

SONOMA

COUNTY

**SPECIAL
EDUCATION**

S · E · L · P · A

**LOCAL
PLAN AREA**

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**SPECIAL EDUCATION FISCAL & PROGRAM UPDATES
DBUG MEETING
February 26, 2015**

Medical Administrative Activities (MAA) and LEA Billing Program:

➤ None

Educationally Related Mental Health Services (ERMHS):

➤ 2014-15 Board & Care Cost for Residential Placement Data Collection & Payment Form – 1st Reporting Period was due on Friday, January 23, 2015

Nonpublic School/Agencies:

➤ None

Special Education Revenue:

➤ **2014-15 First Principal (P1) Apportionment:**

- ◆ Includes a COLA of .85 percent, increasing the statewide target rate to \$527.30
- ◆ The current year appropriation was not sufficient to fully fund AB 602 Special Education Revenue, therefore a proration factor of .9707032164 was applied to the base entitlement
- ◆ The approved Funding Allocation was used to distribute the Special Education Revenue to LEAs as follows:
 - All students, Grades K-13 with a severe disability receive the SH Funding Rate, regardless of their placement
 - All Preschoolers in a SH/SDC receive the SH Funding Rate
 - All students, Grades K-13 without a severe disability receive the Non-SH Funding Rate, based on a three year phase-in. For the 2014-15 Fiscal Year the Non-SH revenue is distributed by 65% ADA and 35% Pupil Count
- ◆ 2013-14 P2 ADA
- ◆ December 1, 2014, Unduplicated Pupil Count (UDC)
- ◆ With this being the first year of the Approved Funding Allocation, please take a few extra minutes to review the pupil counts being used to distribute the Special Education Revenue with your Special Education Director/Coordinator and/or your CASEMIS for accuracy.

"Save the Date" April 24th – Special Education Revenue Workshop

➤ Special Education Information System (SEIS):

- ◆ LEAs that have students attending a consortium, SCOE, or another LEA's Program, can review their students in the SEIS
- ◆ Your LEA's CASEMIS Manager can search for these students by adding the optional filter "Include students who are not served in this district but are residents"
- ◆ For access to the SEIS, your LEA's CASEMIS Managers can create a "read only" password

➤ SCOE 6-22 & Preschool SH Program Monthly Pupil Count:

- ◆ February 1, 2015

DOR	6-22 PUPIL COUNT	6-22 STUDENTS WITH SHARED DOR	PRESCHOOL PUPIL COUNT	PRESCHOOL STUDENTS WITH SHARED DOR
4970599 Alexander Vly				
4970607 West Co.	15			
4970615 Bellevue	15		3	
4970623 Bennett Vly	1		1	
4970649 Cinnabar			3	
4970656 Cloverdale	12			
4970672 Dunham	1			
4970680 Forestville	2			
4970698 Fort Ross	1			
4970706 Geyserville				
4970714 Gravenstein	2.5			
4970722 Guerneville			1	
4970730 Harmony				
4970763 Horicon			1	
4970888 Kashia	1			
4970789 Kenwood	1			
4970797 Liberty			1	
4970805 Mark West	7			
4970813 Monte Rio	1			
4970821 Montgomery				
4970839 Oak Grove	2			
4970847 Old Adobe	18.5		10	
4970854 Petaluma Elem	20		12.5	
4970862 Petaluma High	22			
4970870 Piner Olivet	5.5			
4970896 Rincon Vly	16.5		4	
4970904 Roseland	2		1	
4970912 SRCS Elem	53		17	
4970920 SRCS High	113.5			
4970938 Sebastopol	3.5		1	
4970953 Sonoma Valley	47.5		10	
4970961 Twin Hills			1	
4970979 Two Rock	3		2	
4970995 Waugh			6	
4971001 West Side Union				
4971036 Wright	12		3	
4973882 CRPUSD	39.5		3	
4971019 Wilmar	1		0.5	
4975358 Windsor	10			
4975390 Healdsburg	11			
El Dorado County	1			
Marin County	1			
Napa County	1			
FEBRUARY 2, 2016 COUNT	443		81	

ESCAPE Update

ACA (Affordable Care Act)

Tentative Timeline:

- ❖ **Version 15.1 – April 2015**
 - ACA Set Up Changes
 - New Section in Org Record: ACA Setup
 - ALE = Yes/No (Applicable Large Employer)
 - Dependents Tab – Add Flag for Medical Coverage
 - Bargaining Unit Setup – New ACA Tab for Cap
 - Employee Management – Employee Tab New Section Bargaining Unit for employees who do **not** have a positional assignment

