



PPACA Module

Overview

SELECTONTIME™ is pleased to announce that the **SELECTONTIME™ Corporate Edition/Business Edition** has been enhanced with a **PPACA Module**. This optional module provides robust features to help our customers comply with provisions of the Patient Protection and Affordable Care Act (PPACA).

The PPACA defines a “large employer” as one that employs an average of 50 full-time (FT) or full-time equivalent (FTE) employees. The shared responsibility provisions of the PPACA require large employers to provide “minimum essential” health care coverage to all full-time employees, or otherwise pay a penalty of up to \$2,000 annually for each full-time employee. **SELECTONTIME™ Corporate Edition/Business Edition** effectively enables customers to monitor FT/FTE details and avoid PPACA penalties.

The screenshot displays the PPACA module interface for employee SMITH, JAN - 1001. It includes navigation links for Goto Timesheet, Goto Employee, and Goto Schedule. Employee details such as Shift Number (161), Pay Policy (161), Fund (0), Department (1), Web Access (1003), and Hire Date (04/01/2013) are shown. A filter section allows for a date range from 04/01/2013 to 08/31/2013. The main table lists monthly data for the period 04/01/2013 to 07/31/2013, showing Hours, Calculated FTE, Set up FTE, Processed By (JAMES), and Processed Date/Time (8/9/2013 11:19:46 AM).

Month Start - End ^	Type	Hours	Calculated FTE	Set up FTE	Processed By	Processed Date/Time	Reprocess
04/01/2013 - 04/30/2013	PRE	154.0000000	1.0000000	100.0000000	JAMES	8/9/2013 11:19:46 AM	
05/01/2013 - 05/31/2013	PRE	162.0000000	1.0000000	100.0000000	JAMES	8/9/2013 11:19:46 AM	
06/01/2013 - 06/30/2013	PRE	140.0000000	1.0000000	100.0000000	JAMES	8/9/2013 11:19:46 AM	
06/01/2013 - 06/30/2013	STD	140.0000000	1.0000000	100.0000000	JAMES	8/9/2013 11:19:46 AM	
07/01/2013 - 07/31/2013	INI	162.0000000	1.0000000	100.0000000	JAMES	8/9/2013 11:19:46 AM	
07/01/2013 - 07/31/2013	STD	162.0000000	1.0000000	100.0000000	JAMES	8/9/2013 11:19:46 AM	

PPACA Calculations

SELECTONTIME™ has adopted the recommendations of the safe harbor method for calculating full-time equivalency to help customers determine:

1. whether or not they employ 50 or more FT/FTE employees,
2. which employees constitute full-time status, and
3. when the full-time employees are entitled to healthcare coverage.

General Terminology		
Term	Definition	Safe Harbor Guidelines
Service Hours	Hours for which an employee is paid or entitled to payment (e.g., work hours, vacation, holiday, jury duty)	n/a
Full-time Employee (FT)	An employee who has reached the monthly standard service hours that are considered to be full-time (FTE=1.00)	130 hours per month
Full-time Equivalent Employee (FTE)	An employee who is not hired as a full-time employee and is calculated as a partial employee (FTE<1.00)	FTE = actual worked hours + monthly standard service hours
Ongoing Employee	An employee who was hired more than a specified number of months prior to the start of the Standard Measurement Period	Specified number of months = 3 to 12 months
New Employee	An employee who was hired less than a specified number of months prior to the start of the Standard Measurement Period, or an employee who was hired after the start of the Standard Measurement Period	Specified number of months = 3 to 12 months

The PPACA module offers an assortment of configuration options to allow customers to accurately determine FTE values and define the Standard Measurement, Administration, and Stability Periods for ongoing employees, as well as the Startup, Initial Measurement, Administration, and Stability Periods for new employees (as specified by the safe harbor methods).

Pay Policy: 161 - PPACA

PPACA

Enable PPACA Qualifications
Employee FTE value 100% = 1.00 (FT). Employee FTE value <100% = monthly Hours / Standard FT hours (FTE)
 Average monthly service hours: 120.00 (service hours >= this value is 1.00 FTE; service hours < this value is fractional FTE)

Startup and Initial Period (first year employees)

Use employee date Field:

Startup and Measurement period begins:

Startup period ("PRE") length: (months)

Measurement Period ("INI") Length: (months – always include startup period length)

Administration period length: (months)

Stability period length: (months)

Standard Period (on-going employees)

Measurement period ("STD") start month/year:

