



**SECTION: EMPLOYEES**

**POLICY: 357**

**TITLE: LOOK-BACK  
MEASUREMENT METHOD FOR  
HEALTH PLAN ELIGIBILITY**

**ORIGINAL: December 14, 2015**

**CURRENT REVISION:**

**LAST REVIEWED BY THE  
COMMITTEE: June 6, 2022**

**I. PURPOSE**

The Wissahickon School District adopts this policy in acknowledgment of the District's obligations to provide certain health care coverage to certain employees deemed to be "full-time" employees as defined in the Affordable Care Act (ACA). This policy is intended to reflect the method by which the Wissahickon School District shall determine whether an employee qualifies and shall be considered to have "full-time status" for health care coverage to the extent required under the ACA. Additionally, the purpose of adopting this policy is to provide greater predictability for health plan coverage determinations. This policy is not intended to supersede any contractual obligations to provide health care coverage to certain District employees as may be set forth from time to time through collective bargaining agreements or other contracts approved by the Wissahickon School Board.

**II. DEFINITIONS**

- A. **Ongoing Employee** shall mean one who has been employed by the District for at least one complete Standard Measurement Period (SMP) as that period is discussed and defined in the Ongoing Employee look-back measurement method set forth below, in accordance with the definitions by the Internal Revenue Service (IRS).
- B. **Variable Hour Employee** shall mean an employee who, at the employee's start date, the District cannot determine whether the employee is reasonably expected to be employed, on average, at least 30 hours per week because the employee's hours are variable or otherwise uncertain, in accordance with the definitions by the Internal Revenue Service (IRS).
- C. **Seasonal Employee** shall mean an employee who is hired into a position for which the customary annual employment is six months or less; and for purposes of applying the look-back measurement method the period of employment for a Seasonal Employee shall begin each calendar year in approximately the same part of the year, such as summer or winter, in accordance with the definitions by the Internal Revenue Service (IRS).
- D. **Part-time Employee** shall mean an employee who the District reasonably expects to be employed, on average, less than 30 hours per week during the IMP, in accordance with the definitions by the Internal Revenue Service (IRS).

**III. POLICY**

- A. The Wissahickon School District as the employer is permitted to choose which method to use to determine "full-time" employee status for purposes of the ACA health care coverage

requirements. The method adopted in this policy is intended to serve as the minimum standards for determining “full-time” status. The Wissahickon School District is permitted to treat additional employees as full-time employees for health care coverage purposes, and may do so from time to time through collective bargaining agreements, individual contracts or other appropriate means as approved by the Wissahickon School Board.

B. Measurement Method

- a. The District offers coverage under its health plan (Plan) to “full-time” employees. A “full-time” employee is an employee who is employed, on average, for at least 30 hours of service per week. “Full-time” employees may also elect coverage for their spouses and dependent children in accordance with any applicable Collective Bargaining Agreement and/or health benefit plan.
- b. The District will use a look-back measurement method to determine whether an employee is a “full-time” employee for purposes of Plan coverage and for purposes of the Affordable Care Act. The look-back measurement method adopted in this policy is based on Internal Revenue Service (IRS) final regulations under the Affordable Care Act (ACA).
- c. This look-back measurement method shall apply to all District employees.
- d. This look-back measurement method shall involve three different periods:
  - i. A measurement period for counting an employee’s hours of service, which is also called a Standard Measurement Period (SMP) or an Initial Measurement Period (IMP) as applicable;
  - ii. A stability period when the employee is either treated as full-time or non-full-time for Plan eligibility purposes; and
  - iii. An administrative period that allows time for Plan enrollment.
- e. The District establishes how long these periods will last, subject to specified IRS parameters. The District intends to follow the IRS final regulations (including any subsequent guidance issued by the IRS on the look-back measurement method) when administering the look-back measurement method to the extent required by law or reasonably feasible.
- f. District employees shall fall within one of three categories for purposes of applying the look-back measurement method: (1) Ongoing Employees; (2) New Variable hour, Seasonal or Part-time Employees; or (3) Rehired Employees and Employees Returning from Unpaid Leave. The look-back measurement method for each of these three categories shall be as follows:
  - i. The District establishes how long these periods will last, subject to specified IRS parameters. The District intends to follow the IRS final regulations (including any subsequent guidance issued by the IRS on the look-back measurement method) when administering the look-back measurement method to the extent required by law or reasonably feasible.
  - ii. District employees shall fall within one of three categories for purposes of applying the look-back measurement method: (1) Ongoing Employees; (2) New Variable hour, Seasonal or Part-time Employees; or (3) Rehired Employees and Employees Returning from Unpaid Leave. The look-back measurement method for each of these three categories shall be as follows: coverage for Ongoing Employees enrolled in coverage because of their full-time status during a prior measurement period.
- g. New Variable Hour, Seasonal or Part-time Employees

- i. For new Variable Hour Employees, New Seasonal Employees and New Part-time Employees the District shall determine full-time status by measuring their hours of service during an initial measurement period (or IMP).
  - ii. Similar to the look-back measurement method for Ongoing Employees, the look-back measurement method for new Variable Hour Employees, Seasonal Employees and Part-time Employees shall utilize the same stability period as set forth for Ongoing Employees in order to determine when coverage may need to be provided, depending on the Variable Hour Employee's, Seasonal Employee's or Part-time Employee's hours of service during the IMP. The same administrative period as set for Ongoing Employees shall also be used to make eligibility determinations, notify, and enroll Variable Hour Employees, Seasonal Employees and Part-time Employees.
- h. Rehired Employees and Employees Returning from Unpaid Leave
- i. For Rehired Employees and Employees Returning from Unpaid Leave, the following rules shall apply:
    - 1. If a Rehired Employee or Employee Returning from Unpaid Leave goes at least 13 consecutive weeks without an hour of service and then earns an hour of service, he or she is treated as a new employee for purposes of determining the employee's full-time status under the look-back measurement method. The District shall apply a rule of parity for periods of less than 13 weeks. Under this rule of parity, an employee is treated as a new employee if the period with no credited hours of service is at least four weeks long and is longer than the employee's period of employment immediately before the period with no credited hours of service.
    - 2. For an employee who is treated as a continuing employee, the measurement and stability periods that would have applied to the employee had he or she not experienced the break in service will continue to apply upon the employee's resumption of service.
    - 3. In addition, a special averaging method applies when measurement periods include special unpaid leave (that is, leave under the Family and Medical Leave Act (FMLA) or the Uniformed Services Employment and Reemployment.

**IV. DELEGATION OF AUTHORITY**

The District will notify its school personnel, administrators, and other employees of this policy by publishing the same in the employee handbook or other appropriate means determined by the Superintendent or the Superintendent's designee.

**V. REFERENCES**

26 C.F.R.  
 §54.498H-3  
 24 P.S. 2-211  
 24 P.S. 5-515  
 24 P.S. 5-513