

# media services

payroll   accounting   residuals   software   healthcare   incentives

## **REVISED PAYROLL DOCUMENTS FOR ACA COMPLIANCE**

Media Services' payroll documents have been updated to include fields that are necessary for capturing information pertinent to the administration and data tracking of the Affordable Care Act ("ACA"). Specifically, the new fields will require you to mark the newly hired individuals' employment status as **Full-Time, Part-Time, Variable Hour** or **Seasonal**, an employment end date and an email address for each individual. Marking these fields accurately is mandatory for correct data tracking and health care eligibility determinations made by Media Services, regardless of whether your company is subject to the ACA's employer mandate or is not offering benefits. Any unmarked fields will default to Full-Time status for data tracking purposes. If you have old supply of payroll documents and time cards, please cease using once you have received the new supplies.

Below are definitions to better help you complete the revised payroll documents. Please review the chart on page 3 for certain examples and scenarios.

**FULL-TIME:** The term *full-time employee* means an employee who is currently employed an average of at least 30 hours of service per week or who is reasonably expected to be employed an average of at least 30 hours of service per week at the start of employment.

**PART-TIME:** The term *part-time employee* means a new employee who is currently employed an average of fewer than 30 hours of service per week or who is reasonably expected to be employed, on average, fewer than 30 hours of service per week at the start of employment.

**VARIABLE HOUR:** The term *variable hour employee* means an employee if, based on the facts and circumstances at the employee's start date, the employer cannot determine whether the employee is reasonably expected to be employed on average of at least 30 hours of service per week because the employee's hours are variable or otherwise uncertain.

**SEASONAL:** The term *seasonal worker* means a worker who performs labor or services on a seasonal basis as defined by the Secretary of Labor, including (but not limited to) workers covered by 29 CFR 500.20(s)(1), and retail workers employed exclusively during holiday seasons. Media Services does not recommend this category for production crew classification; however, there may be exceptions.

**EMPLOYMENT ENDED N/Y & DATE:** Employers may treat a **re-hired or recalled** employee as a new employee for ACA purposes if the employee failed to have a paid hour of service for **13 consecutive weeks** (or, if shorter, a period of **at least 4 weeks** and longer than the preceding period of employment).

It is important for Media Services to be notified when an employee's employment has ended, whether on a small commercial job or a feature length project, so that 1) if an employee is being offered health insurance benefits, the benefits can be terminated and he/she can receive a COBRA offer and 2) the tracking of the employee's hours can be reset regardless if the employee is receiving any health insurance benefits from the employer.

**SPECIAL UNPAID LEAVE:** The term *special unpaid leave* means— (i) Unpaid leave that is subject to the Family and Medical Leave Act of 1993 (FMLA); (ii) Unpaid leave that is subject to the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA); or (iii) Unpaid leave on account of jury duty. If an employee is on a special unpaid leave, this length of time cannot be counted towards any break in service for the purposes of calculating average hours worked or re-hire status. The employee would be considered an on-going employee while on a special unpaid leave.

**EMAIL ADDRESS:** Indicating an employee's email address has been an optional field as part of the I-9 since its last revision, and it is now also an option on the Media Services payroll documentation and time cards. If you are offering health insurance to employees through Media Services, this information is important as we use email to extend offers of health insurance coverage or COBRA notices to the employees.

IF THE REVISED SUPPLY CONTAINS A FIELD FOR "EMPLOYEE HEALTH INSURANCE DEDUCTIONS", PLEASE IGNORE. THIS FIELD IS NOT REQUIRED.

The next few pages offer examples and related information on how to complete the payroll documentation and time cards.

The below chart displays random scenarios that occur within the entertainment industry. It indicates Media Services' recommendations for each scenario; however, it should be noted that each and every employment scenario is unique and exceptions may apply. Please consult your Human Resources and/or legal advisors to make certain the proper employment basis is applied.

### EMPLOYMENT BASIS MATRIX

	SCENARIO AT START OF EMPLOYMENT	FULL-TIME	PART-TIME	VARIABLE HOUR	SEASONAL
EMPLOYEE BASIS	Employee expected to average 30 or more hours per week no matter the length of the project	●			
	Employee expected to average less than 30 hours per week no matter the length of the project		●		
	Employer cannot determine how many hours the employee will average per week at time of hire, no matter length of the project			●	
	Employee is hired into a position for which the customary annual employment is 6 months or less (i.e. The Academy Awards)				●
	Employee hired to work every other week, 30 or more hours per week on average	●			
	Employee expected work on multiple projects simultaneously or one after another, 30 or more hours per week on average	●			
	Employee hired for less than a week and employer can't determine how many hours he/she will work that week			●	
	Employee hired for a project that will last 6 months, expected to average 30 or more hours per week	●			

