



# PERSONNEL UPDATES

The Newsletter for Authorized Agents & Personnel/Payroll Officers

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### Events & Mailings

#### **Lt. Governor Wrigley to Host Worksite Wellness Leadership Webinar**

There has never been a more important time to promote wellness in the workplace. Modifiable lifestyle choices cost North Dakotans \$550 million annually in medical expenditures. Add in costs to your organization, like lost productivity and health insurance increases, and the total is even more staggering.

The good news is that many conditions are preventable with simple lifestyle changes. And because employees spend so many of their waking hours at work, practicing wellness in the workplace plays a significant role in changing behavior. North Dakota employers have made some great strides and North Dakota is building a thriving worksite wellness "community," but there is still work to be done.

One of the keys to a successful worksite wellness program is management support. Support from the top tells employees that worksite wellness is a priority at your organization. Please watch the "Healthy North Dakota Worksite Wellness Leadership" video to learn:

- Why your leadership and support are crucial to the success of this initiative and the health of your employees
- Steps you can take to make an impact

The webinar can be found on the NDPERS website or directly via the below link:

[www.BCBSND.com/WellnessLeadership/](http://www.BCBSND.com/WellnessLeadership/)

Thank you in advance for supporting your wellness coordinators, the wellness program and your employees' efforts to improve their health.

Together, we *will* build a healthier North Dakota!



Drew Wrigley  
Lieutenant Governor

#### **Payment of Employee Retirement Contributions**

Senate Bill 2108 was passed by the 2011 legislature. The bill provided for the employer and the employee contribution to be increased January 2012 and January 2013. Both the employer and the employee contributions each were increased in January 2012 for the Public Employees Retirement System, Judges Retirement Plan, Highway Patrol Retirement Plan, Law Enforcement Plan for State Employees and the Defined Contribution Retirement Plan by 1% (.5% each for Law Enforcement Plans for Political Subdivisions). The contributions will again be increasing in January 2013 by another 1% each (.5% each for Law Enforcement Plans for Political Subdivisions).

The additional employee contribution for State agencies will be paid by the employee as a pre-tax contribution. Non-state employers have the option to make an election on how the employee contribution will be paid.

NDPERS will be sending out a special mailing this month to Non-state employers explaining what action needs to be taken.

If you have questions, please contact Matt Anderson at the NDPERS office.

### **Annual Enrollment Season – 2013 Plan Year**

The Annual Enrollment Season for 2013 plan year will run from Monday, October 22 through Friday, November 9, 2012. Employees will receive notice in a special edition PERSpectives Newsletter scheduled to be mailed the week of October 15<sup>th</sup>.

The NDPERS Annual Enrollment Season gives eligible employees the opportunity to:

- Enroll in insurance plans for which they are eligible but not currently enrolled
- Add dependents
- Increase coverage levels
- Enroll in the NDPERS FlexComp plan for 2013

The newsletter will direct the employee to the NDPERS website to obtain enrollment information regarding the NDPERS Flexcomp, deferred compensation, health, life, dental, and vision insurance plans. Enrollment forms can be accessed from the NDPERS website or the payroll office.

Group Insurance Reminders:

#### **Health Insurance:**

Permanent employees of state agencies, university system and district health units will be eligible to enroll or discontinue participation in the High Deductible Health plan (HDHP/HSA). Information on this plan is available on the NDPERS website. The HDHP/HSA is included as an option on the Health Insurance Application. There continues to be a separate form to enroll for dental and vision coverage.

#### **Life Insurance:**

Employees can increase their coverage by \$5,000 without evidence of insurability. Increases in excess of \$5,000 to the employee supplemental

coverage will require Evidence of Insurability (EOI). Any increase in dependent or spouse supplemental will require EOI.

