



SB 1543 • Oregon's Health Care Accountability Act

Oregon has put a lot into reforming our healthcare system. But none of those reforms will matter if Oregonians who should qualify for healthcare coverage are being cut out. And reform never works if some players aren't playing by the rules.

SB 1543 does two things:

- Ensures Oregonians who work hourly jobs still have access to affordable healthcare coverage
- Holds our higher education institutions to the same standards as other Oregon employers

Hourly work shouldn't mean giving up healthcare coverage

Nationally there about twice as many full time workers employed between 30 and 35 hours a week than there are part time workers employed 25-30 hours a week. But these almost 6 million workers are at risk of having their hours – and their incomes – cut.

Many national employers have announced that they'll cut back their employee's hours to 29 rather than provide healthcare insurance, and a poll published in the Christian Science Monitor in November said that almost a third of franchised businesses plan to cut workers' hours back.

We are leaving Oregonians who should qualify for employer-provided coverage on their own looking for health insurance – with less money in their pockets to pay for it because their hours are getting cut.

Holding public employers to the same standard

Part-time faculty at Oregon's public post-secondary institutions face specific challenges getting healthcare coverage. The Affordable Care Act requires schools to come up with a "reasonable" method of calculating an eligible workload. Unfortunately, some institutions around the country are not acknowledging that many part time faculty are actually teaching at multiple public institutions. Oregon needs a clarifying standard for eligibility.

That standard already exists in our PERS statutes, which has a clear method for calculating total hours worked for public higher education institutions. SB 1543 would use that same standards to determine healthcare coverage eligibility.

Questions? Contact Elana Guiney, Oregon AFL-CIO, at 503-803-3151 or elana@orafcio.org

Waitress says she's losing full-time status due to 'Obamacare' rule

By Steve Benham, KATU.com Politics Editor | Published: Jul 18, 2013 at 7:20 AM PST (2013-07-18T15:20:48Z) | Last Updated: Jul 18, 2013 at 5:28 PM PST (2013-07-19T1:28:29Z)



In this March 23, 2010 file photo, President Barack Obama signs the health care bill in the East Room of the White House in Washington. (AP Photo/J. Scott Applewhite)

PORTLAND, Ore. – She works hard on her graveyard shift and is on her feet the entire time. Sometimes she has to serve customers who are less than polite.

Working in the restaurant business isn't easy. A late-night rush can hit like a flash flood, creating stress and a mess. But she's good at what she does – experienced – and any disarray is temporary. The restaurant is soon back in shape as if nothing happened.

But this Shari's waitress, who currently doesn't have health insurance, says her Portland-area restaurant cut her from full time to part time in response to the Patient Protection and Affordable Care Act, also known as "Obamacare."

Now, paying the bills becomes more difficult, increasing stress and uncertainty in her life.

Shari's, based in Beaverton (<http://www.sharis.com/>), isn't alone in the industry in trying to figure out how to comply with the new federal health care law. And there are signs nationwide that an industry that traditionally depends heavily on part-timers is now going to depend on them even more as restaurants prepare for the new law.

The Shari's waitress, who spoke on the condition her name and the restaurant she works at not be used for fear of retaliation from her employer, says her hours dropped from between 37 to 40 a week to 27 to 29 a week. The new law will require companies that employ 50 or more employees to provide their workers with health insurance if they work an average of 30 hours a week or more. If companies don't, they'll be assessed fines.

In a written statement to KATU.com, Shari's vice president of marketing, Michael Kiriazis said, "We're not cutting hours or shifts," adding that Shari's will be hiring more workers over the next year as well as tripling the number of employees covered under the company's health care plan.

However, the company has sent several brochures to their employees with their paychecks over the past several months explaining the new health care law and its effects on them. In one titled, "Shari's and Health Care Reform: Changes Coming at Shari's," it tells employees that while the company expects most hours for them to remain unchanged or increase, part-time positions will be added "in all areas to make up for hours that are reduced for some employees."

