary to participate in the State Employee Health Plan. This FAQ seeks to explain the criteria that will make a non-benefits eligible employee ACA-eligible.

KU Policies for ACA

Q: Does KU have policies addressing ACA?

A: Yes, there are three policies:

1. [Employee Eligibility Requirements for the Affordable Care Act](#): This policy outlines the ACA eligibility requirements as established by federal and state regulations. ACA-eligibility is determined by “hours worked,” even for salaried employees; therefore, the policy outlines how each category of employees’ work hours will be reported. Work hours for salaried Lecturers, Faculty, GTAs and GRAs, will be determined by using Standard Hours (gross pay divided by pay rate). Other part-time salaried staff who are not benefits-eligible must report all hours worked on an hour-for-hour basis at the end of each work week using the “ACA” time reporting code in the HR/Pay System.
2. [Student Employee Eligibility Requirements and Appointment Limits](#): The threshold for ACA-eligibility for employees is an average of 30 hours weekly over a 12-month measurement period (1,560 hours in a year). To balance the necessity for students to make academic progress while also managing the potential fiscal liabilities associated with SEHP coverage, the policy limits undergraduate student hourly appointments to 20 hours during the academic year and 40 hours in the summer or when class is not in session. Graduate students will be limited to a maximum of 29 hours per week throughout the academic year, in any combination of appointments. However, a dean or vice provost may authorize more hours if deemed appropriate, taking into consideration the potential fiscal liability. GTAs must comply with the provisions of the Memorandum of Agreement and are limited to 20 hours or less during the academic year, or up to 30 hours with the approval of a dean.
3. [Graduate Research Assistants \(GRAs\) and Affordable Care Act](#): Because the research performed by GRAs is integral to their graduate degree requirements and cannot reasonably be categorized as “work,” this policy indicates Human Resource Management will use the GRA’s Standard Hours (gross pay divided by hours worked) to credit hours worked for the purposes of measuring ACA-eligibility. This approach most reasonably represents the nature of the GRA student/employment relationship.

Eligible Employees

Q: How do I know if I am ACA Eligible?

A: Employees who are *not* benefits-eligible will become eligible for the State Employee Health Plan (SEHP) (medical, prescription drug, dental and supplemental vision insurance coverage; health and dependent care flexible spending accounts and health savings accounts) if they meet the following criteria:

KU AFFORDABLE CARE ACT FAQs & Glossary of Terms

- They are a student, lecturer or part-time faculty member who worked an average of 30 hours/week (or 1,560 hours) over a 12-month measurement period **or**
- They work in positions deemed ACA-eligible (Residential Graduate Student) **or**
- They are staff (as defined by the SEHP: employees who are not students, lecturers or part-time faculty), who worked an average of > 19.2 hours/week (or 1,000 hours) over a 12-month measurement period.

Hours worked with any state of Kansas agency will be incorporated into the applicable 12-month measurement period for ACA hours.

Q: Who is responsible for monitoring appointments and hours worked for ACA requirements?

A: Campus units who appoint employees are responsible for ensuring employees do not exceed the maximum appointment levels based on hours worked or FTE, taking into consideration all active University appointments on all University campuses/sites and with all State of Kansas agencies. The Department of Human Resource Management will utilize software (Equifax) to provide reports to Deans' Offices and the Shared Service Centers (SSCs) to assist with tracking employee hours.

Q: If an ACA-eligible employee chooses to participate in the SEHP, are individual units responsible for the fringe costs associated with those benefits elections?

A: Yes, if an ACA-eligible employee elects coverage under the SEHP, the associated employer fringes for those plans will be paid by the unit(s) employing that individual. [Fringe Benefit Rates](#) are listed on the Payroll website. If the employee has concurrent appointments and/or shared funding, the fringe amount will be prorated among all current, employing units/departments.

Q: If an employee becomes ACA-eligible and elects the SEHP, how long will the employee be eligible to participate in the SEHP?

A: Ongoing employees who meet ACA-eligibility criteria during the standard measurement period, which runs from mid-October to mid-October, will be eligible to elect SEHP coverage that will be effective during the stability period which runs from January first to December 31st. New hires have their own 12-month individual measurement period, in addition to the 12-month standard measurement period, and must have hours tracked individually during both periods until they are blended into the standard measurement period. Each measurement period has its own separate 12-month stability period. The stability periods, much like the measurement periods, overlap.

Faculty & Lecturers, Graduate Teaching Assistants and Graduate Research Assistants

Q: How will hours be captured for ACA purposes for non-benefits-eligible faculty and lecturers, GTAs and GRAs?

A: Work hours for salaried Lecturers, Faculty, GTAs and GRAs, will be determined with a Standard Hours calculation (gross pay divided by pay rate). Other part-time salaried staff who are not benefits-eligible must report all hours worked on an hour-for-hour basis at the end of each work week using the "ACA" time reporting code in the HR/Pay System.

Graduate Teaching, Graduate Research and Graduate Assistants

Q: What is the maximum FTE appointment a graduate student can hold?

