ACA Variable Hour Employee Notice

You are a variable hour employee for purposes of the new federal health reform law because you work in a position where you generally are not expected to work more than 30 hours per week on average in a month. Your hours may fluctuate from time to time depending on business needs and how your hours are scheduled. Simply because your hours may increase from time-to-time does not mean you cease to be a variable hour employee. Variation in hours is part of your position. Variation in hours may be such that you work over 30 hours per week for an extended time. Again, that possible variation is a normal part of your job which we anticipated when we set our annual hours expectations for this position. Such variation does not mean you are full-time for medical plan purposes nor does it indicate a “promotion.” All changes to full-time positions will be documented with a formal notice to you (similar to this Notice); in the absence of that designation by us, a change has not occurred.

Federal law states that an employer is to measure hours worked to determine whether annual hours indicate you might become eligible for health plan coverage in the future, and so we will track your hours over a 12-month period starting with the job begin date. If, at the end of the 12 months, you are then determined to be eligible, you will be offered plan coverage at that time for the following 12 months. (Coverage is never available retroactively.) You may still waive / decline the coverage; you do not have to elect our health insurance – though the new law may carry other implications for you if you have no other health insurance coverage. Review those rules with your personal financial, tax or legal advisor. If you do elect our health plan coverage at that time, you must pay your share of the premiums which will be set as required and allowed by federal law. Also, if you elect our plan coverage, federal law generally requires you must keep that coverage for the next 12 months; very limited circumstances would permit you to drop that election mid-year. For example, if your hours fall, you cannot drop the coverage, even if your pay falls as you work fewer hours; if your spouse loses his or her job, you cannot change your decision to take our coverage based on IRS rules. If your paycheck is not sufficient to pay your share of the premiums, that will be a debt you owe to us. Premiums are due by the first day of the month following the date you are first in arrears. If premiums are not paid by that date, with a 30-day grace period as provided by law, your coverage will terminate, and continuation generally will not be available. Finally, coverage ends when your employment ends.

Your hours will be tracked for each year following as well, with the timeframe depending on our formal plan year. An annual calculation will be done, and you may or may not be determined to be eligible going forward for future coverage.

Plan terms as explained in the formal plan document and summary plan description will control your rights under the plan in the event of conflicting information.

☐ I have read and understand this Notice, and I consent to allow for electronic email communication of PPACA and related health insurance compliance information. Electronic consent may be rescinded at any time.

☐ I am a new employee with USU, or I have not been employed by USU within the last 26 weeks.

Signature: ___________________________ Date: ___________________

Department: Send this completed document as a PDF to HRBanner@usu.edu  Rev. 09/25/2015