In addition we have created an **Annual Enrollment Employer Guide** that contains ALL information regarding:

- Eligibility
- Enrollment forms
- Rates
- Filing Procedures
- PeopleSoft Payroll
- NDPERS FlexComp
- Late Filing policy

All enrollment applications are to be mailed directly to NDPERS. Please do this **at least on a weekly basis** so that we can process these requests in a timely manner. Please make sure to use the most current applications and make sure all applications are completed with correct addresses. Any old applications that are completed will be rejected.

Please do not print any new annual enrollment forms off our website until October 22<sup>nd</sup>.

The **Annual Enrollment Employer Guide** is your one-stop shop! Annual Enrollment Season information will be available on the NDPERS website at [www.nd.gov/ndpers](http://www.nd.gov/ndpers) on Monday, October 22, 2012.

North Dakota Public Employees Retirement System  
701.328.3900  
FAX: 701.328.3920  
[ndpers-info@nd.gov](mailto:ndpers-info@nd.gov)

### **High Deductible Health Plan (HDHP)**

Annual Enrollment Season is an opportunity for permanent state, district health unit and university system employees to elect to begin or to discontinue participation in the NDPERS High Deductible Health Plan and Health Savings Account (HDHP/HSA). The HDHP is underwritten by BCBSND with HSA services provided by Discovery Benefits. The HDHP/HSA option has higher annual deductibles and larger out-of-pocket costs for medical services. However, the higher initial out-of-pocket costs are partially offset by an employer contribution to an

HSA created in the employee's name. The NDPERS HDHP/HSA has a cap on how much an employee will pay out-of-pocket during a year, and covers preventive services (as designated by the Affordable Care Act (ACA)) with no out-of-pocket costs to the employee.

The HSA helps cover medical expenses until the annual deductible and copayment are met. NDPERS will contribute to the HSA for each month the employee participates as follows:

	<b><u>Month</u></b>	<b><u>Annual</u></b>
Single	\$54.84	\$658.08
Family	\$132.74	\$1,592.88

The plan is offered as an option to the Dakota PPO/Basic plan and a change in participation will become effective January 1, 2013. Participation in the HDHP/HSA plan is optional. More information about the plan will be available on the NDPERS website on October 22<sup>nd</sup> as part of annual enrollment. Eligible employees can also contact the BCBSND NDPERS member service unit at 1-800-223-1704 or in the Fargo area, can call 701-282-1400.

### **NDPERS FLEXCOMP PLAN – IMPORTANT PLAN CHANGES**

**For eligible state and participating district health unit employees and members of the legislative assembly.**

NDPERS recognizes the value of participation in the FlexComp Plan, so we are pleased to announce that effective with the 2013 plan year, we have made some significant administrative changes that will expedite claim payments, reduce paperwork and save time. To provide these improved services, NDPERS has contracted with a Third Party Administrator (TPA) to process healthcare spending account and dependent care claims beginning with the 2013 plan year. The new TPA company for 2013 is ADP.

This change to ADP will simplify and expedite the way claims and submitted and reimbursed. Employees will now have access to the benefits of a debit card to pay for eligible medical, dental and vision expenses for themselves and their dependents. When the ADP Spending Account Card is used at the time of purchase, eligible expenses are directly applied

against the flexible spending account balance. This means employees don't have to fill out paperwork and wait to be reimbursed later.

ADP will allow participants to choose the way they are reimbursed for eligible expenses by allowing them the following options:

### 1. File a Claim for Reimbursement

- This is the same procedure that we use today. When a claim is incurred the participant can download, complete, and print the Reimbursement Request form and fax, or mail the form and required documentation to ADP.
- They can have their funds direct deposited into a checking or saving account or receive a check.

### 2. Pay eligible expenses with your ADP Spending Account Card

- Payments are automatically withdrawn from the FSA account, so you participants don't experience any out-of-pocket costs at the time of service. The medical, dental and vision expenses paid on the ADP debit card often can be verified electronically right at the point of service, so there's no need for additional substantiation if participants use providers that have the Inventory Information Approval System (IIAS) in place.
- Other services will need to be verified with valid receipts for claims substantiation.

