

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 measurement period – the 12-month period from Oct. 3 through the following Oct. 2 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 health insurance coverage must be covered.

- After the new hire measurement period, coverage can begin as soon as the second month. For example, an employee is hired Jan. 22, 2014. The new hire measurement period is from Feb. 1, 2014 through Jan. 1, 2015. If the employee is determined to be eligible, coverage can begin March 1, 2015 and continue through Feb. 29, 2016, provided she stays employed with the state.
- Following the open enrollment measurement period, the stability period is Jan. 1 through Dec. 31.

1. Who’s eligible?

Employees who work 30 hours per week or more on average over a 12-month period are eligible. “OPS (Other Personal Service) employee” is a term the state uses for variable hour or temporary employees. The following list of employees is an example of those whose work hours will be measured:

- Employees paid from OPS funds, except short-term and seasonal
- Exempt OPS salaried employees
- Employees hired on a temporary basis, unless they are leased from a staffing firm (e.g., Kelly Services)
- Employees paid an hourly wage or stipend who are not considered permanent
- Student workers and graduate assistants
- Adjunct professors
- Leased or contracted employees who are subject to control of the employer as to what is done and how it is to be done (Independent contractors whose work is dictated by the terms of a contract are *not* eligible for coverage through State Group Insurance.)
- Board members
- Fee for service employees
- AmeriCorps volunteers (under review – TBD)

2. What is a seasonal employee and are they eligible?

Seasonal OPS employees are not eligible as new employees; however, if they meet the 30-hour average of hours worked per week at the end of a measurement period, they will be eligible. If such is the case, the agency should consider if the employee is correctly classified as seasonal. The federal definition states that a seasonal employee is one who performs labor on a seasonal basis where, ordinarily, the employment pertains to or is of the kind exclusively performed at certain seasons or periods of the year and which, from its nature, may not be continuous or carried on throughout the year. Employees of educational institutions are not seasonal if their breaks are due to the academic calendar.

3. What is a short-term employee and are they eligible?

Short-term employees are OPS employees who are expected to work 90 days or less. They are not eligible as new employees; however if, in the course of their 90-day employment, they are expected to work longer than 90 days, the agency must complete a PAR to change their status. If the employee is reasonably expected to work the 30-hour average at that time, he is eligible for coverage. Further, if the employee remains employed throughout the new hire measurement period, hours worked as a short-term employee will be added to any other hours worked for the overall average.

4. Will there be People First system changes?

Yes. The first few screens of the PAR will change so that agencies can easily follow the “decision tree” to determine eligibility. New reports will be available to help agencies monitor eligibility. New interface files and mass load templates will be developed to assist with loading hours worked data in People First. Training and instructions will be provided.

5. How are part-time FTE employees impacted?

For the purposes of health insurance coverage *only*, part-time employees who work .75 FTE or higher will be treated as full-time employees, eligible for the full-time employer contribution. For those who work less than .75 FTE, the calculation for the prorated monthly premium based on FTE is unchanged:

1. State contribution x FTE% = calculated state contribution
2. Total contribution - calculated state contribution = employee contribution

There is no measurement requirement for this group of employees if they are strictly FTE; however, if an FTE employee works .75 FTE or less and also works in an OPS position, the FTE and OPS hours must be combined and measured. If the hours equal 30 on average, the employee will be considered full-time and eligible for the full-time employer contribution.

(OPS employees are either eligible full-time employees or they are not eligible at all – there is no part-time.)

6. How will the state determine who is eligible to participate in the upcoming open enrollment?

- We will use a one-time, six-month measurement period to determine eligibility for coverage for all OPS employees working as of April 1, 2013.
 - If they work 30 hours on average or more per week from April 1, 2013, through Oct. 2, 2013, they will be eligible to enroll in coverage during open enrollment with an effective date of Jan. 1, 2014.
 - If they do not work 30 hours or more, eligibility for future coverage will be determined at the end of the next open enrollment measurement period (Oct. 3 through the following Oct. 2.)
- OPS employees hired between April 2, 2013, and Oct. 2, 2013, who are reasonably expected to work 30 hours or more per week will also be eligible to enroll in coverage during open enrollment.
- Employees hired April 2, 2013, and after but not reasonably expected to work 30 hours or more per week will not be eligible during open enrollment to enroll in coverage for Jan. 1, 2014. Eligibility for future coverage will be determined at the end of their 12-month new hire measurement period.

7. What are the premiums for health insurance going to be?

Full-time variable hour (OPS) employees will pay the same premiums as Career Service and equivalent employees, and they will also be eligible to participate in the spouse program.

8. Can these employees enroll in any other plans?

Yes. In addition to health insurance, full-time OPS employees can enroll in the following:

- Basic life (\$25,000); they must pay the monthly \$4.54 premium;
- Dental, vision and the other supplemental insurance plans;
- Dependent care reimbursement account; and
- They are eligible for the state health savings account contribution if they enroll in a health investor health plan.

They are not eligible to enroll in optional life insurance, the medical reimbursement account or the limited purpose medical reimbursement account.

9. Once enrolled, how long do OPS employees get to keep their coverage?

- Health insurance coverage continues for 12 months, as long as they continue working for the state, even if their hours drop below an average of 30.
- Once they have completed their new hire measurement period, eligibility to continue coverage for the subsequent plan year will be determined annually by measuring hours worked during the open enrollment measurement period.
 - If they are determined to be *eligible*, coverage continues without interruption and they will be guaranteed another 12 months of health insurance coverage.
 - If they are determined to be *ineligible*, health insurance will end the last day of the twelfth month of health coverage. All other plans will end at the same time as health insurance, regardless of the number of months they are enrolled.
- If covered OPS employees terminate employment, they are covered through the last day of the month following termination, provided premiums are paid in full. They are eligible to continue health, dental and vision coverage through COBRA if covered at the time of termination. They may also be able to convert other supplemental insurance plans to a private policy by contact the insurance company.

