



State of Louisiana
DIVISION OF ADMINISTRATION

OFFICE OF STATE UNIFORM PAYROLL

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GOVERNOR

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COMMISSIONER OF ADMINISTRATION

October 23, 2006

OFFICE OF STATE UNIFORM PAYROLL MEMORANDUM #2007-11

TO: All ISIS HR Agencies

FROM: Jena W. Cary
Director

SUBJECT: OSUP Policy on Statewide Vendor Policies Cancelled or Not Issued

Per the Office of State Uniform Payroll (OSUP) Memorandum #2006-11, the following policy was incorporated for when employees request to cancel deductions:

If an employee submits a written, dated, **signed** request to the vendor requesting cancellation of a policy, a copy of this dated & signed letter can be attached to an updated SED-4 (removing the cancelled policy and listing all other active payroll deducted policies) and forwarded to the appropriate agency to satisfy the signed SED-4 requirement.

OSUP is now incorporating the following statement into this policy relative to the vendor's part of issuing policies:

If an employee's application for a Statewide Vendor policy is denied through underwriting after the deduction has started in ISIS HR, the vendor can forward a letter, on company letterhead, to the appropriate agency advising the agency that the employee's policy was not issued. An updated SED-4 (removing the policy that was not issued and listing all other active payroll deducted policies) must be attached to the letter to satisfy the signed SED-4 requirement.

In addition, if the vendor is a Flexible Benefits Plan (FBP) Vendor (see current VC-02, Vendor/Coordinator Listing), an SED-5 refund request must be submitted to the agency using the reason "**Policy never issued - refund all that has been deducted, signed SED-4 required**" with the product, payroll code, incorrect semi-monthly deduction, correct semi-monthly deduction and semi-monthly amount to refund (difference in incorrect and correct semi-monthly amounts) entered. The rest of the product information can be left blank.

The agency is responsible for running ZP64, Employee Wage Type Results Report, for the appropriate wage type(s) and utilizing the "semi-monthly amount to refund" on the SED-5 form and the new SED-4 form to determine "**all that has**

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been deducted” for the policy that was not issued under that product code. Agencies must stop/correct the deduction amount per the new SED-4. For deductions withheld under flex, fax all documentation received from the vendor to the Office of Group Benefits (OGB), Flex Plan Administration (225-925-4860). OGB will stop/correct the deduction amount per the SED-4. Once OGB has stopped/corrected the deduction and the total amount to be refunded is determined, agencies should enter the refund in eEnrollment.

Non-FBP vendors should refund premiums directly to employees; agencies will not receive an SED-5 refund request from these vendors and must **not** refund these through ISIS HR.

Vendors must verify the employee’s address with the employee and/or the agency and forward copies of the agency letter, updated SED-4 and SED-5 refund request, if applicable, to the employee under cover letter further explaining the details of the policy status and refund.

If you have any questions, please contact a member of the OSUP Benefits and Financial Administration Unit at [_doa-osup-bfa@la.gov](mailto:doa-osup-bfa@la.gov) or (225):

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JWC:ACV

c: Statewide Vendor Coordinators
Ray Harrison, OGB