

Implementing ACA at the University of Central Florida

**C. Ross Hinkle
Vice Provost and Dean**

**Debra Winter
Director, Graduate
Financial Assistance**

December 05, 2013



GRADUATE STUDIES BY THE NUMBERS



GRADUATE ENROLLMENT BY YEAR



44,353
GRADUATES
SINCE 1968

16 PROGRAMS

61 PROGRAMS

89 PROGRAMS

133 PROGRAMS

183 PROGRAMS

NUMBER OF PROGRAMS

Graduate Facts

- **183** graduate programs
- **8,526** graduate students, **23%** doctoral
- **9%** Black/African American, **11%** Hispanic/Latino, **10%** International
- Average age is **31.8** years
- **44,353** graduate degrees awarded
- **Funding:**
 - **90** university-funded fellows
 - **1,507** assistantships – **757** GTA, **601** GRA, **149** GA
 - **Includes:** stipend, tuition remission, health insurance

Implementing ACA at UCF

1

Overview of university implementation

2

Graduate issues

3

Results of first ACA measurement period

Who will interpret the Affordable Care Act for your institution?

- The state of Florida required the Division of State Group Insurance, PeopleFirst (third-party benefits management), and State Legislature to interpret ACA and direct the implementation for all state employers, including all public universities and colleges.
- **Start Date: January 1, 2014**
- **UCF ACA Compliance Committee:**
 - Human Resources
 - Academic Affairs
 - Finance and Accounting
 - Counsel
 - Health Services
 - College of Graduate Studies
 - Office of Research and Commercialization
 - Student Development and Enrollment Services
 - Athletics
 - College of Medicine
 - And more

Which employees need to be reviewed for ACA eligibility?

- Temporary, not benefit eligible employees
- At UCF, this group includes:
 - teaching and non-instructional adjuncts
 - graduate assistants (GRA, GTA, GA)
 - non-assistantship graduate students
 - undergraduate students
 - variety of other non-student workers

What data must be reviewed to determine ACA eligibility?

- Actual hours worked for April 1, 2013 through October 2, 2013
- UCF reported data to PeopleFirst, which determined ACA eligibility for the state of Florida and sent communications to eligible employees about open enrollment. PeopleFirst sent enrollment data to UCF.
- Issues:
 - **Data** - added and revised data fields in the university system
 - **Policies and procedures** - impacted how the university does business, leading to changes
 - **Multiple appointments** - all appointments for a person had to be combined into one record for review
 - **Other state appointments** - can only see UCF appointments; cannot see those at other state agencies and institutions, which also affect ACA eligibility
 - **Salaried employees** - no hours worked recorded in university system; awkward to collect data from this group

If a student is ACA-eligible and enrolls in employee health insurance, who pays for this coverage?

Insurance premiums will be paid by the employee and employer.

UCF has to pay the cost of coverage. The cost comes out of the hiring department/office budget.

If the student has assistantships in more than one department/office, the employer insurance premium will be prorated to share the cost.

If a student has an employment break, what happens?

Example:

Students who have academic year (fall/spring) assistantships but no summer assistantship.

- Student is ACA-eligible and enrolls in employee health insurance starting January 1.
- The student's coverage continues for 12 months as long as they work for the state, even if their hours drop below an average of 30 hours per week.
- If the student has a break in employment, they may continue coverage through COBRA at their own expense.
- When employment resumes, the coverage continues with employee and employer contributions.

Student Health Insurance Plan vs. Employee Health Insurance Plan

Compliance

Student HIP

- **2013-2014** – As of January 1, 2014, the SHIP does not meet ACA requirements. The SHIP has \$1 million limit but ACA requires unlimited. Our health insurance provider would not negotiate a mid-year change.
- **2014-2015** – As of August 15, 2014, the SHIP will meet ACA requirements.
- **Note:** UCF participates in a state-wide consortium for student health insurance to get better coverage and keep costs down.

Employee HIP

- **2014** – The state health insurance plan does not meet the Florida mandatory health insurance requirement for international students. It does not include medical evacuation and repatriation.
- This omission in EHIP has not been addressed, so the student would need to maintain both the SHIP and EHIP (dual coverage and cost). If medical evacuation and repatriation coverage is purchased separately, it costs about \$60 per year.

Student Health Insurance Plan vs. Employee Health Insurance Plan

Time period for coverage

- **Student HIP** – Based on academic year (August 15, 2013 through August 14, 2014, Fall through Summer).
- **Employee HIP** – Based on calendar year (January 1, 2014 through December 31, 2014).

Enrollment in coverage

- **Student HIP** – Students accept or decline the SHIP during the open enrollment period at the beginning of each semester. If fall/spring or annual assistantship, the student can accept/decline for the entire year in July prior to the start of the coverage August 15. College of Graduate Studies enrolls accepted students in SHIP.
- **Employee HIP** – ACA-eligible assistantship students enroll themselves in the EHIP during the October/November open enrollment period.

Student Health Insurance Plan vs. Employee Health Insurance Plan

Cost

HI Plan	Student	College of Graduate Studies	Employer (hiring department)
Student HIP	\$0	\$1,471 per year	N/A
Employee HIP	Individual coverage: <ul style="list-style-type: none"> • \$50 per month • \$600 per year Family coverage: <ul style="list-style-type: none"> • \$180 per month • \$2,160 per year 	N/A	Individual coverage: <ul style="list-style-type: none"> • \$591 per month • \$7,098 per year Family coverage: <ul style="list-style-type: none"> • \$1,264 per month • \$15,168 per year

- SHIP pays the summer semester coverage, even if the student has a break in assistantship or does not enroll in summer semester.
- For EHIP, if the student has a break in employment, the student can pay to continue coverage through COBRA (approximately \$600/month for individual coverage, \$1,355/month for family coverage).

