

PeopleSoft®

**EnterpriseOne JDE5
Human Resources Benefits for the
United States PeopleBook**

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Human Resources Benefits for the United States PeopleBook
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Table of Contents

Overviews	1
Overviews.....	1
Industry Overview.....	1
Benefits Administration Overview.....	7
Benefits Administration	12
Benefits Administration	12
Enrolling Employees	13
Working with Dependents and Beneficiaries	38
Working with Fund Allocations	48
Working with Enrollment Information.....	52
Reviewing Employee Enrollment.....	60
Working with Employee Benefit Statements	70
Flexible Benefits	83
Flexible Benefits	83
Enrolling in Flex Benefit Plans.....	83
COBRA	86
COBRA.....	86
What Is a Qualifying Event?	86
Who Are Qualified COBRA Beneficiaries?	87
How Do You Comply with COBRA Coverage?	87
COBRA Administration	88
Nondiscrimination Testing	110
Defining and Identifying Key Employees	112
Defining a Test.....	113
Associating, Processing, and Reviewing Tests	118
Processing and Reviewing the Final Pass/Fail Test	121
Setup	124
Benefits Administration Setup	124
Understanding User Defined Codes for Workforce Management Systems	127
Setting Up Group Information	130
Setting Up Benefit Plans.....	137
Setting Up Plan Options	147
Linking Plans to Benefit Categories.....	151
Setting Up Date Codes	154
Setting Up Pay Type Tables	159
Setting Up Eligibility Tables	161
Setting Up Enrollment Parameters	164
Linking Allocation Funds to Plans.....	168
Verifying the Setup of Benefits Administration	172
Flexible Benefits Setup	174

Setting Up a Benefit Group for Flex.....	174
Setting Up an Employee Flex Deduction.....	175
Setting Up a Lump Sum Credit.....	179
Setting Up Flex Benefit Plans.....	182
COBRA Setup	186
Activating Automated COBRA Administration.....	187
Using COBRA Workflow.....	187
Setting Up COBRA General Constants	188
Setting Up COBRA Qualifying Event Constants	192
Setting Up COBRA Qualifying Event Rules	194
Setting Up COBRA Plan Premium Amounts	196
Setting Up Nondiscrimination Testing	198
Setting Up Test Name Codes for Nondiscrimination Testing	198
Setting Up Compensation/Contribution PDBA Tables	198
Setting Up Test Category Codes for Nondiscrimination Testing	199
Creating a Plan Control Group	199

Overviews

Overviews

In today's competitive marketplace, companies need to provide a superior benefit package for their employees. J.D. Edwards Benefits Administration system provides an effective way to manage the functions in your benefit program.

This section provides overview information about the industry environment and how the Benefits Administrative system operates.

Industry Overview

To understand how benefits management affects your organization and why tasks are performed in the way that they are, you need to be aware of the critical role that benefits management plays in the business environment.

This chapter introduces the industry concepts associated with benefits. In addition, it describes J.D. Edwards solutions to problems inherent in a benefit system.

Industry Environment and Concepts for Benefits

Because the demands of the workforce are increasing and companies want to meet those demands to retain qualified employees, companies must offer a competitive benefit package and a wide variety of options that will satisfy a diverse group of employees and candidates.

Historically, benefits have been very limited. In 1943, benefits averaged less than 5 percent of pay. Most companies provided only specific options that were standard across the workplace. An employer was not responsible for the nonwork needs of employees. Benefits were not considered by federal authorities to be part of an employee's total compensation.

However, in the last 25 years, the workforce has changed dramatically and now requires more extensive benefit packages from employers. In addition to the new benefit expectations of the workforce, legislative acts have forced the benefit arena to evolve rapidly. Benefits have expanded to include Managed Care, Employee Retirement Income Security Act (ERISA), Consolidated Omnibus Reconciliation Act (COBRA), and other legislative acts. Today, benefits average around 35 to 40 percent of an employee's pay.

