The Affordable Care Act – Implementation and Procedures

I. Affordable Care Act – Introduction and Overview
Starting January 2015, employers are required to offer health insurance to those employees working more than 30 hours per week (more than .75 FTE). The University System of Georgia is considered the employer.

A. Requirements of the Affordable Care Act (ACA): Under the ACA, all regular staff employees who work less than 30 hours per week (less than .75 FTE) and all temporary staff employees shall be accountable for hours worked on a weekly/monthly basis. It is up to the designated department(s) to record and report all hours worked to determine health benefits eligibility of their employees. System-wide reporting will be required.

B. Temporary Employment Updates:
   a. Temporary employees are now limited to 1300 hours in a 12-month period. Once a temporary employee has worked 1,300 hours in a 12-month period or has been employed for 12 consecutive months, whichever comes first, the temporary employee must have a break in service of 26 consecutive weeks or be converted to a regular employment status (Benefits Eligible or Non-Benefits Eligible).
      i. Please see section III, page 3 for further details on temporary employment and section IV, page 4 for procedures for conversion.

C. New Employment Category:
   a. Regular Non-Benefits Eligible employment category has been added to allow for employees who are needed on a continuous basis (i.e. greater than 12 months) but whose hours will remain at 19 hours per week or less (.49 FTE).
      i. Please see section II, page 2 for additional details.

D. Temporary Faculty Employment: Further information will be provided by the Office of Faculty Affairs. Contact Sarah Covert, Associate Vice President for Faculty Affairs with any questions, covert@uga.edu.

E. Retiree-Rehires: USG Retiree-Rehire employees will be exempt from tracking; they are not allowed to be paid for more than 49% time.

F. Resources
   a. Additional information from USG: http://www.usg.edu/hr/manual/employee_categories
II. Regular Employment Status & Benefits Eligibility Defined

A. Regular Employment: Regular employment is considered continuous and may also be defined by agreement, contract, term, or restricted funding source(s). Regular employees may be full-time or part-time and exempt or non-exempt. Three types of regular employment include:

a. Regular Full Benefits Eligible: Regular staff employees are fully benefits eligible if they are employed for 30 or more hours per week or .75 FTE and greater. Full benefits include all benefits in accordance with University System of Georgia Board of Regents Policy 8.2.9 Insurance:
   i. Prorated Annual Leave, Sick Leave, & Holiday Pay
   ii. Social Security Tax (6.20% of gross)
   iii. Retirement
   iv. Life Insurance
   v. Health Insurance
   vi. 6-Month Provisional Period DOES apply
   vii. Must have cause for termination

b. Regular Partial-Benefits Eligible: Regular staff employees are partially benefits eligible if they are employed 20 to 29.9 hours per week or .50 FTE to .74 FTE. Partial benefits include retirement and pro-rated leave accruals but not insurance.
   i. Prorated Annual Leave, Sick Leave, & Holiday Pay
   ii. Social Security Tax (6.20% of gross)
   iii. Retirement
   iv. Life Insurance
   v. 6-Month Provisional DOES apply
   vi. Must have cause for termination

c. Regular Non-Benefits Eligible (new employment category): This is defined as 19 or less hours per week (.49 FTE or less), which applies to regular staff employees. Students may not be placed into a regular status. (See page 3, section III for further details regarding temporary and student employment).
   i. No Annual Leave, Sick Leave, or Holiday Pay
   ii. No 6-Month Provisional Period; employees may be terminated without cause just as temporary employees
   iii. Hours can be in any combination, but will be tracked by HR and the department. Any employee exceeding hour(s) limitations in a 12 month period will be cause for benefit eligibility evaluation.
   iv. New Job Codes designated for Regular Non-Benefits Eligible positions:

<table>
<thead>
<tr>
<th>Name</th>
<th>Short Title</th>
<th>Job Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hourly</td>
<td>NBE Hourly</td>
<td>LBCLR</td>
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<tr>
<td>Salaried/Biweekly</td>
<td>NBE Salaried</td>
<td>CLRTC</td>
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<tr>
<td>Monthly</td>
<td>NBE Monthly</td>
<td>CLRMN</td>
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   v. Departments will have the ability to convert their temporary employee(s) into regular non-benefits eligible positions without posting positions in iPAWS. See Temp to Regular Conversion Procedures on page 4, section IV of this document for further instructions.
III. Temporary and Student Employment Status & Benefits Eligibility Defined

A. **Temporary Employment**: Temporary employment is *short in duration* to address business needs.
   a. A temporary position is non-benefits eligible.
   b. A temporary employee does *not* have an expectation of long-term employment.
   c. A temporary position may be full-time or part-time. But, a temporary employee may *not* exceed a total of 1,300 hours worked in a 12-consecutive month period. Once a temporary employee has worked 1,300 hours in a 12-month period or has been employed for 12 *consecutive* months, whichever comes first, the temporary employee must have a break in service of 26 consecutive weeks.
      i. Hours can be in any combination, but cannot exceed 1,300 hours
         o A person can work 160 hours one month, then 40 hours the next, and so on as long as they do not exceed 1,300 hours during a rolling 12 month period.
      ii. If an employee exceeds 1,300 hours, he/she must be converted to a regular position or be off the payroll for 26 weeks before they can work again (additional details and definitions of regular position types are on page 2 and the Life of a Temporary flow chart).
   d. Employment across all positions at UGA and USG institutions is included in the 1300 hours and 12 months.

