

Regulation on Calculating Work Hours for Adjunct Faculty Health Insurance Eligibility¹

I. The Patient Protection and Affordable Care Act (ACA) imposes a penalty per full-time employee per year on covered employers who fail to offer statutorily defined affordable health coverage to full time employees. Any employee who works on average at least thirty (30) hours per week is considered “full time” for purposes of the ACA. IRS regulations provide guidance for determining full-time status for most hourly, salaried, temporary, and seasonal workers. Those regulations do not address adjunct faculty or provide a safe harbor provision to help determine the hours worked by adjunct faculty.² Instead, the IRS has encouraged employers to devise reasonable methods for determining hours of work that are in keeping with the purposes of the ACA. This regulation sets forth the reasonable standard that will be applied by the University of North Carolina in determining hours of work for adjunct faculty.

II. Institutions can generally determine adjunct work hours by crediting three (3) hours of work per week during the semester for each credit hour assigned to a semester-long course by the institution. For example, an adjunct faculty member teaching nine (9) credit hours would be calculated as working twenty-seven (27) hours in a given week. A faculty member teaching ten (10) credit hours would be deemed as working thirty (30) hours a week, that is, 0.75 full-time equivalency (FTE), and be eligible for health insurance under ACA rules. The following table translates the teaching assignment to FTE to ensure that adjuncts are coded correctly in institutional HR/Payroll systems for tracking eligibility for health insurance.

| Credit Hours Taught | Hours/Week Effort Equivalency | Corresponding FTE | Percent FTE | ACA Health Care Eligibility |
|---------------------|-------------------------------|-------------------|-------------|-----------------------------|
| 1 | 3 | 0.075 | 7.5% | Not Eligible |
| 2 | 6 | 0.150 | 15% | Not Eligible |
| 3 | 9 | 0.225 | 22.5% | Not Eligible |
| 4 | 12 | 0.300 | 30.0% | Not Eligible |
| 5 | 15 | 0.375 | 37.5% | Not Eligible |
| 6 | 18 | 0.450 | 45% | Not Eligible |
| 7 | 21 | 0.525 | 52.5% | Not Eligible |
| 8 | 24 | 0.600 | 60.0% | Not Eligible |
| 9 | 27 | 0.675 | 67.5% | Not Eligible |
| 10 | 30 | 0.750 | 75.0% | Eligible |
| 11 | 33 | 0.825 | 82.5% | Eligible |
| 12 | 36 | 0.900 | 90.0% | Eligible |
| 13 | 39 | 0.975 | 97.5% | Eligible |
| >13 | 40 | 1.000 | 100% | Eligible |

A direct comparison between an adjunct and a permanent employee (lecturer, assistant professor, etc.) is not valid within this context. Typically, permanent employees are given a broader set of duties (committees, research, task forces, advising, etc.) in the department.

III. Special Circumstances. The general rule for academic courses may not apply to every type of course offered. Accordingly, Chief Academic Officers may make limited exceptions to the general rule, where the exception results in the adjunct being considered a full-time employee and thus eligible for health insurance coverage. Such exceptions should be based on a written evaluation of the relevant facts. In some cases, an evaluation of the relevant facts may support the conclusion that the adjunct should be credited with fewer than three (3) hours of work for each credit hour assigned to the course. Those determinations may be made with the concurrence of the UNC System Office, after full consultation and review of the documented facts. This method for determining hours worked for adjunct faculty does not limit the ability to hire adjuncts and determine how many classes they are needed to teach.

IV. Other Matters

A. Effective Date. The requirements of this regulation shall be effective on the date of adoption of this regulation by the president.

B. Relation to State Laws. The foregoing regulation as adopted by the president is meant to supplement, and does not purport to supplant or modify, those statutory enactments which may govern or relate to the subject matter of this regulation.

¹ Codifies administrative memo "Calculating Adjunct Work-Hours – UNC System Decision," June 24, 2013.

² For information on Full-time Equivalency workloads for permanent full-time faculty, please see the Regulation on Faculty Workload 400.3.4[R].