Frequently Asked Questions (FAQs)

Affordable Care Act (ACA)

Q: What is the Affordable Care Act (ACA)?
The Patient Protection and Affordable Care Act (PPACA) is a United States federal statute signed into law by President Barack Obama on March 23, 2010. This new law is complex, multi-faceted and has an impact on both individuals and employers. The “Individual Mandate” in the law required that most Americans have medical insurance by January 1, 2014. People not covered by medical insurance in January, 2014 may have to pay a tax penalty. In addition, the “Employer Mandate” in the law requires that employers with 50 or more full-time employees, like Coastal Carolina University, offer healthcare insurance to full-time employees and their dependent children up to age 26. The University already offers healthcare insurance to benefits-eligible employees in FTE positions.

Q: How are employees defined?
Full-time employees - employees who are reasonably expected to work 30 or more hours per week as of the date of hire.

Variable-hour, part-time, or seasonal employees - employees are considered variable-hour if the University cannot determine if they are reasonably expected to work on average at least 30 hours per week, based on the facts and circumstances as of the date of hire. Variable-hour employees’ work hours will be monitored over a measurement period by the University to determine eligibility for healthcare coverage, as prescribed by the South Carolina Public Employee Benefit Authority (PEBA).

On-going employees - any employee who has worked with the University for an entire measurement period.

Q: Who is considered an “ongoing” employee vs. a “new” employee?
An on-going employee is one who has been employed by the University for at least one complete standard measurement period. The University’s standard measurement period for an on-going employee will be 12 months (October 4 – October 3 annually). Unlike on-going employees, a new employee is one who has not been employed for at least one standard measurement period.

Q: What happens when the University hires a new temporary employee?
When the University hires a new, non-seasonal temporary employee or teaching associate, the University will consider whether there is a reasonable expectation that the new employee will
work an average of 30 hours or more per week or if the employee will be deemed as a variable-hour employee.

**Q: What are the measurement periods?**
Initial Measurement Period – begins the first of the month after the date of hire and ends 12 months later. Those employees qualifying for healthcare coverage will be notified via email by a benefits representative and coverage will be offered.

Standard Measurement Period – has been set forth by PEBA and begins on October 4th and ends 12 months later on October 3rd of each year.

**Q: What is the administrative period?**
This is the period of time between the end of the measurement period and the beginning of the stability period. As part of the administrative period, an employer may look back at and calculate its employees’ hours worked during the previous measurement period, make eligibility determinations, notify employees of their eligibility, and enroll or un-enroll employees from healthcare coverage. In accordance with guidance from PEBA, the initial administrative period begins the day after the initial measurement period ends and ends the last day of the same month. The subsequent annual administrative period will be from October 4 – October 31st of each year.

**Q: What is the Stability Period?**
The stability period is a fixed period of time over which an employee remains eligible for healthcare coverage, provided he/she remains in an active employment status.

The University will use a 12-month stability period for ongoing employees from January 1 – December 31 each year, as set forth by PEBA. For newly-hired variable-hour employees, once the initial 12-month measurement period is completed and the employee is declared eligible for coverage, the employee will have an initial stability period of coverage for 12-months following the administrative period. After an initial measurement and stability period, new employees will transition into the standard measurement and stability periods.

If an employee has been deemed eligible and elects coverage, the employee will have an initial stability period of coverage for 12-months following the administrative period. **Example: Bob is hired 03/15/2014. As a variable-hour employee (with no reasonable expectation that he will work 30 hours or more a week), his initial measurement period is 4/1/2014 through 03/31/2015. If eligible, healthcare coverage will be offered during his administrative period, which will be the month of April 2015. If he elects coverage, it will be effective: 5/1/2015 and his stability period will be 05/01/2015 – 04/30/2016.**

**Q: What method will the University use to track the hours worked of temporary employees (excluding teaching associates)?**
The Office of Human Resources and Equal Opportunity (HREO) will monitor and track actual hours worked, as recorded by employees in WebAdvisor. For departments employing FLSA exempt temporary employees, who do not keep timesheets, HREO will rely upon guidance from managers on expected work hours for these employees.
**Q:** What if a temporary employee works multiple temporary jobs for the University?
The hours worked for all concurrent temporary jobs worked at the University during the measurement period will be combined in making healthcare coverage eligibility determinations.

