



State of Louisiana
DIVISION OF ADMINISTRATION

OFFICE OF STATE UNIFORM PAYROLL

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OFFICE OF STATE UNIFORM PAYROLL MEMORANDUM #2005-49

TO: All ISIS HR Paid Agencies

FROM: Jena W. Cary
Director

SUBJECT: Update to Miscellaneous Insurance Product Code Correction Procedures

The Office of State Uniform Payroll (OSUP) and the Office of Group Benefits (OGB) have updated procedures (originally provided in OSUP Memorandum #2004-52, dated June 21, 2004) for code corrections to include more details and examples. Updated procedures are attached.

Vendors are required to complete a monthly reconciliation to determine discrepancies between ISIS HR and Vendor records. These discrepancies, such as incorrect deduction amount and/or incorrect product set up, must be forwarded to each agency by mail or fax no later than the end of the month following the deduction.

NOTE: Many code corrections were submitted by vendors during this plan year. Please make sure that these code corrections were processed according to the attached procedures.

All staff responsible for miscellaneous insurance maintenance must be made aware of this information. If you have any questions about these procedures, please contact Angela Woods at (225) 342-5345, Angel Vernon at (225) 342-5344 or Ray Harrison of OGB at (225) 925-3739.

JWC:ACV

Attachment

Miscellaneous Insurance Code Correction Procedures

1. Agency receives code correction notice and corrected State Employee Payroll Deduction Authorization form (SED-4) from Vendor. Remember that current SED-4's **supercede** all others. If a premium for a product on a previous SED-4 is not listed on the current code correcting SED-4, then that product deduction needs to be stopped.

Agencies may accept an SED-4 ***without an employee's signature*** if the SED-4 submitted by the vendor is correcting the product codes and/or amounts between products and there is no change in the total semi-monthly/monthly premium.

2. Agency determines if any of the products requiring correction are being or should be withheld under flex.
 - a. If all of the products involved in the code correction are non-flex products, the agency should enter the corrections.
 - b. If any of the products involved in the code correction were withheld under flex, or should have been withheld under flex (check employee flex status) submit an eEnrollment ticket to the eEnrollment Help Desk with the details requesting OGB to approve and to correct the flex deduction.

These code corrections are allowed for employees participating in the flex plan since code corrections are considered to be an administrative error.

3. Agency faxes letter from vendor, corrected SED-4 and ISIS HR screen print of IT14 identifying the products involved to the Flex Plan Administration at (225) 925-4860. **Due to the shading, the screen print should be copied to a lighter contrast prior to faxing. The products involved should be circled, do NOT highlight.**
4. The Flex Plan Administrator will send an email response with the eEnrollment ticket number to the agency as soon as the code correction is approved and the flex deduction is corrected.
5. Once the email is received from OGB identifying that the flex product has been corrected, the agency should proceed, if applicable, with correcting any non flex deductions. **All products must be corrected through regular enrollment and one-time charges/refunds must be entered by the agency in eEnrollment the same pay period the code corrections are made.**

One-time charges/refunds to Flexible Benefits Plan (FBP) premiums must be processed back to the beginning of the current plan year or when the premium began to be withheld under the wrong product code during the plan year, whichever is later. Deduction totals should be verified using ZP64, Employee Wage Type Results Report.

Examples for Employee in the Flex Plan

1. Premium deducted under non flex eligible product and a portion should have been deducted under a flex eligible product.
 - a. \$25.00 premium has been withheld under a non flex eligible product (Accident) since 7/9/04 payday.
 - b. An SED-4 received for first payday in March 2005 indicates that the premium is for the following product codes:
 - i. \$15.00 Accident (non flex eligible)
 - ii. \$10.00 Cancer (flex eligible)
 - c. Submit ticket to the eEnrollment Help Desk and fax required documentation to the Flex Plan Administration to approve and correct the **flex eligible** deduction. In this example, OGB will set up \$10.00 for Cancer under flex.
 - d. When the email is received from OGB indicating approval of the corrections and that the flex eligible Cancer deduction has been set up, the agency must correct the non flex eligible Accident amount and process a one-time refund and one-time charge to move prior deductions from one product code to the other for the appropriate period (7/9/04 - 2/18/05).
 - i. Change Accident from 25.00 to 15.00
 - ii. Process one-time refund of \$160.00 (10.00 x 16 pp) to Accident
 - iii. Process one-time charge of \$160.00 to Cancer product under flex

2. Premium deducted under a flex eligible product and a portion should have been deducted under a non flex eligible product.
 - a. \$52.25 premium has been withheld under a flex eligible product (Hospital Indemnity) since 10/1/04 payday.
 - b. An SED-4 received for first payday in March 2005 indicates that the premium is for the following product codes:
 - i. \$25.85 Accident (non flex eligible)
 - ii. \$26.40 Hospital Indemnity (flex eligible)
 - c. Submit ticket to the eEnrollment Help Desk and fax required documentation to the Flex Plan Administration to approve and correct the **flex eligible** deduction. In this example, OGB will decrease the flex eligible Hospital Indemnity deduction from \$52.25 to \$26.40.
 - d. When the email is received from OGB indicating approval of the corrections and that the flex eligible Hospital Indemnity deduction has been decreased, the agency must set up the non flex eligible Accident amount and process a one-time refund and one-time charge to move prior deductions from one product code to the other for the appropriate period (10/1/04 - 2/18/05).
 - i. Set up Accident for \$25.85
 - ii. Process one-time refund of \$258.50 (25.85 x 10 pp) to Hospital Indemnity product under flex
 - iii. Process one-time charge of \$258.50 to Accident