In a follow-up email, Kiriazis was pressed to explain the apparent discrepancy between his statement that said Shari's is "not cutting hours or shifts" and the brochure, which stated part-time workers will be added to cover "hours that are reduced for some employees."

In the same email, Kiriazis was also pressed to explain how it will be possible for Shari's to expand the number of employees partially covered by the company's health care plan while at the same time adding more part-time employees.

He would not comment about that other than to say he couldn't possibly calculate how many hours each of the company's almost 4,000 employees will work a week.

He said since Shari's employees don't speak for the company, he can't comment on what they tell the media.

Kiriazis said Shari's is shifting its workforce "back to previous industry standard(s), comprised mostly of part-time workers," before the recession and the new health care law.

He also said the Obama administration's one-year delay of the employer mandate to provide employees with health insurance who work more than 30 hours a week has not changed the company's plans or timeline in how it deals with the new law.

"We're continuing with providing affordable health care to our full-time employees because it's the right thing to do, not because it's mandated," he wrote.

According to its website, Shari's has 100 restaurants in seven Northwestern states.

thereby transforming the nation's workers into a force of part-timers.

On Sunday, The Wall Street Journal reported (<http://online.wsj.com/article/SB10001424127887324694904578601922653718606.html>) that some owners of restaurants, including an owner of 10 Subway shops in Michigan, are relying more on part-time help as a result of the new law. The newspaper also reported that the owner of Carl's Jr., CKE Restaurants Inc., is using part-timers to replace many full-time employees who leave their jobs. And an owner of 11 Del Taco restaurants in Denver is turning his full-time workforce into mostly a part-time one.

The government's announcement of the employer-mandate delay that favored business does not ease the anxiety of the Shari's waitress. She says she now must find a second job to help pay the bills within her already tight budget.

"I have to find another job," the waitress, who rents a house with her daughter, says. "I'm trying – immediately. If I can't find another job within a month, I don't even want to think about what's going to happen."

Working two or more jobs will be difficult, she says, because she'll have to juggle competing schedules. Additionally, she's over 50 and is anxious about finding a new job at her age.

She says at her restaurant at least three other employees have had their hours reduced below the 30-hour threshold. The number of employees affected at each restaurant varies, she says, depending on different needs.

While some of her anger is directed at her employer, most of it is aimed at the law intended to help her and others like her who don't have health insurance.

When asked how she feels about Obamacare, she responded flatly, "Horrible ... Before now, I didn't even know about it. I feel like it snuck up on me."

She acknowledges she didn't vote in the last presidential election – a contest where Republican presidential challenger Mitt Romney vowed to repeal the health care law, even if it was almost the same legislation he signed as governor of Massachusetts.

She was fed up with the politics of both parties.

Bill Perry, vice president of government affairs, with the Oregon Restaurant and Lodging Association (<http://www.oregonrla.org/>) says he "anecdotally" knows that some restaurants in Oregon are cutting full-time employees in Oregon in favor of part-time ones.

He says there are two basic concerns for the industry regarding the health care insurance changes: the federal government has not yet released implementation regulations and it is not known yet how many employees will want health insurance through a company plan.

Waitress says she's losing full-time status due to 'Obamacare' rule | Pol... <http://www.katu.com/politics/Local-waitress-says-shes-losing-full>

Because the penalty for someone who chooses to forgo having health insurance will be \$95 in 2014, Perry says employees may choose that option instead of paying \$100 or \$200 a month in premiums for health insurance.

"In order to have a business plan, currently, almost all of the (insurance) carriers say you have to have at least 70 percent participation of your employees," he says. "That's why a lot of our members don't have plans. They don't have plans today, not because they don't want to offer them, but that they can't get enough employees to participate to have a plan available."

But the penalties for adults who choose to remain uninsured will increase to \$325 in 2015 and \$695 in 2016. Those increases may drive workers to seek health insurance, which if not supplied through their employer, can be found through state exchanges.

In Oregon, the exchange is called Cover Oregon (<http://coveroregon.com/>). Open enrollment for individuals, families and small businesses begins in October.

