

Vermont Department of Labor
Health Care Contribution Reporting
www.labor.vermont.gov
802-828-4344

Please read ALL information carefully to insure proper reporting.

Date

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Please excuse the timing of this notice. It results from changes made late in the 2007 Legislative session, along with a few interpretational updates. **Please read all information carefully**, as it impacts the mandated Health Care reporting required with the filing of the second quarter 2007 report that must be filed by July 31, 2007.

The **only employees** considered for inclusion in the FTE calculation are those who have performed “services” as defined under the UC laws. These are the same employees currently being reported on the upper portion of the Quarterly Wage and Contribution C-101 report. As such, **hours worked** by Vermont employees, whose wages are reportable to another state, would be excluded from the FTE calculation.

Contained in this mailing is the Department’s **NEW Declaration of Coverage** form. In the future, **this form** must be completed annually by employees who are not enrolled in a Health Care plan offered by their employer, which would provide both hospital and physician services. If you have already had your employees complete the previously developed “sample” form, it will not be necessary for them to complete this new form until the next annual recertification. However, all **“seasonal”** or **“part-time”** employees (defined within) **MUST** complete the NEW Declaration of Coverage form.

A **“seasonal” employee** is: An employee who: 1) works for an employer who offers to pay a portion of a health care plan to ALL of its full-time employees; and, 2) works an average of 30 or more hours per week; and, 3) works 20 or fewer weeks, in a job scheduled to last 20 weeks or less in a calendar year; and, 4) has health care coverage from another source other than VHAP or Medicaid.

A **“part-time” employee** is: An employee who: 1) works for an employer who offers to pay a portion of a health care plan to ALL of its full-time employees; and, 2) works less than an average of 30 hours per week, or fewer than a total of 390 hours in a calendar quarter; and, 3) has health care coverage from another source other than VHAP or Medicaid.

With the passage of H.229 introduced during the 2007 Legislative session, all hours worked by “seasonal” or “part-time” employees (who meet the definitions set forth above) shall be EXCLUDED from the FTE calculation. However, please keep in mind the reporting exclusion changes if: 1) a “seasonal” employee works 21 or more weeks; or, a “part-time” employee works more than 389 hours during the reporting quarter. Further information about this reporting is provided on the enclosed HC-3 form.

Please retain the HC-3 form, which provides detailed instructions for completing Health Care Contribution Worksheet, (Form HC-1). This will be the **ONLY** copy mailed to you until future updates are needed.

The **Health Care Contribution Worksheet** has also been modified slightly. The updated form will be mailed to you in a couple of weeks with the 2/07 report; an advance copy can be downloaded off our website. Each quarter the worksheet will be mailed with the C-101. It will be your responsibility to retain it (or the information it contains) for **three** (not four) years. Modifications on HC-1 form are as follows:

- ✓ Reporting lines under Sections I and II have been numbered;
- ✓ “Seasonal” or “part-time” employees who have worked 21 weeks or more (in the case of a seasonal employee) or 390 hours or more (in the case of a part-time employee) will be reported on line 2 of Section II;
- ✓ Form now contains chart of exemptions through June 30, 2010; and
- ✓ In Calculations portion of the form, calculated amount reported on Line B has been renamed to the “**unadjusted**” FTE count and calculated amount on Line C has been renamed to be “**adjusted and reportable**” FTE count.

An **on-line health care calculator** is available on our website. Health care reporting has also been integrated into our Internet C-101 reporting system. If you want to use the Internet system for future C-101 reporting, you must first register on-line. Registration and further information about this application is provided at: <http://labor.vermont.gov/Default.aspx?tabid=430>. After you register, a password will be mailed to you under separate cover or provided on the C-101 report.

All health care **documents, forms, electronic spec, and FAQ** have been updated and posted on our website. Many have found the **Covered/Uncovered tree** helpful in determining FTE reporting.

We have scheduled the **last round of training seminars**. If you wish to attend one of the following seminars, you **MUST** register on-line at <http://labor.vermont.gov/tabid/1164/Default.aspx>. Further details about each seminar is provided through the registration process.

- June 6, 2007 - 2:00 to 4:00 p.m. in Lyndon at the Lyndon State College
- June 15, 2007 - 2:00 to 4:00 p.m. in Burlington at the Sheraton Inn
- June 19, 2007 – 9:00 to 11:00 a.m. in Bennington at the VT Veterans Home
- June 20, 2007 – 9:00 to 11:00 a.m. in Rutland at the Holiday Inn
- June 20, 2007 – 3:00 to 5:00 p.m. Vermont Interactive Television (VIT) sites: Montpelier, Middlebury, Newport, St. Albans, and Springfield
- June 22, 2007 - 9:00 to 1:00 a.m. in Brattleboro at the Eagles Club
- June 22, 2007 – 3:00 to 5:00 p.m. in Bennington at the VT Veterans Home

H.229 also prohibits **discrimination** related to health coverage status. In short, Section 28 of the bill prohibits inquiry into the health coverage status of a job applicant or discriminating in any way among applicants or employees on the basis of health care coverage.

If your “adjusted and reportable” FTE or employee count is **equal to or less than the exemption**, you must report “zero” on C-101 lines 16 and 17; failure to do so will invoke additional processes and potential assessment of penalty.

Thank you for your diligence in reading this lengthy notice. If you have further questions, we encourage you to review the information available on the web (<http://labor.vermont.gov/tabid/1164/Default.aspx>) or call 802-828-4344. We appreciate your patience and collaboration during this transition period.