The emergence of managed care in the United States has changed the health insurance industry. Healthcare and prescription costs are increasing. Managed care has brought about the establishment of Health Maintenance Organizations (HMOs), Preferred Provider Organizations (PPOs), Exclusive Provider Organizations (EPOs), and a variety of other health care systems. These systems govern the costs that physicians may charge, the services for which an insurance company will pay, and the facilities that a patient may use. Although such systems have enabled a larger group of citizens to receive healthcare treatment at low cost, they have also resulted in restrictions on both patients and physicians. These restrictions have prompted Congress to consider additional legislation to remedy the unforeseen problems. Legislative acts in the form of healthcare reform and a patient's bill of rights are currently being considered. The results of these efforts might not be realized for many years.

In 1974, a federal statute, ERISA, was passed to govern the administration of retirement plans in the United States. While this statute is often thought of as governing only retirement

plans, ERISA actually sets standards for both retirement and welfare plans (such as health, life, and disability insurance benefit plans). ERISA set forth participant rights and administrator requirements that would prevent the misuse of retirement funds, enable participants to view financial information about their plan, and establish procedures for appealing denied claims. ERISA also requires compliance with specific reporting requirements by employers or plan administrators. This act requires benefit professionals to find ways of obtaining and tracking plan data in order to prove their compliance with ERISA's reporting and fiduciary requirements.

In the meantime, companies are searching for new alternatives to offer their employees for health insurance. Organizations are turning to new healthcare systems that, while still considered managed care, offer greater flexibility, increased customer service, and decreased administrative complexity for those seeking care. Companies commonly offer three to five health insurance plans, each with different costs and levels of flexibility, so employees can choose the option that makes the most sense for their financial and healthcare needs.

Additionally, companies are offering company stock at a discounted price to employees through Employee Stock Purchase Plans (ESPPs) or are using Employee Stock Ownership Plans (ESOPs), so employees feel that they are participating in the success of the company. Benefit administrators must seek out, research, and implement these options as part of a company's benefit offering.

Social Security, Unemployment Insurance, Workers' Compensation Insurance, and COBRA are also the responsibility of benefits administration, in addition to the most commonly known benefits like welfare plans and retirement plans. These benefits are government-mandated and, within certain parameters, must be provided to employees. The Federal Insurance Contribution Act (FICA) is the basis for Social Security coverage in the United States. Both employers and employees contribute to FICA in order to provide retirement, survivor, disability, and health benefits to employees and their dependents, either in the event of disability or upon reaching retirement age. Unemployment insurance is a company-paid benefit, meant to serve employees who separate from employment and are unable to immediately find other work. Unemployment benefits can be paid to those former employees for an interim period until they secure a new job. Workers' Compensation Insurance ensures that employees who are injured during the course of performing their normal job duties can obtain medical and income assistance if they are unable to work as a result of their injury. COBRA enables former employees to maintain benefit coverage for an interim after a qualifying event, such as separating from employment with a company.

A company can also offer supplemental benefits. These benefit options are not government-mandated, and they might not be standard benefit options offered by companies. Supplemental benefits include tuition assistance, health club reimbursement, cafeteria plans and flexible spending accounts, voluntary term life insurance, supplemental long-term disability insurance, on-site day care, Employee Assistance Plans (EAPs), elder-care assistance, and many other types of assistance. This area of benefits is growing rapidly. Commonly, these supplemental benefits are becoming standard expectations of the workforce. Benefit managers will have to find new, creative benefits to offer employees to distinguish themselves from competitors and meet the changing needs of the workforce. Implementing benefit plans that do not really meet the needs of the workforce is inefficient and costly. An organization can expect to maintain an effective benefit offering that employees view as valuable only through effective communication with employees, frequent surveys, satisfaction analyses, and well-rounded package design.