Graduate Issues

- **Graduate assistants are students, not employees.** It is difficult to distinguish between work and academic program activity.
- **UCF graduate assistants are on agreements (salaried)** – enables them to receive continuous, consistent paychecks; supports retention as well as recruiting. Collecting actual hours worked is detrimental and problematic.
- For ACA reporting, used assistantship hours (.50 FTE = 20 hours worked per week).
- Graduate students often have multiple assistantships during the ACA measurement period. All records for a student had to be combined for ACA reporting.
- Graduate policy allows assistantship above standard 20 hours per week, with academic approval. These students are the ones who may be ACA-eligible.
- International students are limited to working 20 hours per week when classes are in session. During breaks and in the summer, many want to work 40 hours per week.

Preliminary results of first ACA measurement period

Graduate Assistantships

Type	Total	ACA Eligible	EHIP Enrolled Individual	EHIP Enrolled Family	Total Annual Cost Dec 2013-June 2014	Total Annual Cost July 2014-June 2015
GTA	793	23	0	0	0	0
GRA	573	26	0	2*	\$17,007	\$30,337
GA	148	18	0	0	0	0
Total	1,514	67	0	2	\$17,007	\$30,337

- For this group, potential cost is high, ranging from about \$475,000 to \$1 million. For EHIP enrolled group, assistantships were funded by Contract & Grants.
- However, graduate assistants have the lowest EHIP enrollment of any ACA-eligible group at UCF.
- **Other uses for EHIP funds** – fellowships, assistantships, presentation awards, etc.

Preliminary results of first ACA measurement period

Adjuncts

Type	Total	ACA Eligible	EHIP Enrolled Individual	EHIP Enrolled Family	Total Annual Cost Dec 2013-June 2014	Total Annual Cost July 2014-June 2015
Teaching*	734	91	10	5	\$82,311	\$146,826
Non-instructional	88	45	5	4	\$53,911	\$96,166
Total**	822	136	15	9	\$136,222	\$242,992

* For ACA reporting, calculated hours worked (1 course credit hour = 3 hours worked per week).

** Includes 99 adjuncts in dual comp positions receiving benefits under their career-service employment.

- On November 14, the U.S. House of Representatives Committee on Education and the Workforce held a hearing entitled “The Effects of the Patient Protection and Affordable Care Act on Schools, Colleges and Universities.” A large part of this discussion focused on teaching adjuncts.

Observations on UCF

- Of **1,514** assistantship students, only **67** were ACA-eligible.
- Only **2** of the **ACA-eligible assistantship students enrolled** in the employee health insurance plan (both chose family coverage).
- **Existing graduate policy** – standard assistantship is **20 hours per week** (.50 FTE).
- **Existing graduate policy** – assistantship hours **above 20 hours per week** requires approval of graduate program and College of Graduate Studies.
- **Existing graduate policy** – **All students with assistantships totaling 20 hours per week qualify** for Student Health Insurance Plan.
- UCF pays the full premium for the Student Health Insurance Plan.
- The Student Health Insurance Plan covers the summer semester, even if the student has a break in assistantship or does not enroll in summer classes.

Some Questions to Ponder

- **Q1. Although the penalties have been pushed back a year, how does this impact the reporting requirements? Does it make sense to start keeping records now to prepare for when the reporting must be done?**

Some Questions to Ponder

- **Q2. Do we need to provide health insurance to foreign students?**

Some Questions to Ponder

- **Q3. What about spouses? Will they be eligible for premium tax credits and required to go into the marketplace?**

Some Questions to Ponder

- **Q4. Will the cost need to be factored into the needs analysis regarding cost of attendance and calculations regarding student assistance?**

Some Questions to Ponder

- **Q5. How does the number of hours on the student's W2 form factor into whether the student is considered working 30 hours or more?**

Some Questions to Ponder

- **Q6. If the student participates in paid internships with external entities, and that internship tip the hours they work over the 30 hours who is responsible for their health insurance?**

Some Questions to Ponder

- **Q7. If an audit were to find that a few students fell through the cracks in terms of coverage, is the institution taxed for all its students or only those who fell through the cracks?**

Some Questions to Ponder

- **Q8. Under Federal law, graduate students and students over 24 years of age are considered independent for aid calculations. However the ACA says that students can be covered under their parents health insurance policies to the age of 26. How should the institution handle this discrepancy?**

Some Questions to Ponder

- **Q9. If a graduate student is paid from two or more sources on campus, e.g., a half-time (20 hours/week) TA and 10 hours per week on the hourly payroll in a different unit, is the institution obligated to provide health insurance for the student?**

Some Questions to Ponder

- **Q10. If a graduate student has an on-campus graduate appointment of less than 30 hours per week, e.g., a half-time TA (20 hours/week), and also works off-campus 10 or more hours per week, is the institution obligated to provide health insurance for the student?**

Some Questions to Ponder

- **Q11. If a graduate student has a half-time Research Assistantship with a unit on campus and the requirements of the assistantship are to support a faculty research project as well as the student's research for her/his dissertation or thesis research, the combination of which may result in the student sometimes working more than 30 hours week, is the institution obligated to provide health insurance for the student?**