

# 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.

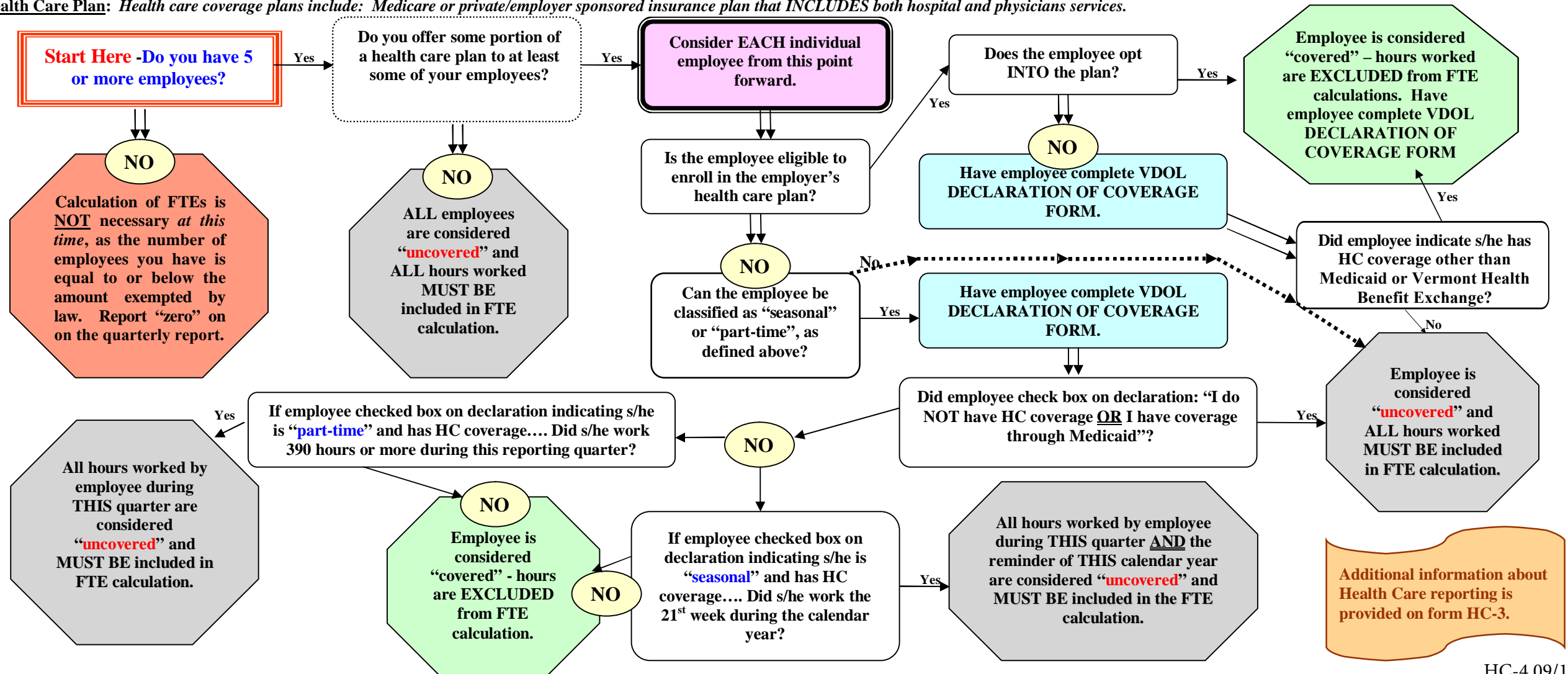
**“Uncovered” Employee:** An employee who is offered and is eligible for coverage by the employer, but elects not to accept the coverage and; is enrolled in Medicaid; has no other health care coverage under either a private or public plan except Medicaid, or has purchased health insurance coverage as an individual through the Vermont Health Benefit Exchange OR “seasonal” or “part-time” employee who has worked weeks (in the case of seasonal) or hours (in the case of 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 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.