



## HR Highlights June 2022

### **Affordable Care Act and the Manpower Control Program: Number of Hours Worked by Wage Employees**

Agencies are reminded that constraints on the number of hours worked by wage employees continue to be in force under the federal Affordable Care Act and the state's Manpower Control Program.

The Manpower Control Program requires state agencies to limit the number of hours worked by wage employees to 1500 per year. Please ensure that your timekeeping systems and internal processes monitor these hours so that the limit is not exceeded. Employees and their supervisors must be held accountable for ensuring adherence.

The Affordable Care Act (ACA) requires that Agencies must not re-hire former salaried employees into wage positions at the same agency/university until the employees have been separated for a minimum of 13 weeks (26 weeks for higher education agencies.) Those individuals who resume employment at the same agency/university without the prescribed separation period are considered "ongoing employees" under the ACA. Their hours worked/paid during the preceding look-back measurement period (May 1 through April 30) must be counted in determining if they meet the ACA definition of full-time status (average of 30 or more work hours per week) when they are rehired. Under the ACA, ongoing employees must be offered health insurance. Our state Code prohibits participation by wage employees in the state health insurance plan. Rehiring an employee before the required separation period has expired may subject the agency to an IRS audit of ACA records and substantial penalties.

<b>Employee resigns/separates from salaried position:</b>	<b>Rehired as wage employee at:</b>	<b>ACA separation required:</b>
Agency A	Agency A	13 weeks
Agency A	Agency B	N/A – <b>New</b> employee at Agency B
University C	University C	26 weeks
University C	University D	N/A– <b>New</b> employee at University D
Agency A	University C	N/A– <b>New</b> employee at University C
University C	Agency A	N/A– <b>New</b> employee at Agency A