A: Appointments of graduate students to any combination of student job titles during the academic year shall not exceed the equivalent of a 72.5% FTE (29 hours weekly). For example, a graduate student with a 50% FTE appointment may work up to 9 hours a week in a student hourly position. It is the responsibility of the unit to determine the

KU AFFORDABLE CARE ACT FAQs & Glossary of Terms

appropriate number of hours a graduate student may work. Each unit is responsible for the fiscal liability assumed if the total hours during a measurement period average 30 hrs. /week or more. GTAs must comply with the provisions of the Memorandum of Agreement: 20 hours during the academic year or up to 30 hours with the approval of a dean.

Graduate Assistants

Q: How should salaried Graduate Assistants (not a GTA or GRA) report their time for ACA purposes?

A: Graduate Assistants should report hours worked at the end of each work week using the Time Reporting Code “ACA” in the HR/Pay system. Hours reported using the ACA TRC will not affect pay in any way.

Residential Assistants

Q: Are Residential Assistants ACA Eligible? How do they report time for ACA purposes?

A: Residential Graduate Assistants are required to live in Student Housing facilities and they are deemed eligible for the SEHP under the ACA. They do not need to report hours worked. Residential Undergraduate Assistants are required to report hours worked, including all hours during which they are on call, on an hour-for-hour basis at the end of each work week using the Time Reporting Code “ACA” in the HR/Pay system.

International Students

Q: Will hours worked by international students be affected by the ACA requirements?

A: International students are already not allowed to work more than 50% FTE (20 hours/week) during the fall and spring semesters, due to Visa restrictions. For more information on visa-related work restrictions, please contact [International Student Services](#).

Undergraduate Student Hourlies

Q: Is there any change in how our undergraduate student hourlies report time?

A: No; student hourlies will continue reporting actual hours worked in the HR/Pay system. These are the same hours that will be used to measure ACA-eligibility.

Work Study Appointments

Q: Do hours worked in a Work Study funded appointment affect hours counted for ACA purposes?

A: Hours worked on positions funded by Work-Study do not count toward eligibility for health insurance coverage under ACA. Work-Study funded employees should be appointed to funding established specifically for that purpose. Students employed exclusively in Work-Study funded positions (those without an appointment to another non-Work-Study position), can work up to 30 hours when classes are in session.

Q: Can I combine student Work Study hours with another non-work study appointment and continue to exceed the hours' limitations (e.g., 20 hours for undergraduates and 29 for graduate students)?

A: Undergraduates in a combination of work study and non-work study funded positions may work up to 29 hours/week during the academic year.

Appointments of graduate students to student hourly appointments or to any combination of student job titles, *including* appointments funded by Work Study, during the academic year when classes are in session, shall not exceed the equivalent of a 72.5% full-time equivalency (FTE) appointment (29 hours weekly).

KU AFFORDABLE CARE ACT FAQs & Glossary of Terms

UPS and USS Staff Who Are Not Benefits Eligible

Q: How do staff who are not benefits-eligible report hours for ACA purposes?

A: Non-exempt (hourly) staff will continue to report hours worked in HR/Pay; those are the hours that will be used to measure eligibility. Exempt (salaried) staff **must** begin reporting their actual hours at the end of each work week using the Time Reporting Code (TRC) "ACA" in the HR/Pay system. Hours reported using the ACA TRC will not affect pay in any way.

Other Hours to Report for ACA Purposes

Q: Are there other hours that need to be reported for ACA purposes?

A: Hours worked during travel for part-time salaried employees, paid leave provided under the provisions of workers' compensation, paid leave hours for employees eligible for paid leave and FMLA leave without pay are counted as qualifying toward ACA-eligibility.

At onboarding, employees are required to notify HR of hours worked for concurrent or previous jobs with any State of Kansas agency within the past 12 month period, since those hours count toward ACA-eligibility.

Hours Reporting and Impact on Pay

Q: Will the hours reported for ACA purposes impact the pay I receive for work performed?

A: If you are a non-exempt (hourly) employee, the hours you report will be used for both pay and ACA purposes. If you are an exempt (salaried) employee and your position requires you report hours, those hours reported will be used for ACA purposes only and will not impact your pay; your pay will be based on your FTE and compensation rate.

Q: If I have a job that requires I report hours for ACA purposes, what happens if I fail to report hours or the hours reported are not accurate?

A: Failure by employees to accurately report actual hours worked or the falsification of hours worked will be reviewed to determine if there may be grounds for disciplinary action, up to and including termination of employment.

Q: Does the ACA have special provisions for employment break periods for educational organizations?

A: Yes, the ACA provides for a special crediting of hours during break periods that are greater than 4 weeks in length but less than 27 weeks (e.g., the summer break period). If the employee does not work during the break period, the university will credit the employee with the average hours worked per day for the three months leading up to the break in service. Universities are not required to credit an employee in any calendar year with more than 501 hours of service for all combined employment break periods. Also, if an employee's break in service is greater than the consecutive days or months they worked prior to the break in service, that employee will be treated as a new employee upon rehire, and the hours he/she previously worked or were credited will no longer contribute towards ACA Eligibility.

Manager/Supervisor ACA Responsibilities

Q: What responsibilities do managers/supervisors have related to ACA?

