What is the Affordable Care Act (ACA)?
The Patient Protection and Affordable Care Act (PPACA), commonly called the Affordable Care Act (ACA) or "Obamacare", is a United States federal statute signed into law by President Barack Obama on March 23, 2010. The ACA was enacted with the goals of increasing the quality and affordability of health insurance, lowering the uninsured rate by expanding public and private insurance coverage, and reducing the costs of healthcare for individuals and the government. Effective January 1, 2015, the ACA mandates that employers with 50+ FTEs offer adequate and affordable coverage to substantially all full-time employees who work an average of at least 30 hours/week (130 hours/month) or risk paying penalties.

If an employee meets the definition of a full-time ACA temporary employee, they must be offered health insurance. This act does not include any of the other benefits typically tied to a fully benefitted employee, such as retirement, life insurance, employee assistance program or long-term disability.

Definitions Under ACA:
A full-time ACA temporary employee is an employee that is working 30 or more hours per week or 130 hours per month and does not meet the definition of a seasonal employee.

A seasonal employee under the ACA applies to those employees working for 6 months or less for a designated season whose hours do not exceed 1,560 during their seasonal employment.

A benefitted employee is an employee that works in an approved and regularly funded position for at least 20 hours or more per week for at least 20 weeks per year. This definition has not changed.

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What NDSU employees are covered?

- **Work Study Student Employees (federally funded):** Are excluded from any count of work hours. (*H14 earnings code*)
- **Non-Work Study Student Employees:** Are included in the counting of hours for ACA.
- **Temporary Employees:** Are included in the counting of hours for ACA.
- **Resident Assistants:** Are included in the counting of hours for ACA.
- **Part-Time Academics (PTAs):** Are included in the counting of hours for ACA. 2.67 hours of work for each classroom hour taught. This includes time for related tasks such as class preparation, grading and office hours. May not exceed an average of 7.5 credits in back to back semesters without being offered benefits.
- **Graduate Students:** Are included in the counting of hours for the ACA. *Per Graduate School Bulletin: A full-time assistantship consists of 20 hours/week.* Graduate assistants on full assistantships are not allowed to work on a second assistantship, as part-time instructors, as student workers, or in any other capacity for NDSU while working as a graduate assistant unless prior approval granted by Dean of Graduate School.
  - **Graduate Assistant (Research & Service):** Count hours worked.
  - **Graduate Assistant (Teaching):** Use same formula as PTAs, unless designated by job code.
- **Part-time Athletic Coaches:** Are included in the counting of hours for ACA, all travel and overnight hours are counted.
- **DCE employees/payments:** Are included in the counting of hours for ACA. Use same formula as PTA.
- **Summer School:** Are included in the counting of hours for ACA. Use same formula as PTA.

What is the cost of ACA insurance?

- 9.5% of federal poverty level
- Single Premium = $5,672.88 annually. (Employee - $1,109 annually; Department $4,563.88 annually)
- Additional coverage available at a cost to employee

As supervisors, why do we care?
There are 2 types of penalties a business will incur if an IRS audit discovers violations:

- $2,000 times the total of number of FTEs of NDUS and ND State Agency employees
- $3,000 per employee that meets the ACA full-time criteria and qualifies for a credit on the healthcare marketplace
How is Eligibility Determined?

An employer may offer coverage to full-time employees according to the number of hours worked each month OR utilize an optional “look-back” measurement period. The State of North Dakota has chosen a 12 month standard measurement period annually from Oct 1 to Sep 30 the following year to determine whether variable hour, or seasonal employees are ACA eligible. The stability period, if offered ACA coverage, will be January 1 to December 31.

Calculating Hours Worked

- Hourly employees (Student and Temporary 8000/9000): Actual hours worked entered each pay period
- Resident Assistants (8000): Actual hours worked tracked each pay period
- Graduate Research Assistants (2210), Graduate Service Assistants (2215), Graders (222002/12) and Graduate Teaching Assistants -(222003/04/13/14): Hours worked established and agreed at time of hire
- Part Time Academics (212503): Hours worked established and agreed to at time of hire
- Graduate Teaching Assistants (222001/11): See below for calculation method
- Part Time Academics (212501): See below for calculation method

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<th>Credit/Contact Hours</th>
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<th>FTE %</th>
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*Note that any credit/contact hours above 10 meet or exceed the ACA limits and require an ACA offer

Payroll Information

Make sure you are putting employees in the correct position and job code at the time of hire. The job code a position has will determine how hours are calculated and tracked for ACA

- All hours must be tracked for all employees, for all types of payments
- At time of hire, if reasonably expect employee to work 30 hours per week/130 hours per month, must make offer of insurance at time of hire (HR will make offer)
- At time of hire, if do not expect employee to work 30 hours per week/130 hours per month, or are unsure of hours, not required to make offer, will be put in standard measurement period analysis
- New HRMS Query for ACA: NDU_PY_ACA_MULT_JOB_EE: Lists employees who work for your department and other departments on campus
- Current employees cannot be Contract for Services, must be paid through HR/Payroll and must have hours tracked