Some large national restaurant chains appear to be handling the health care law without cutting their full-time staff.

Darden Restaurants Inc., which owns, among other well-known restaurants, Olive Garden and Red Lobster, announced late last year (<http://investor.darden.com/investors/news-releases/press-release-details/2012/Darden-Provides-Update-on-its-Restaurant-Staffing-Plans-Under-Healthcare-Reform-Company-Announces-Commitments-to-its-Current-/default.aspx>) that it had figured out how to operate under the new law without changing the status of its 45,000 full-time employees.

While the industry makes its own decisions in what to do, the Shari's waitress has also vowed to act: She says she plans to write her representatives in Congress and even President Barack Obama.

"I don't foresee (Obamacare) helping me out at all," she says. "When I'm forced to get insurance, how am I supposed to afford that? I can't even afford health insurance now, let alone then."

Businesses cut employees' hours, blame new insurance mandate

The Affordable Care Act employer mandate to provide health insurance to anyone working 30 or more hours a week hasn't been implemented yet, but that hasn't stopped some businesses from cutting back on employees' hours to avoid paying healthcare costs. NBC's Lisa Myers reports.

<http://www.nbcnews.com/video/nightly-news/52748658#54337348>

This content comes from Closed Captioning that was broadcast along with this program.

We're learning more tonight about some of the unintended consequences of the affordable care act which the president himself now calls Obamacare. Some workers who thought it meant they would finally get health insurance are instead getting hit with a double whammy. No insurance, and a pay cut. We get the story tonight from our senior investigative correspondent Lisa Myers.

Luke has worked at a subway franchise in Maine for a decade. But he recently was told his hours would be cut to 29 a week.

"It's very tough. I'm scratching by as it is with overtime."

Luke's boss, who owns 21 subway franchises, says it's all because of the new health care law. Employers must provide health insurance to anyone working 30 or more hours a week. Goodrich says his small business can't afford that.

"Losing five or six hours a week, that's \$50, \$60, a week or a couple hundred dollars a month. That's a car payment."

Reporter: we spoke to almost 20 small businesses and other entities around the country, all said because of the new law, they would be cutting back hours for some employees."

Reporter: at St. Petersburg college in Florida, 250 part time professors have had their hours reduced.

"It's been the hardest decision I've had to make, and I hope that we can work our way through it to a better answer than we're able to give today."

Part time math professor Tracy Sullivan lost half her income.

“I never thought it would impact me directly. I was stunned when I got the e-mail.”

The white house dismisses these examples as anecdotal. The top economic adviser told us he sees no systematic evidence, the health care law is having an adverse impact on the number of hours the employees are working.

“This isn't a problem, it's not happening.”

It is happening.

Reporter: Joseph Hanson is president of the union that supports Obamacare. Discount stores already are cutting workers to 29 hours, and unionized grocery stores want to follow suit.

“Wait a year, you'll see a tremendous impact as workers have their hours reduced and their incomes reduced.”

Reporter: the White House has delayed the employer mandate for a year, but many businesses are still preparing for the cuts.

Lisa Myers , NBC news, Kennebunk, Maine.

Wellness Plans, Retirement and Adjunct Health Care: A Survey of Chief HR Officers

October 25, 2013

Colleen Flaherty and Doug Lederman



Benefits are a burgeoning battleground in higher education -- Pennsylvania State University's effort to impose monthly surcharges on employees who smoke or don't get regular physical exams, for instance, and colleges restricting the hours of adjunct instructors to avoid a new federal requirement to give them health insurance -- and human resources officers are in the thick of it.

Three in five chief human resources officers support a Penn State policy, now suspended, that would have imposed a \$100 monthly health insurance surcharge on employees who didn't have annual physical exams, and more than two-thirds favor another Penn State policy that imposes a \$75 monthly fee on smokers.

Nearly half of senior HR administrators say their campuses have limited the work of adjunct faculty members to keep them under the number of hours at which the Affordable Care Act would require their institutions to provide health insurance, and a third of the remainder say they are considering imposing or enforcing such limits.

