




Human Resources
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MEMORANDUM

To: President, Provost, Vice Presidents, Deans, Directors, and Department Heads
From: Joyce A. Ingram, Assistant Vice President and Chief Human Resources & Diversity Officer 
Date: June 7, 2013
Re: 2010 Patient Protection and Affordable Care Act (ACA)

Please review the information below regarding the ACA and its impact on business operations at FSU, specifically budgeting OPS expenses for 2014.

The Affordable Care Act requires employers to offer affordable coverage to employees who work 30 hours on average per week. Federal guidelines require us to determine eligibility by measuring hours worked during specific periods. "Affordable" means that the employee portion of the premium cannot exceed 9.5% of the employee's annual wages. Based on the current minimum wage, the monthly employee premium for single coverage cannot exceed \$96.

Agencies, universities and non-warrant agencies (agency) must work with DSGI and People First to ensure the state does not pay a penalty for failure to comply with these guidelines. If only one eligible employee is not offered coverage, enrolls in coverage through an exchange, and receives a premium credit (subsidy), the state will be required to pay \$2,000 penalty for every employee – approximately \$321 million.

To comply with the federally-mandated provisions of the *2010 Patient Protection and Affordable Care Act*, Florida State University anticipates offering State of Florida Group Health Insurance coverage as an optional benefit for all qualified OPS employees including graduate assistants and adjunct faculty, starting on January 1, 2014. The following information is subject to change based on state and federal legislation.

- Existing OPS employees will be offered coverage if they have worked an average of at least 30 hours per week (0.75 FTE) during the six month look back period from April 1, 2013 through September 30, 2013. Eligible employees will then participate in the normal State of Florida Benefits Open Enrollment Period in late 2013, with health insurance coverage, if selected, to begin effective January 1, 2014.
- Any new OPS employee hired after April 1, 2013 with a "reasonable expectation" to work a minimum of 30 hours per week (0.75 FTE) will be offered the opportunity to enroll during Open Enrollment for January 2014 coverage. After January 2014, the new OPS employees will be able to enroll in a plan within 60 days of initial employment.
- Moving forward (after October 1, 2013), the FTEs of all actively employed OPS workers will be continuously evaluated during an annual measuring period, defined as October 1 through September 30

of the following year, to determine future health insurance plan eligibility. New hires who do not initially meet the “reasonable expectation” criteria will be measured for a 12 month period beginning on their start date.

- Once deemed eligible to receive this health insurance coverage, an employee will be entitled to receive the coverage benefit for 12 continuous months as long as they continue working for the state, known as the stability period. If enrolled, coverage will be maintained throughout the entire stability period, regardless of any changes in hours worked during the stability period.

Employees and employers will make contributions for coverage. Premiums will be established. Currently, the OPS premiums will mimic the current salaried employee premiums. The employer share for single coverage will be \$537.74 per month. The employer share for family coverage will be \$1149.14. The Division of State Group Insurance has indicated OPS employees will be eligible to enroll in single or family coverage. Departments should budget for 12 months of coverage. Eligible OPS employees working at multiple agencies will receive employer contributions from both agencies. At this time, FSU is not sure if the University will receive additional funds from the state to assist with this expense.

IMPORTANT WEB LINKS

[HealthCare.gov](#) (*U.S. Department of Health & Human Services*) – Comprehensive information about the Affordable Care Act.

[Affordable Care Act FAQ](#) (*U.S. Department of Labor*) – Frequently Asked Questions about employer implementation of the Affordable Care Act.

[The Affordable Care Act](#) (*CUPA-HR*) – News updates and resources related to the Affordable Care Act, provided by the College and University Professional Association for Human Resources (CUPA-HR).

DEFINITIONS

New hire measurement period – the 12-month period beginning on the first day of the first month following an OPS employee’s start date in which the average hours worked weekly will be measured to determine eligibility for coverage.

Open Enrollment (OE) measurement period – the 12-month period from October 1 through the following September 30 in which the average hours worked weekly will be measured to determine eligibility for coverage for the subsequent stability period (plan year).

Stability period – the 12-month period following a measurement period during which eligible employees who enroll in coverage must be covered.

- Following the new hire measurement period, the stability period is dependent upon the hire date.
- Following the OE measurement period, the stability period is January 1 through December 31.

Should you have any questions or concerns about the implementation of the OPS Health Insurance Plan, please contact the FSU Human Resources Benefits Office at (850) 644-4015 or email insben@fsu.edu. This notice, posted on the main Human Resources site [<http://hr.fsu.edu>], will be updated as new information is released.