

DIRECTIONS for ADDENDUM

The Affordable Care Act has established guidelines for the amount full-time employees (defined as those regularly working 30 or more hours per week) can pay for employee insurance in order to be deemed affordable. While the law requires that family coverage also be made available, there are no affordability mandates for employee +1 or family coverage.

In order to be compliant with the law, the parish is required to calculate the appropriate employer/employee contribution levels to health insurance premiums. As you will see, it is the parish's responsibility to select one, *and only one*, of three contribution options.

The following six steps *must* be completed before the Addendum for Health Insurance Benefits is provided to employees.

- Step 1:** Fill in the monthly total cost information for the Parish's PPO1 plan for Employee, Employee +1, and Family coverage.
- Step 2:** Choose one of the three options for determining full-time employee contribution toward *PPO2 employee coverage* and delete the other two options. These options are:
1. Full-time employees make no contribution because the Parish pays 100% of the employee coverage premium.
 2. Full-time employees pay 9.5% of the lowest full-time hourly wage that would possibly be paid by the Parish (not the lowest full-time wage actually paid by the Parish).
 3. Full-time employees pay 9.5% of their hourly wage.
- Step 3:** For the Option selected, determine the percentage the Parish will contribute toward PPO2 employee +1 and family coverage and fill in the blank provided in the option selected by the Parish. *There is no obligation for a Parish to make any expenditure toward employee +1 or family coverage, thus, the percentage can range from 0% to 100%, depending on the Parish's preference.*
- Step 4:** For the Option selected, complete the two examples using the percentages selected by the Parish in Steps 2 and 3.
- Step 5:** Determine whether the Parish will make any contribution toward healthcare premiums for part-time employees. Be sure to select/delete the inapplicable sentence.
- Step 6:** Delete ALL material shown in bolded brackets, including the brackets themselves.