About the Survey

Inside Higher Ed's 2013 Survey of College and University Human Resources Officer was conducted in conjunction with researchers from Gallup. *Inside Higher Ed* regularly surveys key higher ed professionals on a range of topics. A copy of the report can be downloaded [here](#).

On Nov. 13, *Inside Higher Ed* conducted a free webinar to discuss the results of the survey. Editor Doug Lederman and Sabrina Ellis of George Washington University analyzed the findings and answered readers' questions. To view the webinar, please [click here](#).

The *Inside Higher Ed* survey of chief HR officers was made possible in part by advertising from TIAA-CREF.

And while more than half of CHROs say their institutions compensate adjunct instructors fairly, they are divided on whether the benefits they give to adjuncts are appropriate.

Those are among the major findings of *Inside Higher Ed's* second Survey of College and University Human Resources Officers, released today in advance of this weekend's annual meeting of the College and University Professional Association for Human Resources, in Las Vegas. The survey presents the views of campus chief human resources officers on a range of timely topics. The online survey, conducted by Gallup in September 2013, was completed

by a total of 399 college and university HR leaders. A copy of the survey report can be downloaded [here](#).

Among the highlights of the survey, in addition to the CHROs' perspectives on wellness surcharges and adjuncts:

- About 7 in 10 HR officers say they are very or moderately concerned about health care costs for retirees.
- Just one-quarter of HR officers say employees at their institutions "have sufficient knowledge and understanding about issues related to retirement."
- Asked to rate a set of issues to which they are now paying more attention than they have in recent years, implementing performance evaluation measures ranked high. But while HR leaders were evenly divided on whether they have the data they need to effectively evaluate employee performance, less than a quarter said they believed their colleges use the data they have to make planning and policy decisions.

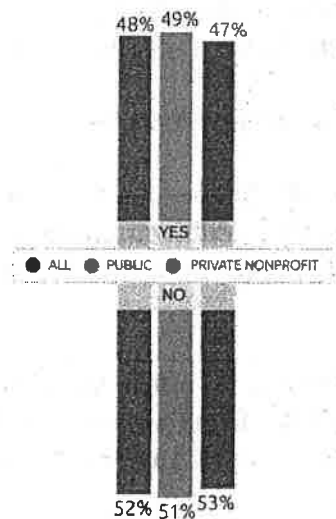
Adjunct Benefits and Compensation

Starting last year, adjuncts across the country began to see their teaching hours capped as institutions attempted to limit the number of employees working 30 hours or more each week – what is considered “full time” and therefore benefits-eligible under the Affordable Care Act.

Higher education groups, such as the American Association of Community Colleges, advised institutions not to act on the plan before the Internal Revenue Service offered guidance on what would constitute full-time under the law in academe, where professors work credit hours, not standard work hours. But such advice was slow in coming, and short on detail -- the IRS eventually asked colleges to use “reasonable” metrics for determining what’s full-time -- when it arrived. Consequently, many institutions continued to act on their own -- even as the Obama administration delayed by one year the so-called employer mandate, under which large businesses will have to offer full-time employees health insurance or be fined, until January 2015.

Inside Higher Ed's survey reveals just how widespread the practice has become. Some 48 percent of respondents say their institutions already have placed or enforced limits on adjunct faculty to avoid having to meet new federal requirements of employer-provided health insurance. Respondents from public and private institutions were equally likely to say they had imposed limits, but responses varied by sector among public institutions. More than two-thirds of officers at associate degree-granting colleges say they have imposed caps, compared to just 29 percent of officials at doctoral, master's and baccalaureate institutions.

Has your institution placed or enforced limits on adjunct faculty hours to avoid having to meet new federal requirements for employer-provided health insurance?



Just 38 percent of human resources chiefs said they're delaying such caps due to the White House's extended deadline for employers to offer insurance to full-timers. For those whose institutions have not already capped hours, 35 percent say they are considering doing so.