- ❖ **Version 15.2 – June 2015**
 - New Activity in Tax Reporting: ACA Form (Similar to W-2 Form)
 - Data will be loaded from Employee Management and logic from Pay60

- ❖ **Version 15.3 – November 2015**
 - Printing Form 1095B/C for Employees
 - Creating the 1094B/C File Transmittal Summary for IRS

Affordable Care Act

What We Know Today

SCOE - DBUG
2/26/2015

Timeline

- ▶ 2014
 - 90 day limit on eligibility waiting periods (60 days in California) – Revoked for CA (now 90 days)
 - No pre-existing condition exclusions allowed for any individual
 - **Individual Mandates** – US Residents must purchase health insurance or pay an annual increasing schedule of tax penalties

Measurement Periods

Measurement Period (MP)

- ▶ 3 to 12 month period (employer selects), most will use 12 months
- ▶ Any employee who works an average of 30+ hours per week count, 130 hrs/month

Administrative Period

- Up to 3 months, can be split
- Time period to enroll or un-enroll employees

Stability Period (SP)

- Cannot be shorter than MP
- Employee retains eligibility for full SP if still employed (even 1 hour)

Safe Harbors (Affordability)

▶ Federal Poverty Level

- Annual single coverage cost \leq 9.5% (less than or equal to) of Federal Poverty Level for single household

▶ Rate of Pay Method

- Monthly single coverage cost \leq 9.5% of hourly wage x 130 hours

▶ W-2 Method

- Annual single coverage costs \leq 9.5% of year end W-2 (box 1)

Timeline Continued

► 2015 (TODAY)

- Pay or Play - Effective 1/1/2015, if an employer covers 50 employees, they must offer “minimum essential coverage” (MEC) to full-time employees (30 hr/wk or 130 hrs/month) and dependents
 - Penalty for not offering coverage is \$2,000
 - Penalty for not offering coverage that is good enough is \$3,000/individual
 - Penalty for an employee having to go to exchange because their portion for coverage is over 9.5%

Pay or Play Review

You do not offer MEC to substantially all of your full-time employees (70% for 2015).



You Pay \$2,000
for every FT employee
(minus the 1st 80 for
2015).

You offer MEC to substantially all FT employees but coverage may be unaffordable or does not meet minimum value



You Pay \$3,000
FT employee that
declines coverage and
purchases subsidized
Exchange coverage

Notes & Definitions

Unaffordable:
employee is asked to pay > (greater) 9.5% for EE only coverage

Minimum Value (MV):
actuarial value of plan is at least 60%

Margin of Error:
substantially all FT employees is defined as 70% of FT employees for 2015 and 95% of employees thereafter

Not Offering Discount: 80 FT employees discount decreases to 30 in 2016

ALE: Applicable large employer

2016 (9 months)

- ▶ **New IRS Reporting Requirements – 6055/6056**
 - Includes plan coverage details and information on individuals coverage
 - Information must be reported to both the IRS, as well as employees
- ▶ **Forms 1094/1095 B & C series**
 - <http://www.irs.gov/pub/irs-pdf/f1094c.pdf>
 - <http://www.irs.gov/pub/irs-pdf/f1095c.pdf>

2018 (and beyond)

- ▶ **Cadillac Tax** – 40% excise tax on the amount of total premium over the government determined threshold in 2018 (\$10,200 Single/\$27,500 Family)
- ▶ **Medicare Part D**
 - 2015 Coverage Gap (donut hole) is \$2,960 spent between you and your plan
 - You pay 45% of the plan's cost for covered **brand-name Rx drugs**
 - You pay 65% of the price for **generic drugs**
 - Other side of donut hole is \$4,700
 - 2020 – you pay 25% of drug cost

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 Office of The Assistant Secretary for Planning and Evaluation

 Email Updates

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2014 Poverty Guidelines

One Version of the [U.S.] Federal Poverty Measure

[[Federal Register Notice, January 24, 2014](#) — Full text]

[[Prior Poverty Guidelines and Federal Register References Since 1982](#)]

[[Frequently Asked Questions \(FAQs\)](#)]

[[Further Resources on Poverty Measurement, Poverty Lines, and Their History](#)]

[[Computations for the 2014 Poverty Guidelines](#)]

There are two slightly different versions of the federal poverty measure:

- The [poverty thresholds](#), and
- The [poverty guidelines](#).

