

June 24, 2014

**MEMORANDUM**

TO: Deans, Directors and Department Heads

FROM: Charles D. Leffler, Vice Chancellor for Finance and Business  
Warwick Arden, Provost and Executive Vice Chancellor

SUBJECT: Planning for and Complying with the Affordable Care Act

The federal Affordable Care Act (ACA) employer mandate goes into effect on January 1, 2015, and looks back over the last 12 months to determine eligibility for health care.

As things currently stand, temporary employees, part-time faculty, undergraduate student workers, and graduate assistants who **work an average of 30 hours per week or more for 3 months or more** will be eligible for healthcare coverage under the State Health Plan. **This includes hours worked at all campus jobs**, including work in multiple units at NC State University as well as at other UNC constituent institutions, which will be monitored by UNC-General Administration.

**STUDENTS**

NC State's Executive Officers have established the following parameters for undergraduate and graduate student weekly work hours. These changes become effective on August 20, 2014, the start of the Fall semester.

**Undergraduates (including Resident Advisors)**

- **Academic Year:** To support academic progress to degree completion, during the 9-month academic year (Aug 16 – May 15), undergraduate students may work up to **20 hours** per week with NC State and/or other UNC institutions.
- **Summer:** During the 3 summer months (May 16 - Aug 15), undergraduates may work up to **29 hours** per week with NC State and/or other UNC institutions.

**Graduate Students (including Resident Advisors)**

- University policy for graduate student employment as a graduate research, teaching, or extension assistant (GRA, GTA, or GEA) and covered by the GSSP (Graduate Student Support Plan) is 20 hours per week. **The Graduate School must still approve exceptions to the 20-hour limit** for Graduate Assistants, up to 29 hours from all sources, during the academic year. Graduate students working temporary jobs on campus other than as Graduate Assistants and in summer are limited to 29 hours.

**Exceptions to exceed the 20-hour undergraduate limit or the 29-hour graduate student limit from all sources must be provided in advance**, in writing, to **HR Benefits** by the appropriate College Dean or Vice Chancellor (as well as by the Graduate School for graduate students) **and must include the College Dean's or Vice Chancellor's agreement to cover the resulting healthcare costs** (currently \$448.11 per

month). Students who exceed 30 hours for 3 months or more must be offered State Health Plan employee coverage, even if they are already covered under a student plan, but are not required to change plans.

### **TEMPORARY EMPLOYEES**

Temporary employees may work longer than 3 months if they work less than 30 hours per week, or may work more than 30 hours per week if they work less than 3 months, without becoming eligible for State Health Plan coverage under the ACA.

Temporary employees who will exceed 30 hours of work per week for 3 months or more will be immediately eligible for State Health Plan coverage under the ACA. Departments will be directly charged (\$448.11/month) for such temporary employees who elect coverage under the State Health Plan. These costs are not covered by the central Benefits Pool.

Some workers may be exempt from ACA eligibility under the “seasonal employee” provision, such as workers who work fewer than 6 months in a calendar year and in a defined season. These could include 4-H and other summer camp workers, for example.

For temporary workers whose work hours will be variable from week to week and impossible to predict in advance, NC State may use a “look-back” period to determine ACA eligibility.

A break in service must be at least as long as the time worked in order to reset the eligibility clock. For example, if a temporary employee works for 8 weeks, he or she must remain off of NC State’s (and UNC’s) payroll for at least the next 8 weeks in order for the time worked not to count toward ACA eligibility. (Note: Under state personnel policy, temporary employees also remain limited to 11 months of service with at least a 32-day break in service before reappointment.)

Departments are encouraged to utilize University Temporary Staffing (UTS) services to help monitor eligibility.

### **PART-TIME FACULTY**

NC State will continue to follow the UNC-GA guidelines on part-time faculty: One 3-hour course = 9 hours of total work time per week. If an employing department exceeds the three 3-hour course load (27 hours per week) from all sources (including distance education courses, other campus units, and other UNC institutions), written exception is needed from the appropriate College Dean, and must include the Dean’s agreement to cover the resulting healthcare costs.

### **POSTDOCTORAL SCHOLARS**

Postdoctoral scholars who work 30 hours per week or more for 3 months or more are currently covered under a separate healthcare plan.

### **QUESTIONS**

Questions about the ACA, including discussions about seasonal or variable-hour employees, should be directed to your unit’s [HR Benefits Consultant](#).

cc: Barbara Carroll, Associate Vice Chancellor for Human Resources  
Joe Williams, Director, Benefits  
Kathy Lambert, Director, Employment Services & UTS  
College & Division HR Officers  
Business Leads