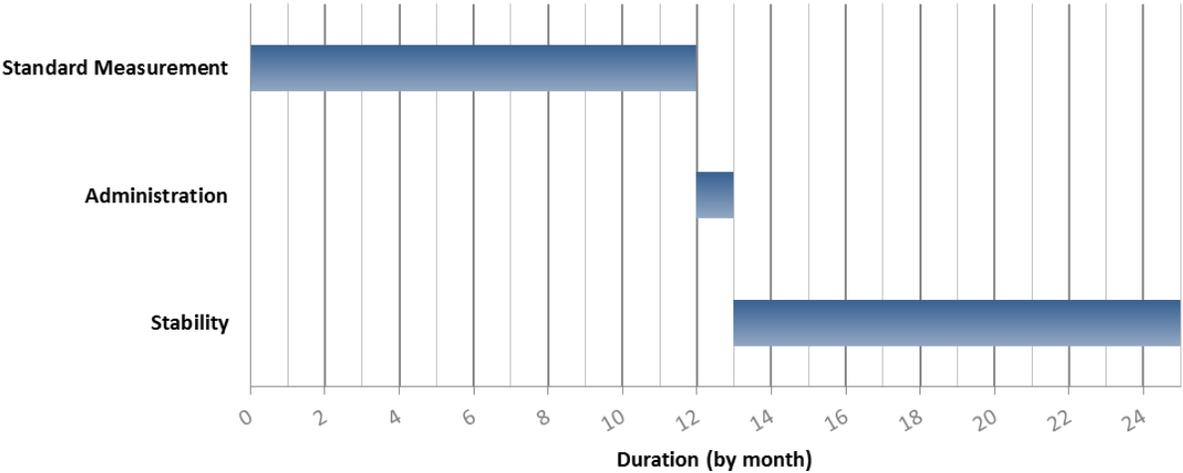
Measurement period length: (months – includes initial startup)

Administration period length: (months)

Stability period length: (months)

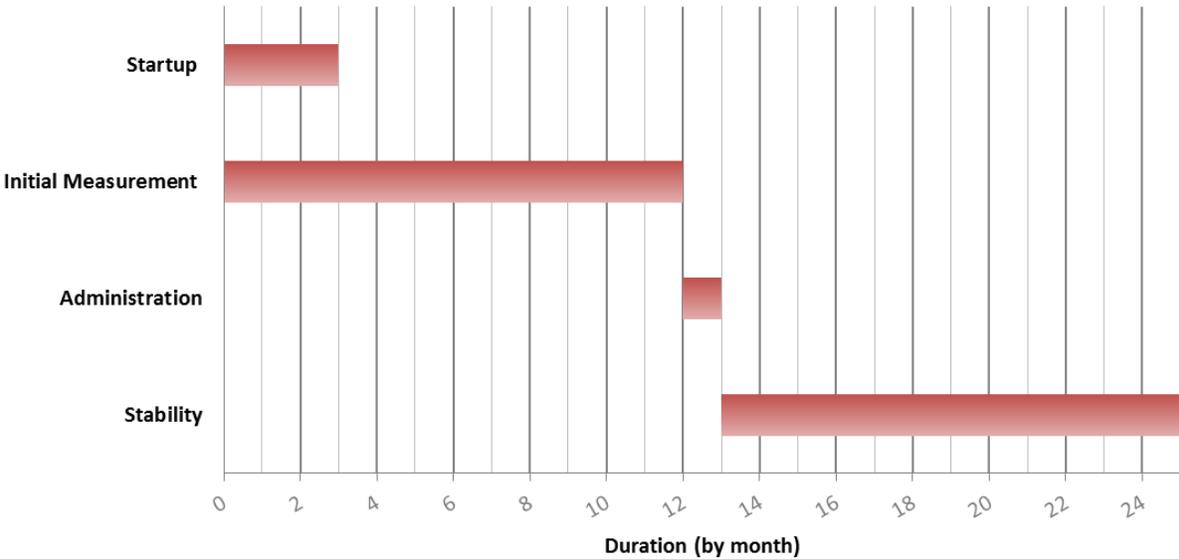
Ongoing Employees		
Period	Definition	Safe Harbor Guidelines
Standard Measurement Period (STD)	The number of consecutive months during which an ongoing employee must reach and maintain a FTE of 1.00 in order to qualify for coverage	12 months (3 month minimum / 12 month maximum)
Administration Period (ongoing)	The number of consecutive months following the Standard Measurement Period, but preceding the Stability Period, during which the employer must administer coverage for an employee who is qualified (i.e., time allotted to complete administrative tasks). Previously-determined FT employees already enrolled in coverage continue to be offered coverage through this period.	1 month (90 days maximum)
Stability Period (ongoing)	The number of consecutive months following the Administration Period during which a qualified ongoing employee is entitled to coverage (can be no shorter than the duration of the Standard Measurement Period)	12 months (6 months minimum / 12 month maximum)