Agencies should plan for a 12-month coverage period for family coverage when establishing annual budgets.

10. Who will pay the premium for OPS coverage?

Employees and employers will make contributions for coverage based on the premium contributions for Career Service employees set forth in the GAA.

During the hiring process, agencies may wish to determine if the OPS candidate is already working at another agency for any potential budgetary impact. A report will be available in People First, but agencies may also wish to ask OPS employees if they work elsewhere. The last agency to hire an employee who puts the employee at 30 or more hours will be the one to which benefits are assigned and will be responsible for the monthly premium.

If the employee leaves the agency to which the benefits are assigned, benefits and the associated health insurance premium will be assigned to the next most recent hiring agency.

11. Will agencies receive additional budget to pay these contributions?

The GAA includes \$24.2 million in reserves, including \$13.7 million in the General Revenue Fund and \$10.5 in trust funds, to provide premium payments for OPS employees enrolled in the State Group Health Insurance. Funds may be released contingent upon Legislative Budget Commission approval. Strategies are being developed now to determine how the funds will be allocated and administered, dependent on the outcome of Open Enrollment

12. What happens if an OPS employee has coverage and is then determined to be ineligible during their measurement period?

All coverage will terminate at the end of the 12-month health insurance stability period; however, they are eligible to continue health, dental and vision coverage through COBRA if covered at the time of the determination. Eligibility for the subsequent plan year will be measured during the next open enrollment measurement period.

13. What should agencies be tracking right now?

If your agency is able to submit timesheets via People First, please be sure OPS employees maintain current timesheets and that they are approved on the last day of the reporting period. To accurately measure OPS employees who work from April 1 through Oct. 2, 2013, and mail open enrollment packages timely, all OPS timesheets will need to be submitted and approved by 5 p.m. Eastern Time on Oct. 4, 2013.

If your agency is unable to submit OPS timesheets via People First, please continue to capture hours worked. A mass load template will be provided for you to submit hours to People First. Date and template are forthcoming.

Also record any OPS employee hired on or after April 2, 2013 through Oct. 2, 2013. Any employee who is reasonably expected to work an average of 30 or more hours per week will be offered coverage during Open Enrollment.

Reminder: hours will be combined and averaged for employees who work in more than one OPS/variable hour position with the state and if they work in OPS/variable employment and a part-time FTE position.

14. When is an employee considered a new hire?

- First time employed by a state employer (list of employers provided to HR offices on May 9, 2013).
- If an employee is off payroll for more than 26 weeks or if the length of termination before rehire by a state employer is greater than 26 weeks, then the employee is treated as a new hire.
- If the employee's period of termination is between 4 and 26 weeks long *and* the break is longer than the period of time the employee worked, then the employee is a new hire if rehired.
 - For example, the employee terminates employment after working 7 weeks for an agency. If he begins working for another state employer 8 weeks after his employment ended, he is treated as a new hire.
 - If, however, the employee begins working for another state employer within the next 7 weeks, he is treated as if he never left and the hours not worked are included in the overall average.

OPS employees who are not considered new hires and return to employment pick up where they left off in their measurement and stability periods. If they were covered under insurance at the time they terminated, they will be re-enrolled automatically.

15. How will eligibility for OPS employees be determined?

- See #6 above. Employees hired Oct. 3, 2013 and after who are reasonably expected to work 30 hours or more per week on average, are eligible for coverage.
- If they are not reasonably expected to work 30 hours or more per week on average at the point of hire, they will be measured at the end of their new hire measurement period and then thereafter in the open enrollment measurement period.

16. What if an OPS employee's hours increase from less than 30 to more than 30?

- If the OPS employee is in the new hire measurement period and his hours increase to reasonably be expected to work an average of 30 hours per week or more, he is eligible for coverage.
- If the OPS employee's hours increase any time outside of the new hire measurement period, eligibility will be determined in the next measurement period.

17. Are there special rules for employees of universities and other educational institutions?
Yes. These OPS employees will be credited with up to 501 hours of service if they are on an academic break (e.g., summer break) greater than four weeks. Academic employers must complete a PAR for LWOP – Academic Break.
18. Will the current Qualifying Status Change (QSC) event matrix apply to OPS/variable hour employees?
Yes. OPS/variable hour employees are required, as cafeteria plan members, to follow all rules of the State Group Insurance Program, including events listed in the QSC Matrix. The Matrix will be revised to account for these employees and their special qualifying events.
19. What will the effective date of coverage for OPS employees be?
Effective dates of health coverage depend on the point in time the employee is determined to be eligible. Following are the earliest possible effective dates:
- Coverage will begin at the earliest for any eligible OPS employee on Jan. 1, 2014
 - New hire expected to work 30 hours or more on average per week: the first day of the third month of employment
 - OPS employee measured for the new hire measurement period and meets the eligibility requirements: first day of the second month that follows the new hire measurement period
 - OPS employee in new hire measurement period experiences an employment status change to at least 30 hours worked per week (PAR required): the first day of the second month following the employment status change or the first day of the second month that follows the new hire measurement period, whichever is earlier
 - OPS employee meets the eligibility requirements in the open enrollment measurement period: Jan. 1 of the plan year following the measurement period.