

Southfield Public Schools

From the Office of David Turner Associate Superintendent Human Resources and Labor Relations (P) 248.746.8987 (F) 248.746-8926

SENT VIA ELECTRONIC MAIL

September 25, 2013

Subject: Patient Protection and Affordable Care Act (PPACA)

To All Southfield Public Schools ESOS Employees:

This letter is sent in compliance with the requirements of the Patient Protection and Affordable Care Act (PPACA). This letter is lengthy but please read all of the information contained here as it is important to relay all of the information to you at once rather than splitting it up into smaller fragments. Our hope is that in doing so we may be able to limit any misunderstanding or confusion on the topic as a whole.

The larger portions of the PPACA will be taking effect as of January 1, 2014. Southfield Public Schools is committed to comply with the new PPACA standards. We have outlined for you how we will operate within this new law and how it will affect how we administer our benefit programs.

Health Plan Framework

The framework of the plan consists of the important dates and timeline of events inside of which the plan will operate. We have made a concerted effort to make sure that the framework of our plan complies with the new standards and rules of the PPACA.

Measurement Period – Formerly known as the eligibility period, this is the timeframe during which an employee's total hours of service will be calculated to evaluate whether or not they have met the benchmark of working an average of at least 30 hours per week. For Southfield Public Schools the measurement period will be twelve (12) months and will extend every year from May 1 to April 30.

Stability Period – It is during this timeframe that once full time status has been achieved it cannot be removed. During this period, as long as the employee retains their position, the employee will be able to participate in the group health plan. The stability period for Southfield Public Schools will be twelve (12) months and will extend every year from July 1 – June 30.

Administration Period – Previously known as the enrollment period, this is the timeframe set aside for plan review, notifications and open enrollment for employees. The administration period for Southfield Public Schools will be approximately sixty (60) days and will extend every year from **May 1** – **June 30**.

Because Southfield Public Schools operates on a fiscal year plan year (July 1 – June 30), these changes do not take effect until the first plan year beginning after January

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SOUTHFIELD PUBLIC SCHOOLS STATEMENT OF NON DISCRIMINATION & EQUAL EMPLOYMENT OPPORTUNITY

Southfield Public Schools does not discriminate on the basis of race, color, religion, national origin, gender, disability, age, height, weight, marital status, genetic information or any other legally protected characteristic, in its programs and activities, including employment opportunities. The following individuals have been designated to handle inquiries regarding nondiscrimination policies: Title VI Coordinator—David Turner, JWE Administrative Center, 24661 Lahser Rd., Southfield, MI 48033, 248/746-8580; Section 504 Coordinator George Chapp, Division of Instruction @ University High School Academy, 24815 Lahser Rd., Southfield, MI 48033, 248/746-4328.

1, 2014. The first Measurement Period will be May 1, 2013 – April 30, 2014, the first Administration Period will be May 1, 2014 – June 30, 2014, and the first Stability Period will be July 1, 2014 – June 30, 2015.

Function of the Health Plan

The function of the health plan addresses the questions of: 'Who will qualify for the plan?' and 'How will it affect them?'

Under the new PPACA regulations, employers of more than 50 full time equivalent employees will be required to offer full time employees (and their dependent children) affordable coverage that provides minimum value, or pay a penalty. For these purposes, "full time employee" means an employee who averages 30 or more hours of service per week (or 130 hours of service per month). Southfield Public Schools has in place an approved plan to all full time employees that meet the qualifications as outlined by the new law. The plan will affect the following classifications of employees in the ways outlined below.

Existing Full Time Employees – This category of employees includes all employees who have averaged at least 30 hours of service per week during the previous Measurement Period. These employees (and their dependent children) will be offered coverage in the health benefit plan during the Administration Period.

New Full Time Employees – This category of employees includes all employees hired with the expectation that they will work an average of at least 30 hours of service per week. This classification of employees will be eligible for the health benefits plan on the first day of employment after completion of the ninety (90) day probationary period.

Temporary or Seasonal Employees – This category of employees includes all coaches, assistant coaches and other classification of W2 employees that may be seasonal or temporary in nature. Generally this classification of employees will not be eligible for health benefits as they do not typically work an average of 30 hours of service per week or more.

Contractors – Contractors who are paid on a 1099 are compensated for services via our Finance Department and do not qualify for health benefits.

Included with this letter is information regarding the Health Insurance Marketplace and information about specific health coverage offered by Southfield Public Schools.

Sincerely,

David N. Turner
Associate Superintendent
Human Resources and Labor Relations

Enclosures

Pc: Employee file