Sample *Ongoing* Employee Schedule (based on safe harbor guidelines)



New Employees		
Period	Definition	Safe Harbor Guidelines
Startup period (PRE)	The number of consecutive months during which an employee's hours and FTE are tracked, but coverage is not required (similar to a probation period).	3 months
Initial Measurement Period (INI)	The number of consecutive months (including the Startup Period) during which an employee must reach and maintain a FTE of 1.00 in order to qualify for coverage (must be the same duration as the Standard Measurement Period for ongoing employees).	12 months (3 month minimum / 12 month maximum)
Administration Period (new)	The number of consecutive months following the Initial Measurement Period, but preceding the Stability Period, during which the employer must administer coverage for an employee who is qualified (i.e., time allotted to complete administrative tasks).	1 month (90 days maximum / 13 month max combined with INI)
Stability Period (new)	The number of consecutive months following the Administration Period during which a qualified new employee is entitled to coverage (must be the same duration as the Stability Period for ongoing employees, and can be no shorter than the Initial Measurement Period)	12 months (6 month minimum / 12 month maximum)

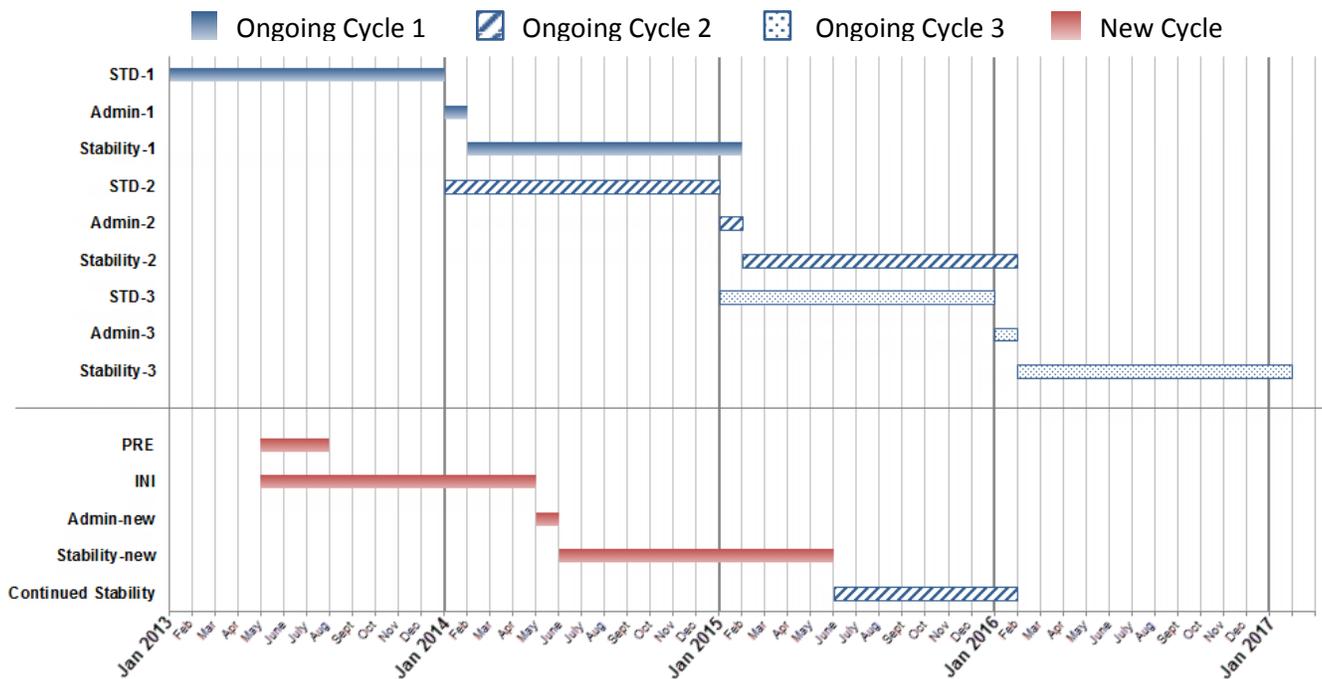
Sample *New* Employee Schedule (based on safe harbor guidelines)



Transition from New Employee Rules to Ongoing Employee Rules	
Period	Rule
Transition	When a new employee has been employed for an entire Initial Measurement Period and an entire Standard Measurement Period, the employee shall be tested for FT status based on that Standard Measurement Period, under the same conditions as ongoing employees.