The poverty thresholds are the original version of the federal poverty measure. They are updated each year by the Census Bureau. The thresholds are used mainly for statistical purposes — for instance, preparing estimates of the number of Americans in poverty each year. (In other words, all official poverty population figures are calculated using the poverty thresholds, not the guidelines.) [Poverty thresholds since 1973 \(and for selected earlier years\)](#) and [weighted average poverty thresholds since 1959](#) are available on the Census Bureau's Web site. For an example of how the Census Bureau applies the thresholds to a family's income to determine its poverty status, see "[How the Census Bureau Measures Poverty](#)" on the Census Bureau's web site.

The poverty guidelines are the other version of the federal poverty measure. They are issued each year in the *Federal Register* by the Department of Health and Human Services (HHS). The guidelines are a simplification of the poverty thresholds for use for administrative purposes — for instance, determining financial eligibility for certain federal programs. The [Federal Register notice of the 2014 poverty guidelines](#) is available.

The poverty guidelines are sometimes loosely referred to as the "federal poverty level" (FPL), but that phrase is ambiguous and should be avoided, especially in situations (e.g., legislative or administrative) where precision is important.

Key differences between poverty thresholds and poverty guidelines are outlined in a table under [Frequently Asked Questions \(FAQs\)](#). See also the [discussion of this topic](#) on the Institute for Research on Poverty's web site.

The following figures are the 2014 HHS poverty guidelines which are scheduled to be published in the Federal Register on January 22, 2014. (Additional information will be posted after the guidelines are published.)

2014 POVERTY GUIDELINES FOR THE 48 CONTIGUOUS STATES AND THE DISTRICT OF COLUMBIA

Persons in family/household	Poverty guideline
1	\$11,670
2	15,730
3	19,790
4	23,850
5	27,910
6	31,970
7	36,030
8	40,090
For families/households with more than 8 persons, add \$4,060 for each additional person.	

2014 POVERTY GUIDELINES FOR ALASKA

Persons in family/household	Poverty guideline
1	\$14,580
For families/households with more than 8 persons, add \$5,080 for each additional person.	

Persons in family/household	Poverty guideline
2	19,660
3	24,740
4	29,820
5	34,900
6	39,980
7	45,060
8	50,140
For families/households with more than 8 persons, add \$5,080 for each additional person.	

2014 POVERTY GUIDELINES FOR HAWAII

Persons in family/household	Poverty guideline
1	\$13,420
2	18,090
3	22,760
4	27,430
5	32,100
6	36,770
7	41,440
8	46,110
For families/households with more than 8 persons, add \$4,670 for each additional person.	

The separate poverty guidelines for Alaska and Hawaii reflect Office of Economic Opportunity administrative practice beginning in the 1966–1970 period. Note that the poverty thresholds — the original version of the poverty measure — have never had separate figures for Alaska and Hawaii. The poverty guidelines are not defined for Puerto Rico, the U.S. Virgin Islands, American Samoa, Guam, the Republic of the Marshall Islands, the Federated States of Micronesia, the Commonwealth of the Northern Mariana Islands, and Palau. In cases in which a Federal program using the poverty guidelines serves any of those jurisdictions, the Federal office which administers the program is responsible for deciding whether to use the contiguous-states-and-D.C. guidelines for those jurisdictions or to follow some other procedure.

The poverty guidelines apply to both aged and non-aged units. The guidelines have never had an aged/non-aged distinction; only the Census Bureau (statistical) poverty thresholds have separate figures for aged and non-aged one-person and two-person units.

Programs using the guidelines (or percentage multiples of the guidelines — for instance, 125 percent or 185 percent of the guidelines) in determining eligibility include Head Start, the Supplemental Nutrition Assistance Program (SNAP), the National School Lunch Program, the Low-Income Home Energy Assistance Program, and the Children's Health Insurance Program. Note that in general, cash public assistance programs (Temporary Assistance for Needy Families and Supplemental Security Income) do NOT use the poverty guidelines in determining eligibility. The Earned Income Tax Credit program also does NOT use the poverty guidelines to determine eligibility. For a more detailed list of programs that do and don't use the guidelines, see the [Frequently Asked Questions \(FAQs\)](#).