B. A temporary employee may be separated for any reason without notice, and either the employer or the employee can end the employment relationship. Such separation is not grievable or subject to appeal.

C. A temporary employee is typically appointed to a non-exempt position under the federal Fair Labor Standards Act. A non-exempt classification requires overtime pay for hours worked over 40 in a workweek at a rate not less than time and one-half their regular rate of pay. In some instances, temporary employees, such as graduate assistants, post docs or credentialed professionals, may be in an exempt status.

D. **Student Employment**: Student Employees are considered temporary and include graduate assistants and student workers. Students may not be placed into a regular status.
   a. A student employee is a part-time employee who is currently enrolled in school at a USG institution with the primary goal of receiving a degree.
   b. A student employee is a temporary employee and is not eligible for benefits.
   c. Student employees are at-will employees and may be terminated at any time, without the right to appeal.
   d. Student workers are exempt from the 26-week break, but all hours worked (as both LBCLR and STUWK) are counted in their 1300-hour maximum for 12 months. Student workers cannot work more than 20 hours per week except during specified breaks during the academic year.
   e. **International students** in lawful F-1 and J-1 status who are enrolled full-time are eligible to work for an institution but must not work more than 20 hours per week in accordance with visa restrictions and must ensure compliance with Federal Work Study requirements.
   f. See the policy on [position classification](#) for additional information on student employees.
IV. Temp to Regular Conversion Procedure

Central HR will collaboratively work with departments to track work hours and 12 month limitations. This will enable UGA to effectively comply with the Affordable Care Act (ACA).

iPAWS Instructions:

A. The temporary to regular conversion process will be initiated through the reclassification process in iPAWS (i.e.: Begin new action and Reclassify existing position profile).
   a. Department will need to modify the following fields in the reclassification request:
      i. Title/Job Code (NBE Hourly, NBE Salaried, or NBE Monthly)
      ii. Effective Date
      iii. Work Percentage (*Required to be 0.49 FTE or less)
      iv. The following explanation should be included in the iPaws action:
         o The section that asks, “If reclassified, what has changed about this position,” please insert the following justification statement: This change in job status will enable HR to comply with the Affordable Care Act

B. If a department wishes to make any changes in job responsibilities and/or employment type further justification and documentation will be required. This would include but is not limited to:
   a. Regular Non-Benefit Eligible Hourly → Regular Non-Benefit Eligible Salaried
   b. Regular Non-Benefit Eligible Hourly → Regular Non-Benefits Eligible Monthly
   c. Regular Non-Benefit Eligible Salaried → Regular Non-Benefits Eligible Monthly

C. If a department wishes to reclassify a Temporary or Regular Non-Benefit Eligible employee to a Regular Benefits Eligible position, a posting in iPAWS will be required.

Personnel Instructions:

A. A personnel will be required to complete the conversion process
   a. Department will need to:
      i. Change the employee’s official title to the new Non-Benefits Eligible (NBE) job code
      ii. Be sure the work percentage is changed to 0.49 FTE or less
      iii. Include the iPAWS Action Number from the approved reclassification

Background Investigation Process Instructions:

A. During the temporary to regular conversion process:
   a. If an employee has never had a background investigation, one will be required.
      i. Include a signed consent form on the reclassification action or hiring proposal.
   b. If an employee has had a background investigation, another one will not be required.
V. Determining Employment Status

A. Determine whether the incumbent is a previous employee, current employee, current UGA student, or USG employee.

B. Use the Independent Contractor Determination checklist to determine whether the employee should be put on payroll in a regular or temporary position or paid via honoraria (http://www.busfin.uga.edu/forms/Emp_Indep_Contractor.pdf).

C. If the individual has been on payroll previously but in a considerably different role and you would normally pay a person in this position via honoraria, check with Accounts Payable/Payroll to see if the new hire needs to be on payroll or can be paid via honoraria.

D. Decide on the anticipated duration and the percent of time of employment.
   a. If employing on a continual basis, your department will need to put the employee in a regular position.
   b. If employed over 50% time, the incumbent will qualify for either partial or full benefits eligibility.
   c. If your department has an employee who will be employed less than 12 months or work 1300 hours or less, they should be employed as a temporary employee.
      i. When the temporary appointment ends, process a termination personnel so they will have a new start date if they are to return to work. Inactive status will not dictate a termination date should the employee return to work in a temporary employment capacity.
      ii. *NOTE: A 12-month look back period must still be considered in calculating available work hours.

E. If your department has an international prospective employee, check to make sure they have a work eligible visa status.
   a. International students in lawful F-1 and J-1 status who are enrolled full-time are eligible to work for an institution but must not work more than 20 hours per week in accordance with visa restrictions and must ensure compliance with Federal Work Study requirements.

F. If your department is hiring someone currently employed by UGA or another USG institution, contact their home/base unit/school to check on available hours. It is up to the designated department(s) to record and report all hours worked to determine health benefits eligibility of their employees. System-wide reporting will be required.