

FAQs: Determining Your Eligibility for Health Benefits

Eligibility for our health benefits is determined through the use of measurement and stability periods. We have provided these FAQs to you for the purposes of explaining what measurement and stability periods are, and how we will use them to determine your eligibility for health benefits. Should you have any questions after reading through these FAQs, please contact your Benefit & Compensations Specialist at 800-589-3820.

What is the Individual Mandate?

The individuals shared responsibility provision of the Patient Protection and Affordable Care Act (sometimes called “PPACA” or “the ACA” or “the Affordable Care Act”) requires you and each member of your family to have qualifying health insurance (called “minimum essential coverage”), qualify for an exemption, or make a shared responsibility payment when filing a federal income tax return.

Is my employer-sponsored coverage considered to be “minimum essential coverage” for purposes of the Individual Mandate?

Yes, Coverage offered through our organization meets the requirements for minimum essential coverage under the Individual Mandate. For information about additional types of coverage that qualify, please see the IRS’ minimum essential coverage chart on IRS.gov/aca.

How do I know if I’m eligible for coverage under our health plan?

You may become eligible for coverage under our plan in one of two ways.

1. You can qualify as a full-time team member for benefits when originally hired (subject to a waiting period); or
2. You can qualify for coverage if you are credited with enough “hours of service” to qualify you as a full-time team member during a period of time called a “measurement period.” This option is available to team members who are initially considered to be variable hour or seasonal team members on their date of hire.

Under our plan, a team member who is in a management or administrative position is considered to be full-time and eligible for health benefits. Check with your Benefits & Compensation Specialist if you are not certain whether you may be eligible for health benefits.

Who is a “full-time” team member?

You are a full-time team member if you are credited with at least 130 “hours of service” per month or an average of 30 hours of service per week. If you are a “variable hour” or “seasonal” team member, we will determine the average number of hours of service per week or per month that you earn during 12-month measurement period. If you work on average at least 130 hours per month or 30 hours per

week during the measurement period, you will be a full-time team member for purposes of our health benefits beginning with the next stability period.

Who is a “variable hour” team member?

A variable hour team member is a team member whose hours of service we cannot determine at the time of hire will average at least 30 hours per week. For example, if you are hired and scheduled to work twelve hours one week, thirty-two hours the next week, and an unknown number of hours the following weeks and months, we cannot tell if you would average thirty or more hours per week, and you would be considered a variable hour team member.

Who is a “seasonal” team member?

A seasonal team member is a team member who is hired into a position for which the customary annual employment is six months or less. This means that, due to the nature of the position, a team member typically works for a period of six months or less, and that period begins each calendar year in approximately the same part of the year, such as spring and summer.

If I am paid on an hourly basis, what hours count when determining if I am a full-time team member?

If you are paid on an hourly basis, your “hours of service” include the hours for which you are paid to work and the hours for which you are paid for vacation, holiday, Family Medical Leave, jury duty, or military leave.

If I am not paid on an hourly basis, what hours count when determining if I am a full-time team member?

If you are paid on a salaried team member we will calculate your “hours of service” using a “weeks-worked” equivalency method. Using a weeks-work equivalency method, we will credit you with forty hours of service for each week you are credited with at least one hour of service including hours for which no services were performed such as vacation, holiday, jury duty, Family Medical Leave and military duty.

What is a measurement period?

A measurement period is a period of time during which we will “look back” to see how many hours of service per week variable hour team members were credited on average. We will use that average to determine the eligibility or continued eligibility for health benefits for those team members.

What is the stability period?

A stability period is a period of time during which you will either be considered to be a full-time or non-full-time team member for the purposes of your eligibility for health benefits. If you are determined to be full-time during the immediately prior measurement period, you will be considered a full-time team member eligible for health benefits for the immediately subsequent stability period. However, if you

were determined not to be full-time during the immediately prior measurement period, then you will be considered a non-full-time team member who is not eligible for health benefits for the immediately subsequent stability period, unless you have a change in employment status that causes you to become eligible for health benefits.

What is an administrative period?

An administrative period is a period of time between the measurement period and the stability period during which we will determine which team members are eligible for coverage, as well as notify and enroll those team members. For ongoing team members an “administrative period” occurs after the measurement period ends and before the associated stability period begins. This administrative period will not reduce or lengthen your measurement period or stability period, and it will not be longer than 90 days. It will overlap with the prior stability period; so that, during the administrative period, you will still be offered health benefits coverage until the new stability period begins, if you are considered to be a full-time team member.

For new variable or seasonal team members, the administrative period will not exceed 90 days in total. However, your initial measurement period and administrative period together will not extend beyond the last day of the first calendar month beginning on or after the first anniversary of your start day.

If I’m a newly hire team member, how do the initial measurement, administrative, and initial stability periods work?

If you are a newly hired team member and your hours of service will be determined based up a measurement period, we will track your hours of service beginning with your date of hire. This period is call an “initial measurement period.” If you average 30 or more hours of service per week (or 130 hours or more per month) during your initial measurement period, then you will be classified as a “full-time” team member for the purpose of health benefits.

At what point would we stop using the initial measurement and stability periods and transition you to ongoing status?

Beginning with the first standard measurement period that begins during your employment with us, at the same time and under the same condition as other ongoing team members, we will begin tracking your hours of service as on “ongoing” team member.

Who is an “ongoing” team member?

An ongoing team member is a team member who has been employed for a complete standard measurement period.

What happens to my eligibility for health benefits if I change positions?

If you change positions within the organization, your eligibility for health benefits could change because some position may be eligible for health benefits whereas others are not. If the change in

position causes a change in your health benefits eligibility, then you have experienced what is referred to as a “change in employment status.” A change in employment status occurs if you move from a position that is eligible for benefits without using a measurement and stability period to a position that is, or if you move from a position that is eligible for benefits using a measurement and stability period to a position that does not require use of measurement and stability periods.

What happens if I take FMLA, USERRA leave, or jury duty leave during a measurement period?

For periods of special unpaid leave (including leave taken for FMLA, USERRA or on account of jury duty we will determine your average hours of service per week during the measurement period- excluding the special unpaid leave period – and use that average for the entire measurement period.

What happens if my hours as a variable hour team member drop after I’m enrolled in the health plan?

If your hours of service drop after you are enrolled in our health plans as part of a current stability period, you will nonetheless continue to be covered so long as you continue to make your required premium contributions and are an employee. However, your reduced hours of service will count toward the current standard measurement period, and you may lose coverage after the end of the current stability period if your hours drop below the number required to be considered a full-time team member.

If I am not eligible for health benefits because I am not a full-time team member, where can I obtain health coverage?

Coverage may be obtained through the Marketplace during open enrollment or special enrollment periods.