### 3. Online Claim Submission

- Spending account reimbursement requests can be submitted online at [myspendingaccount.adp.com](http://myspendingaccount.adp.com). Claim information is entered and images of receipts can be scanned and sent with the claim or participants can select to receive a completed claim form via e-mail.

### 4. Mobile Phone Application

- Submit claims online through the smart phone applications

using iPhone, Blackberry or Android.

### 5. Other Customer Service Options

- A secure website lets participants set up a personal login to access their account 24/7 to file a claim, check account balance and claim status, view account history, or manage their personal profile.
- Customer Service representatives are available from 7:00 a.m. to 7:00 p.m. Central Time.
- Toll-free Interactive Voice Response system (IVR) available 24/7.
- Texting service that allows participants to check account balances and view transactions on their mobile phone.

### Annual Open Enrollment Season

Employees can enroll for participation in the FlexComp Plan during this year's annual open enrollment from **October 22 through November 9, 2012**. More detailed information will be available on our web site home page at [www.nd.gov/ndpers](http://www.nd.gov/ndpers) on October 22nd and throughout the implementation process and open enrollment period. In addition, a *Special Edition of the PERSpectives* newsletter will be sent to employees' home addresses the week of October 15<sup>th</sup>. This edition will contain the information in this article as well as other benefit plan changes and directions on where to access the annual enrollment materials.

### **2012 Plan Year and 2013 Grace Period (1/1/13 through 3/15/13)**

As part of our contract, ADP will be handling all claims processing for the 2012 plan year run out and grace period claims. In order for ADP to receive accurate data from NDPERS, a blackout period will be applied in early 2013 in order for us to transfer any remaining FSA balances to the new vendor. During the blackout period claims will be pended until the transfer has been completed and the accounts have been audited for accuracy. The blackout dates will be determined during the implementation process and employees will be

notified in advance so they may plan accordingly.

### Medical Spending Account Limit

Notice 2012-40, which is a provision of the Affordable Care Act (ACA), changes the annual contribution limit for medical spending accounts (MSA) under the Section 125 FlexComp Plan. Currently the annual limit is \$6,000. Effective January 1, 2013, the annual limit will be reduced to \$2,500.

### Important Updates

#### New Dental Plan Carrier Chosen

Earlier this year NDPERS went out to bid for its voluntary dental plan. At its August meeting, the NDPERS Board selected Delta Dental as our new carrier. The Delta Dental Plan combines the features of a PPO network and out-of-network benefit option. Participants will have lower out-of-pocket expenses by using in-network providers. Following are the new premiums that will be in effect January 1, 2013 through December 31, 2014:

Employee Only: \$38.26  
Employee & Spouse: \$73.84  
Employee & Child(ren): \$85.72  
Family: \$122.08

Details about the plan will be distributed in conjunction with our annual open enrollment materials and will also be posted on our web site on October 22<sup>nd</sup>. Participants will be notified in the special edition PERSpectives newsletter scheduled to be mailed the week of October 15<sup>th</sup>.

The dental plan is available to permanent employees of state agencies, the university system, and district health units. It is not available to participating political subdivisions or temporary employees.

#### When Preparing W-2 Forms

If the employee is participating in the NDPERS Retirement Plan, check "Retirement Plan" in box 13 on the W-2 form. The NDPERS Retirement Plan is a qualified plan as described in section 401(a).

If the employee is participating in the NDPERS 457 Deferred Compensation Plan, use "Code G" in box 12a through 12d with the total amount of

contributions reported in box 12 on the W-2 form.

If you have questions, call Jim at (701) 328-3945.

### **Requirements for Participation in the Defined Benefit Plan for Elected & Appointed Officials**

As many of our employers have newly elected, re-elected and appointed officials filling positions effective in December or January, this [Memorandum](#) is available as a reminder regarding eligibility for participation in the Defined Benefit Plan.

If you are unable to view this memorandum on the website, please contact NDPERS to request that a hard copy be mailed to you.

