

Amendment of the 25-Hour Rule – Local Education Only

Most employees must work 30 or more hours per week to qualify for insurance coverage. Prior to 2015, the Local Education Plan Document provided that non-certified employees were eligible if they had completed 24 months of employment with a local education agency participating in the plan and they worked a minimum of 25 hours per week. Eligibility required that the school system's governing body pass a resolution authorizing the expanded 25-hour rule for the local education agency and that the resolution be submitted to Benefits Administration prior to enrollment. In the case of a county school system, the county's chief legislative body (county commission) was also required to approve the resolution.

On January 30, 2015 Benefits Administration recommended that the Local Education Insurance Committee approve changing the employment requirement for the 25-hr rule from 24 months to 12 months to avoid possible penalties related to waiting period limitations. Under Public Health Services Act § 2708, a period of time is not considered to be designed to avoid compliance with the PPACA waiting period limitation for variable hour employees if coverage is effective no later than 13 months from the employee's start date, plus the time remaining until the first day of the next calendar month.

The Local Education Insurance Committee approved the change from 24 months to 12 months. The change became effective for medical coverage as well as voluntary dental and vision (if applicable) on July 1, 2015.

The Local Education Plan Document was amended, and the current Local Education Plan Document reflects the following:

1.15 "Employee"

Employee shall mean:

*(D) A non-certified employee that has completed **12** months of employment with a local education agency that participates in the plan and works a minimum of 25 hours per week. A resolution passed by the school system's governing body authorizing the expanded 25-hour rule for the local education agency must be submitted to Benefits Administration prior to enrollment. In the case of a county school system, the county's chief legislative body (county commission) must also approve the school system's change in the eligibility provisions;*