A: Manager/Supervisor Responsibilities:

- Monitor work in relationship to appointment limits
- Inquire about state of Kansas work experience at the interview-stage, and encourage timely reporting of prior state of Kansas service at onboarding

KU AFFORDABLE CARE ACT FAQs & Glossary of Terms

- Comply with the unit's internal approval process for granting appointment limit exceptions (as determined at the dean/vice provost-level)
- Help salaried students and staff understand when ACA time reporting is required
- Report appointment changes in a timely manner to the appropriate Shared Service Center.

Terminate student or temporary employment between semesters if the employee is not returning the next semester
Hourly employees: supervisors approve hours worked by hourly employees based on the normal procedures for the HR/Pay system. Those hours will be used to determine ACA-eligibility.

Employment Related Questions

Q: If an employee's hours are approaching ACA-eligibility, can a department cut back on the hours the employee works?

A: Departments should be monitoring and proactively managing hours worked by employees throughout the year. With the exception of student hourly appointments, work hours reported should be consistent with the employee's FTE.

Hours can be reduced for faculty and staff appointed to temporary positions, student hourly employees, and GAs and GRAs who are appointed in an "employment at will" capacity. Hours worked by faculty and staff appointed to regular positions may not be reduced based on ACA-eligibility. Hours worked by GTAs must comply with the Memorandum of Agreement, and the Department of Human Resource Management must be contacted if a department wants to consider changes to a GTA's hours.

Q. May a unit post in a job description or in an online application that a position is not fringe eligible (e.g., ACA-eligible employees need not apply)?

A: No. It is inappropriate to have questions or exclusions regarding ACA-eligibility in a position description, on an application form or as supplementary questions in an online application. It is alright to list position details such as the hours per week and whether or not the position is funded to provide additional expenses (e.g., fringe benefits). Please remember it is not the position that is or is not ACA-eligible; the employee is or is not ACA-eligible.

Q. May a department inquire whether or not a candidate is ACA-eligible during an interview, or ask other questions about the individual's state of Kansas work history?

A: Yes. Due to budgetary constraints, it is acceptable to inquire whether or not an employee has other positions on campus or at another state of Kansas agency. It is also acceptable to ask whether or not the candidate is currently ACA-eligible and participating in the State Employee Health Plan (SEHP).

Regardless of what a candidate says at the interview stage, the unit will be responsible for the fiscal responsibilities associated with hiring an ACA-eligible candidate, if he/she is currently enrolled in the SEHP or chooses to enroll at a later date. ACA-eligibility is not an acceptable cause for termination, but budgetary constraints may be an acceptable cause for termination for some types of employment; please consult Human Resource Management. Additional questions regarding a candidate's work history may be directed to the ACA Benefits Specialist: hraca@ku.edu. The ACA Benefits Specialist will assist with reviewing other state employment as well as current/past KU employment.

Q. Can a department decline to hire a job candidate because he/she is ACA-eligible, thereby incurring fringe costs to the hiring department?

KU AFFORDABLE CARE ACT FAQs & Glossary of Terms

A: Budgetary constraints are an acceptable reason to decline to hire a job candidate. However, ACA-eligibility with the ensuing costs should not be the sole factor for declining an ACA-Eligible job candidate. During the interview process a department should inquire as to the hours worked in other campus or state of Kansas jobs to provide an opportunity for the candidate to disclose information. Additional questions regarding a candidate's work history as it relates to eligibility for ACA coverage may be directed to the ACA Benefits Specialist: hraca@ku.edu. The ACA Benefits Specialist will assist with reviewing other state employment, as well as current/past KU employment, so departments are able to consider a candidate's potential for ACA eligibility.

Q: Can a department terminate an employee because he/she is "trending eligible" or is "eligible" for ACA coverage?

A: No. Employees should not be terminated simply because they are or may soon qualify for medical coverage. Rather, departments should manage work hours and expectations throughout their employees' Measurement Periods if they cannot afford the fringe. However, budgetary constraints may be an acceptable cause for termination for some types of employment; please consult Human Resource Management.

Glossary of Terms

ACA Eligible: Employees who meet the criteria established by the Affordable Care Act and the State of Kansas Health Care Commission are to be offered group health insurance through the State Employee Health Plan.

ACA Time Reporting Code (HR/ Pay): tracks actual hours worked, which count towards ACA eligibility. For salaried (exempt) employees, these hours are used for ACA hours' tracking only and do not impact pay.

Benefits Eligible: Employees with appointments in regular positions with 48% or greater FTE who are eligible for the entire benefits package, including health insurance, mandatory retirement, death and disability, etc.

Measurement Period: For ongoing employees, the standard measurement period runs from mid-October to mid-October. New hires also have a 12-month individual measurement period and must be tracked in both periods until they are blended into the standard measurement period. Each measurement period has its own separate 12-month stability period. The stability periods, much like the measurement periods, overlap.

Non-Benefits Eligible: Employees with appointments in temporary positions or appointments to regular positions with less than 48% FTE.

Stability Period: This is the 12 month period following a measurement period in which an ACA eligible employee who elects the SEHP will have coverage.