### **Deferred Compensation Enrollment/Change forms SFN 3803 and SFN 54362**

As of October 1, 2012, NDPERS is no longer mailing you a copy of the 457 Deferred Compensation Plan Enrollment/Change Form (SFN 3803) or 457 Deferred Compensation Plan Expedited Enrollment/Waiver Form (SFN 54362) that are received in our office. The information that is provided on these forms is available to you on the Benefit Enrollment report on PERSLink ESS. **When setting up the deduction in your payroll system, keep in mind that the “start date” on the ESS Benefit Enrollment Report is the beginning date of the pay period that the deduction is supposed to start – it is not the date that the employee is paid. IT IS CRITICAL THAT YOU USE THIS REPORT TO SET UP PAYROLL DEDUCTIONS SINCE YOU WILL NO LONGER BE RECEIVING A COPY OF THIS FORM.**

### **Termination of Employment**

To be eligible for benefits, a member must terminate employment. “Termination of employment” means a severance of employment by not being on the payroll of a covered employer for a minimum of one month (31 days). This period is determined by counting 31 days from the member’s final regular payroll payment to the date they begin actual employment (first day of work) with a new NDPERS participating employer.

Approved leave of absence does not constitute termination of employment.

A return to work agreement between employee and employer that is made prior to retirement may not constitute a bona fide termination of employment and an individual may not be eligible for retirement benefits. In situations such as this, it is recommended that the employer contact NDPERS for guidance.

### **BCBSND Explanation of Benefits (EOBs) statements go paperless**

Last year, 900 fully grown trees were needed to produce the paper used by Blue Cross Blue Shield of North Dakota (BCBSND) to send its members Explanation of Benefits (EOBs) statements. To reduce paper usage and administrative costs, BCBSND members, including NDPERS members, can now sign up to receive their EOBs exclusively online.

Paperless EOBs offer members several benefits, including:

- 24/7 access to claims
- Automatic email notification when a new claim is available
- Ability to authorize others on their insurance contract to view and manage their information

“Having this information available online is something our members have been asking for. Going paperless is good for the environment and our members,” said Mark Tschider, BCBSND vice president of Customer Support and Claims Administration. “When we each play our small role, we accomplish big things.”

To sign up for paperless EOBs, NDPERS members will need to log in to their secure online account at BCBSND.com. Once logged in, there is a prominent link to “Go Green.” Members will need to enter an email address to sign up for the service.

Please notify your employees of this option. NDPERS members needing assistance should call BCBSND Member Services at 800-223-1704.

## **PERSLink Employer Self Service (ESS) Tips**

### **1. Benefit Enrollment Report**

You may have noticed that you are receiving fewer messages on your ESS Message Board than you used to see. On Thursday, September 6, 2012, a change was made to stop the messages you receive each time a benefit enrollment is completed for your employees. Instead, you will receive this message “**New Enrollments/Changes have occurred since you last generated your Benefit Enrollment/Change Report**”. The Benefit Enrollment report provides you with all the information you need to set up an employee’s benefits on your payroll system. The report will include new benefit enrollments, changes to current benefit enrollments and termination of benefits.

The benefit enrollment report is designed to be run as needed. It includes all enrollment changes since the last time that the report was generated. Once you have generated the report, you will receive another notification on the ESS dashboard the next time a benefit enrollment change has occurred. **IT IS CRITICAL THAT YOU RUN THIS REPORT PRIOR TO EACH PAYROLL PERIOD TO MAKE SURE YOU HAVE ALL BENEFIT ENROLLMENTS SET UP CORRECTLY IN YOUR PAYROLL SYSTEM.**

### **HOW TO GENERATE YOUR BENEFIT ENROLLMENT REPORT**

1. Log into your Employer Self Service
2. Navigate to the “Payroll Reports” menu option
3. Select “Benefit Enrollment Report” submenu item
4. Select the “Generate” button in the Generate Report Panel
  - A. Print your generated report
  - B. Update your Payroll Records based on the Report
  - C. Keep a copy of employee’s individual

benefit report in their personnel file

If you generate your Benefit Enrollment Report and there are no new benefit enrollment changes since the last time the report was generated by you or another authorized agent for your organization, you will receive this message: **Insufficient data to generate Benefit Enrollment /Termination Report.**

Please let us know of any suggestions you may have to improve the report.