That didn't surprise adjunct advocates, including Maria Maisto, president of the New Faculty Majority, a national organization promoting adjunct issues. She said the results were consistent with the group's own data on the matter.

Conlon, the employment consultant at Sibson, said he was unsurprised that institutions were taking advantage of the "glaring" loophole provided in the federal health care law, and that doing so was understandable from a competitive standpoint. "If you don't, you're behind, and you can't compete. You're now taking on additional costs, and unless you're an Ivy or other rich institution, you can't afford to do that."

He added: "Am I saying it's the right thing to do? No. But is it the logical thing to do? Yes."

But it's "a shame" nonetheless, said Gary Rhoades, professor and director at the Center for the Study of Higher Education, in an e-mail. "[Instead] of modeling best practices in the employment of contingent employees, most colleges and universities are moving to violate the spirit of the [Affordable Care Act] and modeling the worst of private sector practices in not paying health benefits to valuable members of their instructional work force."

When it comes to overall compensation for adjunct instructors, a little more than half of respondents strongly agree or agree that their institution pays such faculty members fairly. Those at public institutions were twice as likely to "strongly agree" (31 percent) than were their counterparts at private institutions (15 percent), and respondents at public, associate-degree-granting institutions were most likely to "strongly agree" (38 percent).

Adjuncts are largely excluded from employee benefits: Just a quarter of respondents (24 percent) say their institution offers health care insurance for such faculty. HR officers appear divided, though, about whether their policies are appropriate: 17 percent strongly agree and 21 percent agree that their institutions provide adjuncts "an appropriate benefits package," while almost as many do not (18 percent disagree, and 15 percent strongly disagree).

Despite those numbers, Rhoades said adjuncts remain "the working poor," and that their pay in relation to full-time faculty "diminishes us as a profession and an academy."

Adrianna Kezar, a professor of higher education at the University of Southern California and director of the Delphi Project on the Changing Faculty and Student Success, which studies adjunct issues in relation to student outcomes, said that unions could explain why adjuncts seemed to fare better over all at public institutions, according to the survey; adjuncts at public institutions are more likely to be unionized than are their counterparts at private colleges and universities, and unions lead to better working conditions for adjunct faculty.

Still, she said via e-mail, "it is surprising to hear anyone say adjuncts are well paid as report and data set after data set show pay is inequitable, so their views do not match reality." That is especially true for the many adjuncts who string together courses, sometimes at multiple institutions, to work full-time. That is in contrast to the traditional notion of moonlighting adjuncts -- such as lawyers or doctors who teach one or two classes a week on the side -- that human resources leaders may have in mind.

"I guess what we need to know is what they consider a fair or equitable wage," Kezar added.

Like Kezar, Maisto pointed to a "clear disconnect" between the survey responses and reality for many adjuncts. The survey "really seems to show that HR managers really do not seem to understand the nature or importance of faculty work -- why benefits, job security and due process for faculty are critical components of quality education for students," she said.

Beyond benefits and pay, 18 percent of respondents strongly agree that their institution has appropriate job security and due process protections for adjunct professors. Some 27 percent agree, while 10 percent strongly disagree.

John Curtis, director of research for the American Association of University Professors, took issue with that finding. "In my experience, very few institutions without a union for part-time faculty members provide any real job security or due process protections," he said via e-mail. "We need to bear in mind that most part-time faculty members are defined by their institutions as essentially 'temporary' employees, with an appointment for a single term and a specified course or courses -- even when they may be hired on that basis again and again."

So, he said, institutions may not frequently remove an adjunct in the middle of a term, but "generally feel free to simply not rehire him or her without providing any reason or notice."

Benefits They Offer (and Should)

HR officers were asked to identify the benefits their institutions offered, and the five (of 12 total) listed by the most respondents were financial support for enrollment in higher education courses (93 percent), family-friendly work place policies (78 percent), wellness programs (81 percent), financial support for employees' children to pursue higher education (77 percent), and non-health-care benefits for opposite-sex domestic partners.

