

Variable Hour Tracking Data Summary

TASC's Variable Hour Tracking service offering clarifies the following for you:

- When a Variable Hour Employee will need to be offered coverage to avoid 4980H Penalties;
- When a Part Time Employee will need to be offered coverage to avoid 4980H Penalties;
- When a Seasonal Employee will need to be offered coverage to avoid 4980H Penalties; and,
- When a FTE fails to meet the hours required to remain covered under your Plan.

The Benefit Class Table

The Benefit Class Table that must be completed and returned to TASC even if you only have one Benefit Class.

Page two of this document must be returned via fax or email, with the subject line ACA Variable Benefit Class Summary. Fax number: 608-245-3623, Email: ACAEmployerReporting@tasconline.com.

All Plan Sponsors have at least one Benefit Class. Different Benefit Classes are ONLY needed if you use different measurement and/or stability periods for the different Benefit Classes. For instance, if you use the same measurement and stability periods for all employees, regardless of whether they are in the same state, union or non-union, salary or hourly, then you only have one Benefit Class. Benefit Class is NOT related to whether you offer different plans, such as a PPO in one state and an HMO in another state.

The ACA regulations limit "Benefit Class" to four groups, as identified below. You may use measurement periods and stability periods that differ either in length or in their starting and ending dates for the following only:

- Collectively bargained employees and non-collectively bargained employees,
- Each group of collectively bargained employees covered by a separate collective bargaining agreement,
- Salaried employees and hourly employees, and
- Employees whose primary places of employment are in different States.

The detail and definition for the fields requested, such as Insured or Self Insured is provided below. You can save the completed Benefit Class Chart to use as a tool to organize the data sets for your reporting.

NOTE: If you have not determined your Measurement, Stability and Administrative periods then TASC will default you into the 12-2-12 method. This is one of the more common selections that provides stability and ease of administration. It means your Measurement Periods will be 12 months, your Administrative Period will be 2 months and your Stability Period will be 12 months. The Standard Stability period will begin on the first day of your Plan Year. The initial measurement period for a new hire will default to 12-1-12. TASC will only report back to the beginning of your current or TASC default initial measurement period. Any new hire employees hired prior to that date will be your liability to determine eligibility.

Benefit Class Table

Provide below information for EACH benefit class, add additional fields as needed.	Benefit Class 1	Benefit Class 2	Benefit Class 3	Benefit Class 4
Benefit Class Code (Ben Class)	BC1	BC2	BC3	BC4
Plan Year (Dates) Example 2/1/17 - 1/31/18				
Payroll Cycle DY, WK, BW, SM, MN, QT				
Self-Funded OR Insured (Defined in the ACA Client Administration Manual)				
Initial Look Back Measurement Period Details Enter Number of Months for Each Period				
Initial Measurement Period: Number of Months				
Initial Administration Period: Number of Months				
Initial Stability Period: Number of Months				
Standard Look Back Measurement Period Details Enter Number of Months for Each Period and the First Calendar Day for Each Period.				
Standard Measurement Period: Number of Months				
First calendar day of the period: DATE – 2/1/2017				
Standard Administration Period: Number of Months				
First calendar day of the period: DATE – 2/1/2017				
Standard Stability Period: Number of Months				
First calendar day of the period: DATE – 2/1/2017				

Data must be submitted to TASC by the 5th day after the end of the reported payroll period.

The data fields described below correspond to the fields on the Data Specifications included with this package. Headers for the data have to be **exactly the same** in all ways as the Headers provided on the Data Specifications. Any variation will cause the file to fail to upload the data.

Historical Data: In order for TASC to evaluate the status of your current workforce and track the enrollment changes needed to avoid 4980H Penalties, you will need to submit the monthly data for each employee for the number of months in your measurement period(s). If your standard and initial measurement periods are not the same number of months, you will need to send the data for the period covering the longer of the periods.

Data is submitted to TASC through Upload at www.tasconline.com. Clients are provided a 12 digit ID and log in, or continue to use existing log in, to select MyDocuments and upload the appropriate file. The EDI team will initialize this process with you and test your files prior to production.

Data Fields

Pay Period Frequency: Text - DY, WK, BW, SM, MN, QT

- DY – daily
- WK – weekly
- BW – bi-weekly
- SM – semi monthly
- MN – monthly
- QT – quarterly

Employee Hours of Service: Number

You will need to enter the total hours of service for the reporting period for each employee.

An hour of service is each hour for which an employee is paid, or entitled to payment, for the performance of duties for the employer; and each hour for which an employee is paid, or entitled to payment for vacation, holiday, illness, incapacity (including disability), layoff, or Special Unpaid Leave defined below.