## 2. Employee Employment Status (Contributing/Non-Contributing status)

A new field has been added when setting up your NDPERS Member Data Record for New Employees. The new required field is called "Employment Status". **You will need to select "Contributing" or "Non-Contributing" based on your new employee's eligibility to participate in an NDPERS retirement plan.**

You would select the employment status of "Contributing" if your new employee is:

1. Required to participate in the NDPERS retirement plan
2. A Temporary/Part-time employee electing to participate in the NDPERS retirement plan at their own expense

You would select the status of "Non-Contributing" if your new employee is:

1. Required to participate in an alternate employer retirement plan such as TIAA-CREF or TFFR
2. A Temporary/Part-time employee declining to participate in the NDPERS retirement plan at their own expense

### 3.24/7 access to ESS

PERSLink ESS is now available for you to log into at any time. All functionality will be available; however, payroll headers that are created between the hours of 10:30 p.m. and 7:00 a.m. will not post until after 7:00 a.m.

### Insurance Mismatch Reports

The mismatch report is a tool that can be used by agencies on the PeopleSoft system. Each month

PersLink compares the amount billed by PERS (based on current enrollment) and compares it to a file we receive with the PeopleSoft payroll transactions from the current payroll cycle. If there are discrepancies, a mismatch report will be generated. When the report is generated, it is posted to the dashboard of the primary authorized agent for the agency.

When you have a mismatch report, you need to look at the differences to determine what has caused them.

- If the Premium Reported is zero and there is an amount in the Premium from Enrollment, this means that PERS has the member enrolled in a plan. You would need to check to see if this enrollment is correct. If it is correct, you would need to enroll the member in PeopleSoft Ben Admin and do a one-time adjustment to catch up the missed premiums. If the enrollment is not correct, you would need to notify NDPERS.
- If you have an amount in the Premium Reported, but the amount in the Premium from Enrollment is zero, again you would need to determine if the member should be enrolled. If so, then contact NDPERS so we can get the member enrolled. If not, you will need to stop the deduction in PeopleSoft and refund the member for all deductions taken by doing a one-time adjustment.
- If both columns have an amount, but the amounts are different, you will need to determine which amount is correct and either notify NDPERS or make the correction in PeopleSoft.
- When one-time adjustments are made and refunds are processed, this will add to the current deduction and cause a line on the mismatch report. If you know that these adjustments were made to correct a previous mismatch

report, you do not need to do anything further.

- When enrollment needs to be corrected by NDPERS, you will see an adjustment header posted to make the correction.

If you have questions about your mismatch report, contact Cathy Carlson at 328-3907 or [cathycarlson@nd.gov](mailto:cathycarlson@nd.gov).

### Revised Materials

In conjunction with the PERSLink business system we have revised and updated all forms associated with the the NDPERS administered group benefit programs.

Please refer to the [NDPERS website](#) to verify that you are using the most recent version of a form and discard out-dated forms.

### Board Meeting Highlights

Complete [meeting minutes](#) are available.

#### June 28, 2012

- Job Service Liability Driven Investments
- Group Insurance OPEB Valuation
- Diabetes and Wellness Update
- Special Dependent Enrollment
- Budget 2013-2015
- RIO update
- Flex Comp update

#### July 19, 2012

- TIAA-CREF Update
- Group Insurance and Retirement Update

*Look forward to receiving via email your next edition of the PERSonnel Updates @ January 15, 2013.*

*This newsletter is intended to provide general information and may not be considered to be a legal interpretation of law. Statements contained in this newsletter do not supersede the North Dakota Century Code or Administrative Code or restrict the authority granted to the Retirement Board. This information is subject both to changes made by the legislature and rules and regulations established by the Board of the North Dakota Public Employees Retirement System.*