Respondents were also asked to say which of the same set of 12 benefits they thought their institution *should* offer. The table below shows the five benefits that showed the biggest gaps in the proportions of HR directors that said their institutions did and should offer the benefit.

Read more: <http://www.insidehighered.com/news/survey/wellness-plans-retirement-and-adjunct-health-care-survey-chief-hr-officers#ixzz2syUPml00>

Inside Higher Ed

To investors who want to retire comfortably.

If you have a \$500,000 portfolio, download the guide by *Forbes* columnist and money manager Ken Fisher's firm. It's called "The 15-Minute Retirement Plan." Even if you have something else in place right now, it *still* makes sense to request your guide! [Click Here to Download Your Guide!](#)

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Restaurant Shift: Sorry, Just Part-Time

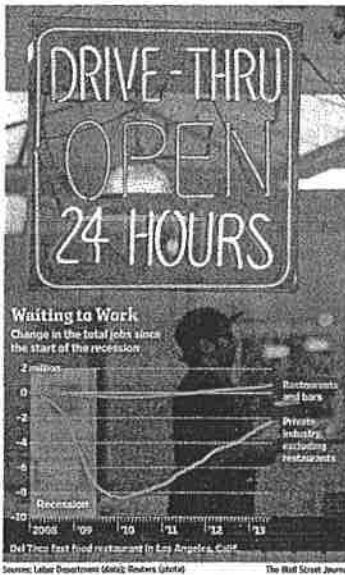
More Restaurants Replace Full-Timers, Concerned About Insurance

By JULIE JARGON, BRENDA CRONIN and SARAH E. NEEDLEMAN

July 14, 2013 6:46 p.m. ET

Ken Adams has been turning to more part-time workers at his 10 Subway sandwich shops in Michigan to avoid possibly incurring higher health-care costs under the new federal insurance law.

He added approximately 25 part-time workers in May and June as he reduced some employees' hours and replaced other workers who left. The move showed how efforts by some restaurant owners and other businesses to remake their workforces because of the [Affordable Care Act](#) may be turning the country's labor market into a more part-time workforce.



Restaurants and bars have been adding an average of 50,000 jobs monthly since April—about double the rate from 2012. In June, they added a seasonally adjusted 51,700 jobs, up from May's 47,900 tally, but below April's 51,800. Overall, leisure-and-hospitality establishments hired more workers than any other industry in June, accounting for 75,000 of the 195,000 jobs added last month, according to the most recent Labor Department report, although economists cautioned against reading too much into one month's preliminary figures.

Views differ on exactly what is driving the hospitality industry's pickup. Other factors likely also were behind it, including the addition of new restaurants as well as a move to staff up hiring after scaling back during the downturn, according to some restaurant owners and industry experts. But a number of restaurants and other low-wage employers say they are increasing their staffs by hiring more part-time workers to reduce reliance on full-timers before the health-care law takes effect.

"I'd be surprised if the [Affordable Care Act](#) didn't have something to do with" the pickup in part-time hiring, said Paul Dales, senior U.S. economist at Capital Economics.

"Companies don't want to pay for health care unnecessarily if they can avoid it, so they'll try to avoid it." However, he said "the effects will be harder to discern in the data."



Mindful of health insurance, CKE, which owns the Carl's Jr. chain, last year began hiring part-timers to replace full-time staffers who left. *Associated Press*

For the entire U.S. workforce, employers have added far more part-time employees in 2013—averaging 93,000 a month, seasonally adjusted—than full-time workers, which have averaged 22,000. Last year the reverse was true, with employers adding 31,000 part-time workers monthly, compared with 171,000 full-time ones.

The Affordable Care Act requires employers with 50 or more full-time equivalent workers to offer affordable insurance to employees working 30 or more hours a week or face fines. Some companies have said the requirement could increase their costs significantly, although others have

played down the potential hit.

The cost for small firms to comply with the health law will depend largely on the number of additional full-time employees that sign up for employer-sponsored coverage. Average annual premiums for employer-sponsored health insurance in 2012 were \$5,615 for single coverage and \$15,745 for family coverage, according to the Kaiser Family Foundation. That is up from \$3,083 and \$8,003, respectively, in 2002.