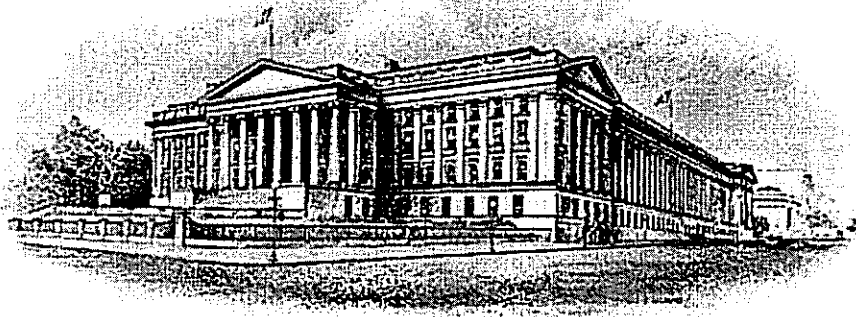
The poverty guidelines (unlike the poverty thresholds) are designated by the year in which they are issued. For instance, the guidelines issued in January 2014 are designated the 2014 poverty guidelines. However, the 2014 HHS poverty guidelines only reflect price changes through calendar year 2013; accordingly, they are approximately equal to the Census Bureau poverty thresholds for calendar year 2013. (The 2013 thresholds are expected to be issued in final form in September 2014; a preliminary version of the 2013 thresholds is now available from the Census Bureau.)

The poverty guidelines may be formally referenced as "the poverty guidelines updated periodically in the *Federal Register* by the U.S. Department of Health and Human Services under the authority of 42 U.S.C. 9902(2)."

Go to [Further Resources on Poverty Measurement, Poverty Lines, and Their History](#)

Go to [Frequently Asked Questions \(FAQs\)](#)

Return to the main [Poverty Guidelines, Research, and Measurement](#) page.



U.S. TREASURY DEPARTMENT

FACT SHEET

Final Regulations Implementing Employer Shared Responsibility Under the Affordable Care Act (ACA) for 2015

Provisions to Assist Smaller Businesses and Businesses that Offer Most but Not All Employees Coverage in 2015

Approximately 96 percent of employers are small businesses and have fewer than 50 workers and are exempt from the employer responsibility provisions. To ensure a gradual phase-in and assist the employers to whom the policy does apply, the final rules provide, for 2015, that:

- The employer responsibility provision will generally apply to larger firms with 100 or more full-time employees starting in 2015 and employers with 50 or more full-time employees starting in 2016.
- To avoid a payment for failing to offer health coverage, employers need to offer coverage to 70 percent of their full-time employees in 2015 and 95 percent in 2016 and beyond, helping employers that, for example, may offer coverage to employees with 35 or more hours, but not yet to that fraction of their employees who work 30 to 34 hours.

Various Employee Categories

- The final regulations provide clarifications – many of which are based on comments on the proposed regulations – regarding whether employees of certain types or in certain occupations are considered full-time, including:
 - Volunteers: Hours contributed by bona fide volunteers for a government or tax-exempt entity, such as volunteer firefighters and emergency responders, will not cause them to be considered full-time employees.
 - Educational employees: Teachers and other educational employees will not be treated as part-time for the year simply because their school is closed or operating on a limited schedule during the summer.

- Seasonal employees: Those in positions for which the customary annual employment is six months or less generally will not be considered full-time employees.
- Student work-study programs: Service performed by students under federal or state-sponsored work-study programs will not be counted in determining whether they are full-time employees.
- Adjunct faculty: Based on the comments we received, the final regulations provide as a general rule that, until further guidance is issued, employers of adjunct faculty are to use a method of crediting hours of service for those employees that is reasonable in the circumstances and consistent with the employer responsibility provisions. However, to accommodate the need for predictability and ease of administration and consistent with the request for a “bright line” approach suggested in a number of the comments, the final regulations expressly allow crediting an adjunct faculty member with 2 ¼ hours of service per week for each hour of teaching or classroom time as a reasonable method for this purpose.

Provisions to Assist Businesses to Comply in 2015

To provide a gradual phase-in of the employer responsibility provisions and assist employers in complying and providing coverage, the final rules provide transition relief for 2015.

- While the employer responsibility provisions will generally apply starting in 2015, they will not apply until 2016 to employers with at least 50 but fewer than 100 full-time employees if the employer provides an appropriate certification described in the rules.
- Employers that are subject to the employer responsibility provisions in 2015 must offer coverage to at least 70 percent of full-time employees as one of the conditions for avoiding an assessable payment, rather than 95 percent which will begin in 2016.

Full-Time Employee Status Determinations

- Like the December 2012 proposed regulations, the final rules allow employers to use an optional look-back measurement method to make it easier to determine whether employees with varying hours and seasonal employees are full-time.
- Responding to comments, the final regulations also clarify the application of this method and the alternative monthly method of determining full-time status.

