



Washington State
Health Care Authority
Public Employees Benefits Board

Affordable Care Act Update

PPA Meeting
PEBB Outreach and Training
November 2013

Affordable Care Act (ACA)

(what we presented in September during the Pre-OE)

- Large employer penalties (“Play or Pay”) have been delayed until 2015
 - **Beginning in 2014, state agencies and higher education institutions will help determine the federal government’s ACA definition of “full-time” or “not full-time” status to support annual reporting requirements**
- “Individual Mandate” begins January 1, 2014
 - Tax consequences for individuals not enrolled in health insurance
- Notification of the Exchange
 - Required for all employees prior to October 1, 2013
 - Required for all new employees beginning October 1, 2013

2



Washington State
Health Care Authority
Public Employees Benefits Board

Reporting Requirements

- All large employers provide benefits to “full-time” employees or pay a penalty if the employee enrolls in coverage through the exchange and receives a premium tax credit
- Employers report to the IRS:
 - Total number of “full-time” employees
 - Identifying information for all “full-time” employees (e.g. SSN, address)
 - Specific months employee was “full-time” and specific months offered coverage
- The IRS will use the information to determine penalties (small or large) to be assessed to employers
- Employers report similar information to “full-time” employees
- Employees can use this information to confirm months they were not eligible for tax credits if enrolled in coverage through an Exchange.

3

Washington State
Health Care Authority
Public Employees Benefits Board

A few key points....

- Hours worked include State agencies and Higher Education
- The federal definition of “full-time” and PEBB eligibility requirements are different
- There is no plan to change PEBB eligibility
- PEBB is getting monthly reports from the State HR Database to calculate total paid hours for each employee from all payrolls
- We need to implement a new method under ACA to identify employees expected to be “full-time”
 - Must consider anticipated hours in pay status over 12-month period
 - Special rules for seasonal employees

4

Washington State
Health Care Authority
Public Employees Benefits Board

New field for federal “full-time” status

- Use an existing field, or create a new field in HRMS or PAY1?
- Must be populated for all paid employees
- Working through the details to create a process that works for everyone
- We are starting now with the federal guidance that is available

5

Thank You

- Questions?

6