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This month, the Obama administration announced a one-year reprieve—to 2015—on penalties for employers who don't meet the new health-coverage requirements. The administration said it was holding off on business penalties to give companies more time to adjust to the law's provision but hoped that companies would still comply with the intent of the law during 2014.

The administration says the law ultimately will help businesses by allowing them to pool risk with other smaller businesses in order to get more competitive rates. "The health-care law will decrease costs, strengthen small businesses and make it easier for employers to provide coverage to their workers, as we saw in Massachusetts, where employer coverage increased when similar reforms were

adopted," said Joanne Peters, spokeswoman for the Department of Health and Human Services.

Restaurant owners who have already begun shifting to part-time workers say they will continue that pattern.

"Does the delay change anything for us? Absolutely not," Mr. Adams of Subway said, explaining that whether his health-care costs go up next year or in 2015, he will have to comply with the law. "We won't start hiring full-time people."

Audio

Brenda Cronin and WSJ's Mathew Passy discuss the potential shift

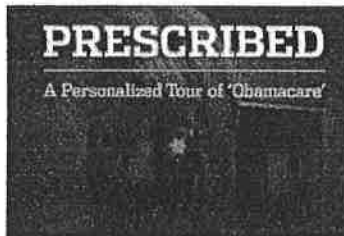


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CKE Restaurants Inc., owner of the Carl's Jr. and Hardee's hamburger chains, last year began hiring part-time workers to replace full-time employees who left and as a result has boosted its overall workforce, though the company declined to specify how much. "Since passage of the ACA, we've increased the number of our part-time employees, although we haven't fired people to do so," said CKE Chief Executive Andy Puzder. White Castle Management Co., which has more than 400 burger restaurants, said it is considering hiring only part-time workers.

Ethan Harris of Bank of America Merrill Lynch is skeptical that health-care-related hiring by restaurants affected the overall jobs numbers. "Some companies have started this spring to redesign their workforce to keep people" beneath 30 hours a week, he said, "but it should be reflected in the average work week... and it is just not showing up in the data."



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The average workweek for restaurant and bar staff has ticked up slightly this year through May to 25.6 hours, from 25.5 in 2012 and 25.1 in 2007, the year the recession took hold.

Mr. Harris said restaurant employment rolls might have risen partly because more Americans in a wobbly economy are willing to take jobs that previously were filled by undocumented workers and therefore weren't counted.

The numbers also likely reflect a stronger economy.

Restaurant chains including Panera Bread Co. and Wendy's Co. have been adding full- and part-time employees because they have been growing. Chipotle Mexican Grill Inc. plans to open 165 to 180 restaurants this year, spokesman Chris Arnold said. "That, coupled with normal turnover, means we are always hiring," he said.

Still, some operators said their hiring of part-timers is driven by the health-care overhaul. Rod Carstensen, owner of 11 Del Taco restaurants around Denver, began in April converting his mostly full-time workforce into one comprising mostly part-time help to minimize his health-care costs. He estimates the costs could have climbed by as much as \$400,000 a year without the change.

Mr. Carstensen had 180 full-time and 40 part-time workers and is in the process of switching to 80 full-time and 320 part-time workers who clock no more than 28 hours per week. He is plowing ahead despite the Obama administration's reprieve, he said, because "we need to get there anyway, and it will take until January 1, 2015, to make this transition."

Employers also are also considering workarounds. Mark Lettelleir, chief executive of M.B.A. Inc., a human-resources firm in St. Petersburg, Fla., is helping several different area restaurants manage their staff so they can share employees. The test program, which is expected to begin in the fourth quarter, will involve about 500 employees of both chain and local restaurants looking to retain their full-time employees without counting them as such.

Write to Julie Jargon at julie.jargon@wsj.com, Brenda Cronin at brenda.cronin@wsj.com and Sarah E. Needleman at sarah.needleman@wsj.com

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