

FULL-TIME VS. PART-TIME EMPLOYEES

DO YOU KNOW THE CRITERIA



Employers need to know that an employee may be other than what they are thought to be. It used to be if you worked a 40-hour week for an employer, you were a full time employee. Anything less was thought to be a part time effort. Why is this subject matter important, you ask? It is important because companies offering employee benefits **MUST** offer benefits to full time employees whereas part time employees are optional based on the employer's own company policy. Employers cannot discriminate without expecting repercussions.

In 1992, AB 1672 was passed by the California legislature and became CA law. This law provides many rules and regulations associated with Small Group Health Insurance. In addition to the regulations, the law goes on to quantify what a qualified full time employee is. More specifically, the law identifies **ALL** employees working 30 or more hours per week as full-time employees. The old benchmark of 40 hours a week is no longer valid.

Insurance companies strictly follow the requirements of this law and require, of companies applying for Group coverage, to offer health benefits to **ALL** "full-time" employees. Companies have the option of offering benefits to **ALL** "part-time" employees with 20+ hours per week too, if they choose to do so.

Employers should also be aware that by offering company employee medically related benefits (i.e. medical, dental, life, disability, vision, etc.) they do so in a contributory type environment. Employers are required to pay for all or portion of the benefits being offered for each qualified employee. The criteria of how much and in what format, varies by each insurance carrier and by type of coverage.

Your CA licensed insurance agent will be able to identify and provide the employer the necessary specifics.

DOI CA License 0D68494

Find us fast on the Internet

<http://www.jcbinsurance.net>

6427 Westover Drive

Oakland, CA 94611-1605

(510) 336-3490 voice & fax

icb@icbinsurance.net