



State of Louisiana
DIVISION OF ADMINISTRATION

OFFICE OF STATE UNIFORM PAYROLL

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June 17, 2004

OFFICE OF STATE UNIFORM PAYROLL MEMORANDUM #2004-50

TO: All ISIS HR Paid Agencies

FROM: Jena W. Cary
Director

SUBJECT: Changes in Miscellaneous Insurance Deduction Processing

Effective for July 9th payday (period 14), OGB and OIS will implement a program change for terminations of Miscellaneous Insurance deductions. For deductions that are cancelled in the current period, OGB will send ISIS HR a zero deduction record for the payday the deduction is stopping. ISIS HR will then automatically delimit the existing deduction using the pay period end date of the previous pay period, therefore no deduction will be taken. For example, if an employee wants to cancel a miscellaneous insurance for 7/9/04 payday, entry **MUST** be made in eEnrollment between Tuesday 6/22/04 and Calc Monday 7/5/04. ISIS HR will automatically delimit the original deduction for 6/20/04. **Since no deduction will be taken in the period stopped, a one-time refund will no longer be necessary.**

NOTE: If premiums need to be refunded from a Flexible Benefits Plan Vendor (those vendors which have one or more products participating in the FBP), a request should be submitted to the agency by the vendor to process the refund through payroll. Non-FBP Vendors (those vendors which have no products participating in the flexible benefit plan) are required to refund the employee directly.

In reference to OSUP Memorandum #2004-40 on the Rate Increases, the programming change for cancellations will not be implemented until period 14. All cancellations due to the employee not accepting the rate increase must be entered in period 13. When canceled in period 13, the premium **will** be deducted for the 6/25/04 payday. Vendors are required to send a list of employees who did not agree to the increased rates to the agency payroll offices by June 7, 2004. **Cancellations for the following employees must be entered by the eEnrollment deadline of 4:00 p.m. Monday, June 21, 2004 through the Annual Enrollment process:**

- 1) all applicable employees in flex, or
- 2) any applicable employee that has been processed through the Annual Enrollment process by June 21.

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This is due to the OGB maintenance that will be run on the products. If the cancellation is not entered in period 13 under the Annual Enrollment process for the above employees, the deduction may continue in the next plan year. All employees that are not in flex and those employees that have not been processed through Annual Enrollment by June 21, can be processed through the regular enrollment section.

In order to have some consistency with processing miscellaneous deductions, OSUP, OIS & OGB will be implementing a standard date that should be entered in eEnrollment and interfaced with ISIS HR for the "effective date" of NEW miscellaneous insurance products. **The effective date for starting a NEW Miscellaneous Insurance deduction should be the pay period begin date.** The pay period begin date should be for the payday that the product is to start or for the payday that the product is entered, whichever is later. For example, if an employee wants to start a new miscellaneous insurance product for payday 7/9/2004, the effective date to be entered in eEnrollment will be 6/21/2004 (the beginning of period 14). The new product must be entered in the current pay period **(between Tue 6/22, after prior pay period Calc Monday, and Calc Monday 7/5 of current pay period)**. New products can also be entered for a pay period in the future by entering the pay period begin date for the specified future period.

According to OSUP Policy, State Employee Payroll Deduction Authorization forms (SED-4's) must be forwarded to agency payroll offices and will be processed in the pay period following receipt or the first pay period of the new plan year. Agencies are responsible for setting up the deduction when the SED-4 form is received. There is no retroactive processing in eEnrollment/ISIS HR. If the SED-4 is received during the second pay period and the employee owes for ½ month, payment is the employee's responsibility and he/she should contact the vendor. Although it is not the agency's responsibility to process a one-time deduction for the ½ month's premium, an agency may choose to do so after obtaining authorization from the employee.

SED-4's received with effective dates of the 1st of a month are to be interpreted to be effective the first pay period of that month. If an SED-4 with an effective date of the 1st of the month is received within the first pay period entry dates (Tue after prior pay period Calc Monday through Calc Monday of current pay period), then the correct effective date will be the pay period begin date of the first pay period of that month. If an SED-4 with an effective date of the 1st of the month is not received until the second pay period entry dates or after, then the effective date will be the pay period begin date of the pay period the SED-4 is entered.

Please make sure that all staff responsible for miscellaneous insurance entry is made aware of this information. If you have any questions, please contact Angela Woods at (225) 342-5345.

JWC:ACV:kmb