Benefits Administration

After a company has determined what standard, government-mandated, and supplemental benefits that it will incorporate into its benefit package, benefit professionals must administer the plans. This task is time-consuming and paper-heavy, and generally requires close interaction with health insurance companies, state unemployment insurance offices, and pension plan administrators. Therefore, many companies hire a third-party administrator (TPA) to assist them in administering the plans, maintaining plan compliance, and submitting regulatory reports to the appropriate administrators.

In addition to maintaining the benefit plans, benefit administrators must enroll employees in these plans. Many factors affect how employee enrollment will be administered, such as eligibility requirements and enrollment periods. All benefit plans have eligibility criteria that employees must meet before they are allowed to participate in the plan, such as age, length of service, and employment status. For example, a pension plan might stipulate that for an employee to be eligible to participate in the plan, he or she must be at least 21 years old and work a minimum of 20 hours per week, and have been employed by the company for at least one year. Sometimes the company decides these eligibility requirements and sometimes the company works with the plan administrator to decide the requirements.

Regardless of how benefit eligibility requirements are determined, these criteria must be applied indiscriminately to the workforce to avoid top-heaviness or discrimination within the plan. Top-heavy refers to a plan (generally a pension plan) that has more than 60% of its assets contributed by or on behalf of key employees, such as owners or executives, or those earning above a certain level of compensation. Plans that are top-heavy are subject to financial remedies that will redistribute plan assets more proportionately.

Another eligibility-related term that generally applies to pension plans is vesting. Vesting refers to the schedule by which employees take ownership of the contributions made to their pension plan by the company on their behalf. Three types of vesting are described as follows:

- Graded vesting. Refers to a schedule whereby for each year that employees remain with the company, they gain a larger percentage of ownership of their employer-contributed account balance. ERISA's minimum requirements for graded vesting are based on at least 20 percent vesting not later than the third year of employment, with an additional 20 percent vesting each year thereafter. Full vesting is required by the seventh year of employment.
- Cliff vesting. Based on a schedule that requires full vesting not later than the fifth year of employment but does not require any vesting prior to year 5.
- Other vesting schedules. Can always be more generous than cliff or graded vesting, but cannot be more restrictive in order to comply with ERISA standards.

By instituting a vesting schedule, employees have an incentive to remain with the company. If they leave the company before being fully vested in the plan, they will forfeit a portion of the contributions made by the employer on their behalf and any earnings associated with those contributions. These funds must be redistributed within the plan.

Some benefit plans contain open enrollment or reenrollment periods. Open enrollment refers to a time when employees can make changes to their benefit coverage or begin enrollment in a plan in which they previously had not been enrolled. If such changes are made outside of the open enrollment period, waiting periods might be required before such changes go into effect, or employees might be prohibited entirely from making changes outside the open enrollment period. Reenrollment occurs when a plan is based on a specific time period, generally one year. Employees must reenroll in that plan annually. During the reenrollment period, employees can sign up for different coverage than they had previously.

Frequently, annual reenrollment periods are associated with cafeteria plans or flexible spending account plans. Cafeteria plans, often referred to as flexible benefit plans, are an effective way of allowing employees to select benefits that are useful to them. Employees pick from a menu of benefit options and pay only for those options that they select. This method of selecting benefits represents a cost savings to both employee and employer because they both are paying only for benefits that will be used by the employee. Generally, employers will grant a certain number of flex credits that are used by the employee to "pay" for the benefits they select. Each benefit option has a "flex cost," and that cost is deducted from the total number of flex credits granted to the employee. Excess credits are handled in one of the following ways:

- If the employee elects more benefits than he has flex credits for, the excess can be deducted from his paycheck through payroll deductions.
- If the employee elects fewer benefits than he has flex credits for and, therefore, has leftover flex credits, some employers allow the employee to receive that excess amount in the form of a taxable addition to his pay.
- If the employee elects fewer benefits than he has credit for, some employers allow employees with leftover credits to use the excess for other life needs such as tuition expenses, weight-loss programs, smoking cessation programs, or financial planning expenses.

Some employers do not permit employees to use excess flex credits. They maintain a "use it or lose it" provision.

