

RESOLUTION NO. 2013-221

A RESOLUTION OF THE LODI CITY COUNCIL
APPROVING AFFORDABLE CARE ACT'S LOOK-
BACK MEASUREMENT METHOD SAFE HARBOR

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WHEREAS, on March 23, 2010, the Patient Protection and Affordable Care Act (ACA) was enacted; and

WHEREAS, incorporated within these changes were mandates for employers establishing new regulations for employer-sponsored insurance health care; and

WHEREAS, Regulation § 4980 of the Internal Revenue Code establishes that effective January 1, 2015, eligible employers must provide employer-sponsored health insurance for all full-time employees, which is generally defined as employees that work 30 hours or more per week; and

WHEREAS, Notice 2012-58 of the Internal Revenue Service establishes criteria for a "Safe Harbor" that allow employers to adopt consistent and appropriate measurement standards that must be adopted prior to December 31, 2013; and

WHEREAS, this Safe Harbor allows for averaging hours worked over the span of a measurement period when determining an employee's eligibility and not simply considering hours on a month-by-month basis; and

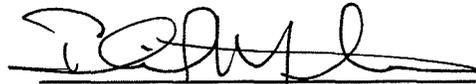
WHEREAS, it has been determined that in order to provide the City the greatest flexibility and remain compliant with the new regulations the City should adopt the Look-Back Measurement Method Safe Harbor as outlined below.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lodi that the following measurement standards are established to calculate hours worked as it relates to determining employee eligibility under the Patient Protections and Affordable Care Act (ACA):

Standard Measurement Period – Time frame which the City will look back at employee's previous hours worked to determine whether their employment status is considered full time under the ACA. The City will divide total hours worked in that period by 52 to determine an employee's weekly average. City of Lodi has elected to use December 1 to November 30 of each year.

Administrative Period – Time period needed to allow employees that meet the 30-hour requirement as calculated under the Standard Measurement Period to complete the enrollment process. The City of Lodi has elected to use December 1 – December 31 of each year.

Stability Period – Time period in which employees will be provided with employer sponsored health care insurance. The City of Lodi has elected to use January 1 – December 31 of each year.



PHIL KATZAKIAN
Mayor

Dated: December 18, 2013

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I hereby certify that Resolution No. 2013-221 was passed and adopted by the City Council of the City of Lodi in a regular meeting held December 18, 2013, by the following vote:

AYES: COUNCIL MEMBERS – Hansen, Johnson, Mounce, and
Mayor Katzakian

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – Nakanishi

ABSTAIN: COUNCIL MEMBERS – None



RANDI JOHL-OLSON
City Clerk