CPA Practice **Advisor**

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in the number of workers within each of three hourly ranges studied since implementation of ACA provisions began.

Jun. 24, 2015



As the implementation of the Employer Shared Responsibility provisions of the

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anyone with 30 or more hours of service per week. The generally accepted standard for full-time employment as defined by the Bureau of Labor Statistics (BLS) is 35 hours or more worked per week.

The big question has been whether employers would change their hiring practices due to the ACA. Some commentators expressed concern that employers would cut hours for part-time workers, while increasing the hiring of part-time workers with schedules that call for under 30 hours worked per week. To date, study results show that this has not happened.

The study, The Affordable Care Act and Economics of the Part-Time Workforce:

Measuring the Impact of the Affordable Care Act, suggests that the actual impact of the ACA on employment policy appears to be negligible. The research focused on three hourly categories – less than 30 hours, 30 to 34 hours, and more than 34 hours – and in all cases, there was little to no change indicated across comparable quarters. Employees working less than 30 hours per week continued to account for 13 percent of the U.S. workforce, employees working 30 to 34 hours account for four percent, and those employees working what is generally considered full-time, 35 or more hours, account for 82 percent.

The research indicates that the lack of ACA impact on part-time employment was also consistent within individual industries. Within each examined industry, the number of employees working between 30 and 34 hours remained steady, ranging between 2 and 4 percent depending on the industry. Overall part-time employment experienced similar stability. The greatest change occurred within the wholesale and retail trade sector, with a 3 percent decline in part-time workers from third quarter 2013 to third quarter 2014.

The industry observers' prediction rose from the rationale that employers could benefit from moving workers in either direction. By restricting part-time employees

to fewer than 30 hours, it would be possible for employers to avoid offering health

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Advisory Services at ADP. "The growing strength of the economy, in addition to the supply and demand of talent, is likely to heavily influence workforce decisions."

This notion illustrates arguably the most important takeaway from this study: the potential cost impact of the ACA may not change existing workforce dynamics, but rather it increases the number of factors to be considered in making staffing decisions.

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