Example 1	A new employee qualifies as a FT employee during the Initial Measurement Period and is, therefore, entitled to coverage throughout the entire corresponding Stability Period (new). If the employee qualifies for FT status during the overlapping Standard Measurement Period (for ongoing employees), the employee will be entitled to continued coverage, upon the conclusion of the Stability Period (new), for the remaining duration of the Stability period (ongoing) that corresponds with the overlapping Standard Measurement Period.
Example 2	A new employee does <i>not</i> qualify as a FT employee during the Initial Measurement Period, but <i>does</i> qualify for FT status during the overlapping Standard Measurement Period, (for ongoing employees). This employee would then be entitled to coverage at the start of the Stability Period (ongoing) that corresponds with the Standard Measurement Period, even if it begins before the end of the Stability Period (new) that corresponds with the Initial Measurement Period.

Sample Transition from New to Ongoing Employee



**Note: New employee cycles begin on hire dates or hire months. Therefore, the INI period will not necessarily coincide with the STD period. The example above demonstrates a company who bases the Ongoing Employee cycle on the calendar year. The New Employee cycle, shown in red, applies to an employee hired on May 1st, 2013.*

PPACA Reports

The system provides a breakdown of PPACA data calculations and stores monthly FTE values and hours for all employees who are not configured within the system as full-time employees (with a FTE value of 1.00). System users can also include monthly PPACA data in the payroll process or generate reports to analyze FTE statistics.

NOVAtime Quality Assurance
Report Date: 08/15/2013
Report Time: 6:16:52 PM

Human Resource - PPACA FT/FTE Headcount Detail

01/01/2013 - 12/31/2013 (Jan 2013-Dec 2013)

Employee	Jan'13		Feb'13		Mar'13		Apr'13		May'13		Jun'13		Jul'13		Aug'13		Sep'13		Oct'13		Nov'13		Dec'13	
	Hours	FTE	Hours	FTE	Hours	FTE	Hours	FTE	Hours	FTE	Hours	FTE												
SMITH, JAN [1001]							154.00	1.00	162.00	1.00	140.00	1.00	173.00	1.00	83.00	1.00								
DAILEY, KATRINA [1002]	157.00	1.00	140.00	1.00	149.00	1.00	153.00	1.00	162.00	1.00	140.00	1.00	162.00	1.00	83.00	0.69								
SMITH, PATRICIA [1003]											0.00	0.00	0.00	0.00	0.00	0.00								
NORRIS, ALICIA [1004]											0.00	0.00	0.00	0.00	0.00	0.00								
STEVENS, KATRINA [1006]											0.00	0.00	0.00	0.00	0.00	0.00								
MILLION, CHERYL [1007]											153.00	1.00	140.00	1.00										
WES, KEN [1010]											140.00	1.00	162.00	1.00	83.00	0.69								
ANESTON, MARY [1060]													0.00	0.00	70.00	0.58								
MONTEGA, PENELOPE [1000]											140.00	1.00	162.00	1.00	83.00	1.00								
PEPPER, ANDERSON [1009]	140.00	1.00	140.00	1.00	149.00	1.00	153.00	1.00	153.00	1.00	149.00	1.00	96.00	1.00	83.00	1.00								
FTE Grand Totals:		2.00		2.00		2.00		3.00		3.00		6.00		13.93		28.72		0.00		0.00		0.00		0.00

NOVAtime Quality Assurance
Report Date: 08/15/2013
Report Time: 6:27:19 PM

Human Resource - PPACA FT/FTE Headcount Summary

FT/FTE headcount threshold: 50

01/01/2013 - 12/31/2013 (Jan 2013-Dec 2013)

Type	Jan'13	Feb'13	Mar'13	Apr'13	May'13	Jun'13	Jul'13	Aug'13	Sep'13	Oct'13	Nov'13	Dec'13	Average Qual. Months
Full Time:	1.00	1.00	1.00	2.00	2.00	3.00	4.00	4.00					1.50
Variable FTE:	1.00	1.00	1.00	1.00	1.00	3.00	9.93	24.72					3.55
FTE Grand Totals:	2.00	2.00	2.00	3.00	3.00	6.00	13.93	28.72					5.05