

# How to determine if an employee should be included in the calculation for “Full Time Equivalent” (FTE)

Basic Definitions (see detailed definitions in the Rules and FAQ’s):

**Employee:** An individual providing services to your business; this will be the same individuals currently being reported on your unemployment contributions report, provided they were 18 for the entire quarter.

**“Covered” Employee:** An employee whose hours do NOT need to be included in the FTE health care calculation.

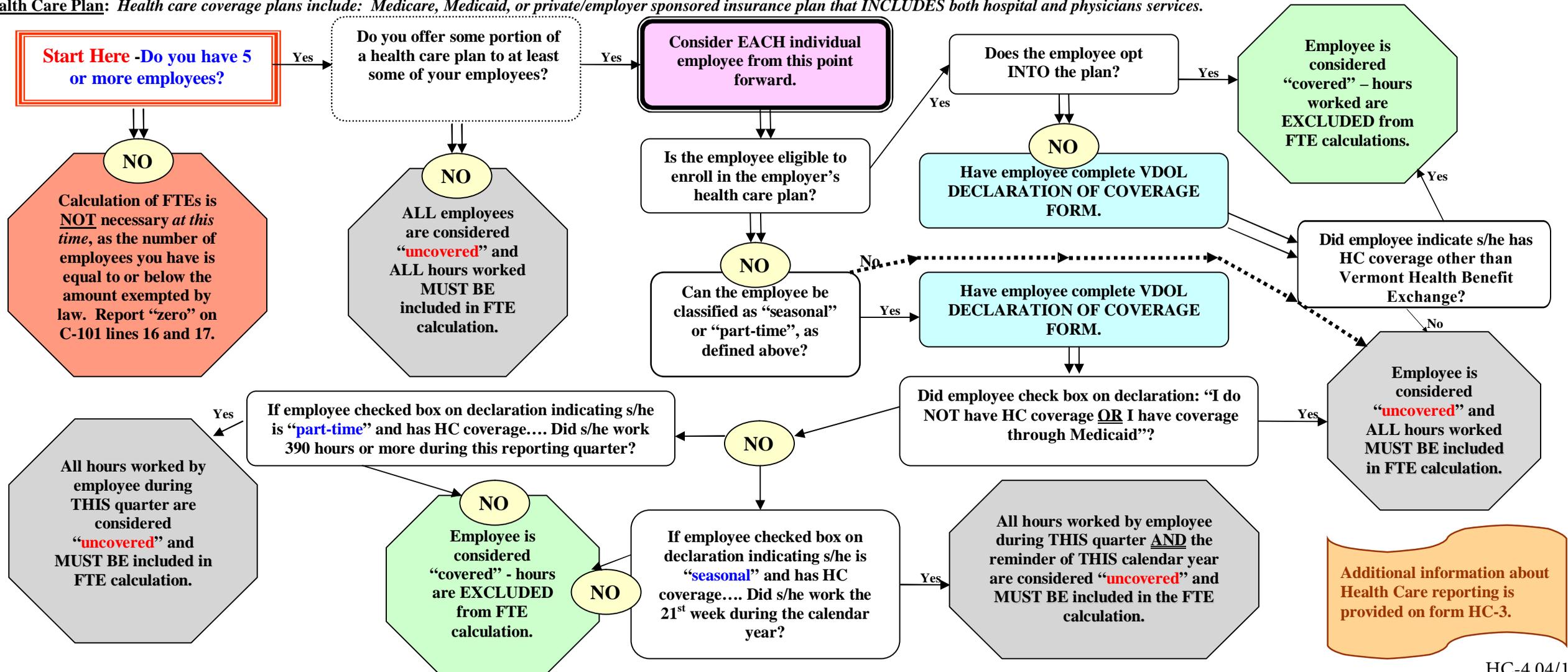
**“Uncovered” Employee:** An employee who is not covered by any plan OR an employee who works for an employer who does not offer to pay a portion of a health plan, OR an employee is offered and eligible but purchased individually on Vermont Health Benefit Exchange OR a “seasonal” or “part-time” employee who has worked weeks (in the case of a seasonal) or hours (in the case of a part-time) in excess of what is allowable to be considered “covered”.

**“Seasonal” or “part-time” employee:** A “seasonal” employee and “part-time” employee **MUST:** 1) work for an employer who offers a health care plan to ALL of its full-time employees, and 2) HAVE health care coverage other than Medicaid. Additionally, a “seasonal” employee works 30 or more hours a week, for 20 or fewer weeks, in a job scheduled to last 20 or less weeks during a calendar YEAR; a “part-time” employee works less than an average of 30 hours per week with total hours fewer than 390 during the reporting QUARTER.

**Full Time Equivalent:** The total hours worked by all UNCOVERED employees in the reporting quarter, divided by 520.

**Declaration of Coverage:** An employee signed statement regarding health care coverage status; needed only from employees who are not enrolled in the plan the employer offers to pay some portion of. If no plan is offered by the employer, declarations are moot, as ALL employees would be “uncovered”, regardless of health care coverage from another source.

**Health Care Plan:** Health care coverage plans include: Medicare, Medicaid, or private/employer sponsored insurance plan that **INCLUDES** both hospital and physicians services.



Additional information about Health Care reporting is provided on form HC-3.