



McGohan Brabender

Enrollment Upon Completion of Measurement Period for 51-99 Size Groups

October 20, 2015 --As you are aware, the Employer Mandate requires that applicable employers offer their full-time employees and their full-time employees' dependents affordable coverage that is of minimum value, or else the employer may be subject to a penalty in the event a full-time employee goes to the Exchange and obtains a subsidy. In order to determine whether an employee is full-time for purposes of the Employer Mandate, employers can use the Look Back Measurement Method to assess whether and when benefits should be offered. The Look Back Method consists of implementing a Measurement Period during which employee hours are tracked, and a Stability Period during which the results of the Measurement Period are implemented (i.e. offering benefits to those who qualify and not offering benefits to those who were determined ineligible).

Many employers have recently changed their Policy Year in the interest of strategic benefits planning. Changing the Policy Year has brought forth questions for some employers regarding how this change will impact their current Measurement Periods. Specifically, because the end of a Measurement Period may now no longer coincide with their Open Enrollment, clients are wondering how they will enroll an employee onto their plan outside of Open Enrollment without the application getting rejected by the carrier.

Most carriers have not laid out a formal process yet for how they will be handling the midyear enrollment of full-time employees upon the completion of a Measurement Period. At this point in time, **our best recommendation is that you submit completed paper applications to the carriers when you are enrolling a full-time employee upon the conclusion of their Measurement Period, and include within this paper application a written statement saying "THIS APPLICATION IS FOR ENROLLMENT OF AN INDIVIDUAL UPON COMPLETION OF A MEASUREMENT PERIOD."** We do not recommend that you submit electronic enrollment applications at this time, as many carriers have not made it possible to designate through their online applications that the enrollment is related to the completion of a Measurement Period. **If/when the carriers implement a formal process for submission of these applications, we will let you know.**

Should you need additional assistance or have any other questions, please reach out to your account manager.

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