An “Hour Of Service” does not include:

- Any hour for services performed as a **Bona Fide Volunteer** - A Bona Fide Volunteer is an employee of a government entity or an organization described in section 501(c) that is exempt from taxation under section 501(a) whose only compensation from that entity or organization is in the form of—(i) Reimbursement for (or reasonable allowance for) reasonable expenses incurred in the performance of services by volunteers, or (ii) Reasonable benefits (including length of service awards), and nominal fees, customarily paid by similar entities in connection with the performance of services by volunteers.
- Any hour for services performed as part of a **Federal Work-Study Program** as defined under 34 CFR 675 or a substantially similar program of a State or political subdivision thereof. Do not count any hours of service to the extent those services are performed as part of a program that provides part-time employment to students attending institutions of higher education who need the earnings to help meet their costs of postsecondary education and encourages students receiving FWS assistance to participate in community service activities.
- Any hour for services performed **outside the United States**. Do not count any hours of service The term Hour of Service does not include any hour for services to the extent the compensation for those services constitutes income from sources without the United States (within the meaning of sections 861 through 863 and the regulations thereunder).

For Non Hourly Employees, Salaried, you must use one of the following methods:

- Actual Hours - Using actual hours of service from records of hours worked;
- Days-Worked Equivalency - The employee is credited with eight hours of service for each day for which the employee would be required to be credited with at least one hour of service in accordance with number 1 “Actual Hours” above; or
- Weeks-Worked Equivalency - The employee is credited with 40 hours of service for each week for which the employee would be required to be credited with at least one hour of service in accordance with number 1 “Actual Hours” above.

An employer is not required to use the same method for all non-hourly employees, and may apply different methods for different categories of non-hourly employees, provided the categories are reasonable and consistently applied.

Leaves and breaks in service. In order to report correctly you will need to apply the rules provided below that address:

- Special Unpaid Leave
- Educational Organizations Break In Service

Special Unpaid Leave is any:

- Unpaid leave that is subject to the Family and Medical Leave Act of 1993 (FMLA);
- Unpaid leave that is subject to the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA); or
- Unpaid leave on account of jury duty.

You will continue to report the same EE Status code for any month that an employee is out on Special Unpaid Leave.

During Special Unpaid Leave you will enter Hours of Service at the rate equal to the average of the prior month’s during the same calendar year. There is no limit to the number of Hours of Service that can be credited with respect to Special Unpaid Leave. These rules are applied to all employees as applicable, for instance a Part Time Employee can be credited Hours of Service for jury duty.

Educational Organizations Break In Service: For a Break in Service for an FTE, that is not a part of a Special Unpaid Leave, you will continue to report the EE Status code as FTE. For instance, staff is reported as an FTE during the summer break with the average hour credited. No more than 501 hours of service are required to be credited.

For both Special Unpaid Leave and Educational Organizations Break In Service purposes, you are permitted to use any reasonable method to credit hours if applied on a consistent basis. If an employee's average rate is being computed for a measurement period that is shorter than six months, the six-month period ending with the close of the measurement period is used to compute the average hours of service.

EE Status: Text - FTE, PTE, VAR, COB, RET

- **FTE** – Full Time Employees - work at least 30 hours per week (130 hours of service in a calendar month, a complete definition is provided in the IRS Reporting Data Summary, Section “What Employees are Reported”.
- **PTE** – Part Time employees who work less than 30 hours per week (130 hours of service in a calendar month).
- **VAR** – Variable Hour Employee means you cannot determine whether the employee is reasonably expected to be an FTE or part timer. For purposes of determining whether an employee is a variable hour employee, you may not take into account the likelihood that the employee may terminate employment before the end of the initial measurement period. Seasonal Employees who are not offered coverage are entered as VAR.
- **COB** – Use this code for any month in which a covered individual who experiences a COBRA qualifying event and elects COBRA coverage. This will require a separate employee file for any spouse or dependent who elect COBRA coverage without an election to cover the employee under the same membership. For instance, if an employee and spouse who terminate coverage due to a termination of employment and elect separate employee-only plans under COBRA, then you would need to submit an employee file for each person.
- **RET** – Use this code for any month in which a covered individual is covered under your Retiree Plan. This will require a separate employee file for any spouse who continues under the Retiree Plan when the employee has terminated coverage. For instance, if an employee and spouse elect your Retiree Plan and the employee dies, and your plan allows the spouse to continue coverage, then you would need to submit an employee file for the spouse.

See **Date of Hire** below for reporting changes in Employee Status. Example: a PTE who is promoted to a full time position.

- **Hire Date:** Date 12/1/2014

This field is used to report the Employee's actual date of hire and to report any change in status using the rules provided below. Enter the new status for the month in which the change occurred.

In order to report correctly you will need to apply the rules provided below to address:

- **Rehire Rule:** Enter a new hire date, the day an employee returns to work after leave, only when an employee did not have an Hour Of Service for a period of at least 13 consecutive weeks immediately preceding the resumption of services.
- **Educational Organization Rehire Rule:** Enter a new hire date, the day an employee returns to work after leave, only when an employee did not have an Hour Of Service for a period of at least 26 consecutive weeks immediately preceding the resumption of services.
- **Change In Status:** Enter a new hire date and the new EE Status code for any new variable hour employee, new seasonal employee, or new part-time employee experiences a change in employment status to a full time position before the end of the initial measurement period.
- **Ben Eligible:** Text - Y, N
Enter Y for Yes if the employee was eligible to enroll in your group health plan on any one day of the month being reported. Enter N for No if there was no day during the month that the employee was eligible for an offer of coverage.
- **Term Date:** Date - 4/17/2017
The date the employee terminates employment.