**Q:** What if a temporary employee who works at the University also works other temporary jobs at other SC State agencies or outside employers?
Only hours worked for jobs at the University will be considered in making healthcare eligibility determinations. Work for other state agencies or employers will not be combined with hours worked at the University in accordance with guidance from PEBA.

**Q:** How will the University calculate hours worked for Teaching Associates in determining eligibility for coverage?
Full-time teaching associates may become eligible for employer-sponsored health insurance under the ACA if they teach at least 10 or more credit/contact hours per semester (30 work hours/week). In some exceptional cases, departments may need to adjust a teaching associate’s hours of work credited to take into account non-credit labs, advising, outreach, number of students enrolled in a class or other departmental assignments beyond the normal expectation for teaching associates. The Dean and Provost will be responsible for approving the calculation of hours for variable hour courses, team teaching assignments and other exceptional cases. Refer to HREO-172 Temporary Employment for additional information.

When calculating the average work hours for teaching associates, the summer break term (May 16-Aug 15) will not be included in the averaging if the teaching associate does not work during that time. Summer teaching for a given session will be included in the averaging only if it meets a specified threshold set for that session based on the length of the session. Those thresholds will take into account the 30-work-hour benchmark and the faster pace of each summer session.

When a non-seasonal new teaching associate is hired, the teaching associate will be immediately eligible for coverage if he/she is being credited with 30 or more adjunct work hours/week, as outlined above, during their first semester.

**Q:** What is a break in service and how will coverage be determined if there is a break in service?
A break in service is a period of time during which an employee is not credited with any hours of service for a period of between 4 and 26 consecutive weeks. If an employee leaves employment (through resignation or termination for example), coverage will end on the first of the month after the last day worked. If the employee, who is in a stability period, returns to employment at the University within 26 weeks, they are eligible to re-enroll in benefit coverage, through the end of the stability period. The full-time status for the stability period during which the continuing employee resumes service is based on their hours of service during the corresponding measurement period. When calculating an employee’s hours of service during a measurement period that includes a break in employment of more than 4 consecutive weeks (such as a summer break), during which the employee is not credited with any hours of service, the break in service will be excluded for purposes of determining average hours worked per week. When calculating an employee’s hours of service during a measurement period that includes a break of less than 4 consecutive weeks, the break of less than 4 weeks will be included for purposes of determining average hours worked per week. For a break in service that is more than 26 weeks, the employee will be treated as a new employee upon their return.

HREO 9/2015
Q: If an employee is married to a PEBA subscriber, can the employee refuse coverage as an active employee and remain covered as the spouse of a PEBA subscriber?
No. If eligible for his/her own benefits, he/she cannot remain covered as a dependent of another PEBA subscriber. (Exception: Dependent Life Spouse)

Q: If the University offers healthcare coverage to an employee, is the employee required to enroll in coverage?
No, an employee is not required to enroll in coverage. However, an employee who has been deemed eligible for healthcare coverage cannot remain covered as a spouse of a PEBA subscriber, whether the employee chooses to elect or refuse coverage.

Q: Are student employees eligible for coverage under the ACA?
The ACA does not exempt students, who are also employees of the University. The final regulations, however, do contain an exemption for hours worked by students under a federal or state work-study program. In addition, unpaid student interns are, likewise, not eligible for coverage. Accordingly, the ACA requires that the University measure hours worked and provide an offer of healthcare insurance to non-work study and non-student intern student employees who work for the University an average at least 30 hours per week over the measurement period. Historically, based on policy, the University has limited work hours for student employees. Such limits will continue to be monitored and enforced. Since work hour limitations exist, student employees will not typically be eligible for coverage under ACA.

Q: What health benefits will be extended to the University’s full-time temporary employees under the ACA?
PEBA will offer health, dental, vision, and the MoneyPlus pre-tax premium feature to all newly eligible, temporary employees. It is important to note that all newly eligible, temporary employees under this provision, will not be eligible for Basic Life, Dependent Life, Optional Life, Basic LTD, Supplemental LTD, MoneyPlus Medical Spending Accounts or Dependent Care Spending Accounts. The determination of benefits offered under this program is made solely by PEBA.

Q: How will premiums be collected for employees who do not work all 12 months of the year?
For employees who do not work all 12 months of the year (for example, teaching associates who do not teach in the summer), premiums will be collected from payroll deductions that will be prorated based on the number of paychecks received during the year. A CCU benefits representative will provide additional information upon request.