LICENSED EMPLOYEE GROUP BENEFITS
(For districts that employ an average of at least 50 full-time employees, including an equivalent for part-time employees)

Licensed employees may be eligible for group benefits as determined by the board and required by law. The board will select the group benefit program(s) and the insurance company or third party administrator which will provide or administer the program.

In accordance with the Patient Protection and Affordable Care Act (ACA), the board will offer licensed employees who work an average of at least thirty (30) hours per week or one hundred thirty (130) hours per month, based on the measurement method adopted by the board, with minimum essential coverage that is both affordable and provides minimum value. The board will have the authority and right to change or eliminate group benefit programs, other than the group health plan, for its licensed employees.

Licensed employees who work an average of at least thirty (30) hours per week or one hundred thirty (130) hours per month, based on the measurement method adopted by the board, are eligible to participate in the group health plan. Licensed employees who work twenty hours (20 hours) per week are eligible to participate in group insurance plans and long term disability. Employers should maintain documents regarding eligible employees acceptance and rejection of coverage.

Regular part-time employees (i.e., employees who work less than 30 hours per week or 130 hours per month for health benefit purposes or employees who work less than twenty hours (20 hours) per week for benefits other than health) who wish to purchase coverage may participate in group benefit programs by meeting the requirements of the applicable plan. Full-time and regular part-time licensed employees who wish to purchase coverage for their spouse or dependents may do so by meeting the requirements of the applicable plan.

Licensed employees and their spouse and dependents may be allowed to continue coverage of the school district's group health program if they cease employment with the school district by meeting the requirements of the plan.

NOTE: Beginning on January 1, 2015, school districts that employ an average of at least 50 full-time employees (including an equivalent for part-time employees), are required to offer health coverage to full-time employees (and their dependents) or pay a penalty tax under the ACA Employer Mandate. Districts with 50-99 full-time employees (including an equivalent for part-time employees) may have until their 2016 plan year before compliance is required, if certain conditions are satisfied. Option I assumes a school district employs at least 50 full-time employees (including an equivalent for part-time employees) and is subject to the ACAs Employer Mandate. Boards can edit Option I to reflect their district's actual coverage (e.g., additional group insurance plans offered by the districts, which may include: life and long-term disability group insurance plans).

NOTE: For a more detailed discussion of this issue, see [IASB's Special Report](), A School District's Responsibilities under the Federal Patient Protection and Affordable Care Act (ACA), December 2014.

NOTE: Boards should adapt IASB sample policies to meet the needs of the local district. Please ensure that the language contained in local policy is consistent with language contained in other district documents (e.g., handbooks, master contracts, etc.).

Legal Reference: Iowa Code §§ 20.9; 85; 85B; 279.12, .27; 509; 509A; 509B.
       Internal Revenue Code § 4980H(c)(4); Treas. Reg. § 54.4980H-1(a)(21)(ii).
       Shared Responsibility for Employers Regarding Health Coverage, 26 CFR Parts 1, 54 and 301, 78 Fed. Reg. 217, (Jan 2, 2013).
       Shared Responsibility for Employers Regarding Health Coverage, 26 CFR Parts 1, 54 and 301, 79 Fed. Reg. 8543 (Feb. 12, 2014).

Cross Reference: 405.1 Licensed Employee Defined
       706.2 Payroll Deductions

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