Affordability Safe Harbors

- Like the proposed regulations, the final rules provide safe harbors that make it easy for employers to determine whether the coverage they offer is affordable to employees.
- These safe harbors permit employers to use the wages they pay, their employees’ hourly rates, or the federal poverty level in determining whether employer coverage is affordable under the ACA.

Other Specific 2015 Provisions

- In addition to the two forms of 2015 transition relief noted earlier, a package of limited transition rules that applied to 2014 under the proposed regulations is extended to 2015 under the final regulations, including:
 - Employers first subject to shared responsibility provision: Employers can determine whether they had at least 100 full-time or full-time equivalent employees in the previous year by reference to a period of at least six consecutive months, instead of a full year. This will help facilitate compliance for employers that are subject to the employer shared responsibility provision for the first time.
 - Non-calendar year plans: Employers with plan years that do not start on January 1 will be able to begin compliance with employer responsibility at the start of their plan years in 2015 rather than on January 1, 2015, and the conditions for this relief are expanded to include more plan sponsors.
 - Dependent coverage: The policy that employers offer coverage to their full-time employees' dependents will not apply in 2015 to employers that are taking steps to arrange for such coverage to begin in 2016.
 - On a one-time basis, in 2014 preparing for 2015, plans may use a measurement period of six months even with respect to a stability period – the time during which an employee with variable hours must be offered coverage – of up to 12 months.
 - As these limited transition rules take effect, we will consider whether it is necessary to further extend any of them beyond 2015.

Next Steps: Final Rules Simplifying Employer Information Reporting

Many comments on the proposed employer information reporting regulations have urged that final rules provide streamlined ways to comply with employer information reporting -- especially for employers that offer highly affordable coverage to all or virtually all of their full-time employees. Others have asked for a single form for employer and insurer reporting provisions when possible. Treasury and the IRS will issue final regulations shortly that aim to substantially simplify and streamline the employer reporting requirements.

For the final employer shared responsibility regulations, click [*here*](#).

For more information on determining whether an employer is subject to the employer shared responsibility regulations, click [*here*](#).

###



WITH

**American Fidelity
Administrative Services, LLC**

Northern Section

PRESENT:

AFFORDABLE CARE ACT: WHAT TO EXPECT NOW

Including tracking and employer reporting (6055/6056) as required by ACA

Speakers:

Raelene Walker, Health Care Reform Specialist

American Fidelity Administrative Services

Raelene is a Health Care Reform Specialist for AFAS based out of California. Her exclusive responsibility is helping employers with Health Care Reform. Raelene monitors developments in the law, makes presentations to association groups, and works one-on-one with employers to help them understand the rules, develop their strategies, and assist with compliance.

Jessica Frier

Jessica Frier, J.D. is a Senior Health and Welfare Plan Consultant for American Fidelity Administrative Services, LLC. Previously, Jessica was a labor and employment attorney with the law firm of Liebert Cassidy Whitmore in Los Angeles, California where her practice focused on education and public sector clients. Jessica has extensive experience advising clients on the Affordable Care Act, as well as other employee benefits issues. Her goal is to help employers adjust to the ever-changing landscape of health care reform and make informed decisions as they seek to comply with the law. She is a graduate of Pepperdine University School of Law, and is a member of the California bar.



DATE: April 17, 2015

TIME: 9:00 a.m. to 2:00 p.m. - LUNCH PROVIDED

WHERE: Alameda County Office of Education, Room 142
313 W Winton Ave.
Hayward, CA 94544

COST: \$45.00 - CASBO MEMBERS
\$55.00 - NON MEMBERS

MUST RSVP Online at www.CASBO.org

SPACE IS LIMITED SO REGISTER NOW TO CONFIRM YOUR SEAT!

Name: _____ District: _____

Email: _____

Credit Card Info: _____ Exp. _____ CVV _____

REGISTRATION INSTRUCTIONS:

SEND PAYMENT - MUST BE RECEIVED BY APRIL 8, 2015

2 ways to pay:

1) Payment by Check

Print a copy of your registration form, mail with your check, payable to:
CASBO Northern Section, to:

Nita Black
c/o Payroll Dept,
Pajaro Valley USD
294 Green Valley Rd
Watsonville, Ca 95076

2) Payment by Credit Card

Print a copy of your registration form, add your credit card info and email to:
nita_black@pvusd.net

Questions about Registration?
Contact Nita Black

(831)786-2322 • nita_black@pvusd.net

NO REFUNDS for cancellations after **04/10/15**