

If you've been following the news on health care reform you are aware that it will have a major impact on employers across the country. A component of the reform will require employers to offer health benefits to anyone who works an average of 30 hours per week for a period of time no less than 6 months and no more than 12 months. If someone works an average of 30 hours a week, regardless of how the employer classifies them, the government will consider them full-time employees.

The University is in the process of evaluating the Act and outlining the steps we'll need to take to be in compliance. One thing is certain, we can no longer allow non-active employees to remain in the system because they could be seen as being employed and therefore eligible for University health benefits even though they are not receiving a paycheck. Starting immediately, when someone leaves, even if you expect them back at a later date, you will need to terminate them and rehire when they return. I understand this is inconvenient but if we don't terminate them we must cover them under University benefits or Penn will be subject to a significant penalty by the government. This does not apply to faculty type positions. Directions on how to handle lecturers, visiting faculty, etc. will come at a later date. For now this applies to temporary staff and student workers (although student workers shouldn't be working more than 20 hours a week).

The law does not distinguish between regular and temporary employees. In order to lessen the University's liability, temporary positions that require 30 or more hours per week for a month or longer must be hired through Apple One. Support that requires less than 30 hours a week or will last less than 30 days does not need to go through Apple One. In other words, you can continue to hire that position as a temp extra. Reminder, all temp extra salaries have to be approved by my office.

When we receive further clarification and direction from the University we'll be sure to pass it along to you. Until then we should begin cleaning up our records and terminating those staff who are not actively working.

Thank you for your assistance and help in keeping Penn in compliance.