





KEY

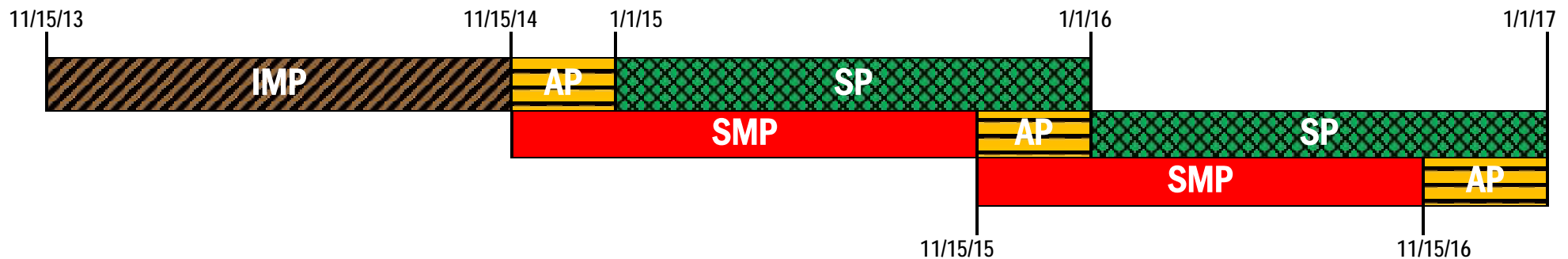
IMP	Initial Measurement Period	
SMP	Standard Measurement Period	
AP	Administrative Period	
SP	Stability Period	

APPLYING ACA RULES TO VARIABLE HOUR EMPLOYEES TO DETERMINE IF A \$3,240 PENALTY WILL BE ASSESSED 12 MONTH MEASUREMENT PERIOD

The Illustrations below reflect the following: Initial Measurement Period is 12 months; Standard Measurement Period is 12 months; Admin Period is 1st of the month following 1 month of measurement period; Stability Period is 12 months;

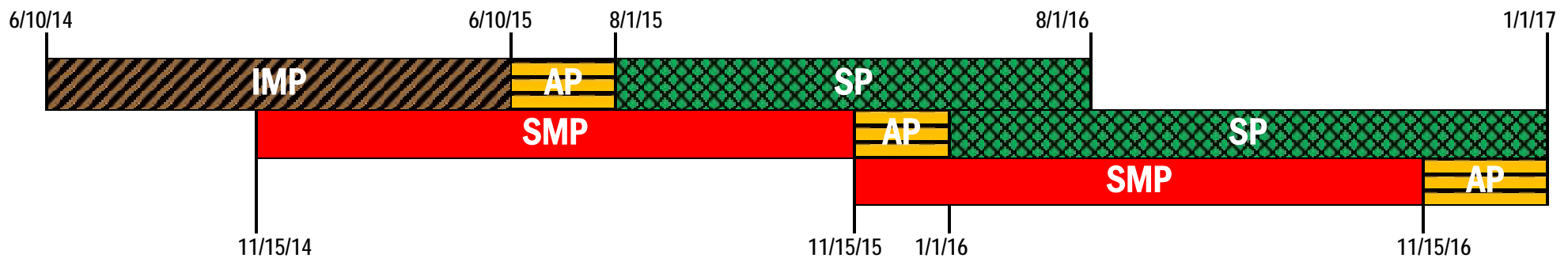
Example 1: First year of applying ACA rules to currently employed variable employees with a hire date of November 15, 2013 or before

12 Month Standard Measurement Period



Example 2: Applying ACA rules to variable hour employees hired after November 15, 2012

New Hire June 10, 2014 / 12 Month Standard Measurement Period



Definition of terms:

VARIABLE HOUR EMPLOYEE

An employee whose hours cannot be determined that the employee is reasonably expected to work on average at least 30 hours per week.

INITIAL MEASUREMENT PERIOD (IMP)

A time period selected by the employer of at least three (3) but not more than twelve (12) consecutive months to determine whether *new variable hour employee* average 130 hours a month.

STANDARD MEASUREMENT PERIOD (SMP)

A time period for *ongoing* employees who have *satisfied their initial measurement period* selected by the employer of at least three but not more than twelve (12) consecutive months whether variable hour employees average 130 hours a month.

ADMINISTRATIVE PERIOD (AP)

An optional span of time selected by the employer not to exceed 90 days placed between a measurement period and stability period. During this time employers determine which employees qualify for benefits during the next stability period, then proceed with enrollment of the benefits.

STABILITY PERIOD (SP)

The period of time a variable employee who averaged 130 hours per month during the measurement period is covered by insurance, which is at least six (6) months or the length of the measurement period, if longer.