Flexible spending accounts (FSAs) are offered to employees under section 125 of the Internal Revenue Code. This benefit enables employees annually to elect a certain amount to be deducted from their paychecks on a pre-tax basis for future use in paying medical-related or dependent-care expenses. The administration of FSA plans is strictly regulated by the IRS in terms of what expenses are eligible for reimbursement and how much money employees may contribute to these FSAs. Additionally, as required by the IRS, any monies remaining in an employee's account after the end of the plan year and reimbursement period are forfeited.

The Competitive Advantage

The following table presents typical problems with tracking benefits, the J.D. Edwards solution that resolves each problem, and the return on investment from using the J.D. Edwards Benefit system:

Your company needs to track separate benefit plans for union and nonunion employees.

The Group Plan DBA feature enables your company to group a set of DBAs that are unique to union members, such as union membership dues. Using benefit groups, you can set up a union group so that the eligibility and participation requirements within a union are applied specifically to union members only. You can eliminate errors during data entry using job and union reports. Using this system, benefit plans are clearly organized and easily administered. HR time and resources can be dedicated to other projects.

During consolidations, the merging companies have difficulties managing the consolidation of benefit packages for the employees of each company.

By maintaining two sets of benefit packages, your company can track the eligibility of employees under each package separately. Your company can set up different benefit plans and groups for each package. When your company uses Employee Master Mass Changes, the appropriate benefit group can be assigned to many employees at once. To enroll

employees in newly consolidated plans or to enroll the acquired employees in existing plans, you can use the Batch Enrollment or Self-Service Open Enrollment features. Using the HR Call Center function, you can route phone calls regarding benefits or information about the consolidation from employees to the appropriate person in the HR department. Plans are better organized and more easily administered. Using web-enabled applications saves HR resources and associated costs.

When a large group of employees is hired at the same time, your company has difficulty gathering all the appropriate information and entering it into the system so that benefits are initiated in a timely manner.

Your employees can use Employee Self-Service benefit Enrollment through the company's intranet to learn about company benefits and enroll in the appropriate plans. Using the self-service function, employees can view their choices and see what the actual deductions would be. Benefit administrators can use Batch Enrollment to automatically set up a large number of employees for benefits. When employees are empowered to perform HR functions on their own, HR resources can be dedicated to other projects, resulting in increased HR productivity and decreased costs for administrative tasks.

Your company needs to provide information to employees about what benefits they are enrolled in and how much your company contributes toward those benefits.

The J.D. Edwards Benefits system provides a simple process by which the HR department can create a benefit statement that contains appropriate information about pay, deductions, benefits, and accruals (PDBAs), and taxes. You can run this report as frequently as needed to compile the PDBA and tax totals of your employees, based on payroll history records for a specified time. The system provides accurate and detailed information to employees about their benefits and, thus, saves HR resources from spending time compiling this information manually. Employees can review their statements to ensure that enrollment information is correct. When the employees realize the value of the employee-sponsored benefits, they will have greater company loyalty and higher job satisfaction.

Your company needs to know exactly how much you owe to a benefit provider.

Because the HR, Benefits, Payroll, and Accounts Payable systems are integrated, companies can designate at the benefit plan level that an Accounts Payable voucher should be generated that is based on the employee deductions and employer contributions made for a certain benefit. When you run payroll, all deductions and employer contributions for the benefit are summed up in one total and made into a voucher. The voucher amount is then logged in the Accounts Payable system. Using the benefit system increases the accuracy of monies paid to benefit vendors. HR saves time by not having to compute payment amounts manually.

Your company needs to keep track of dependents and beneficiaries within the plan.

Dependents and beneficiaries are tracked on the Dependent/Beneficiary Entry form, which has fields for designating full-time student status and date of birth. Also, dependents and beneficiaries who are attached to specific plans can be listed with the employee with whom they are

associated on the Dependent/Beneficiary by Employee form. Several standard reports help determine whether dependents have become ineligible in the plans.

Your company needs to provide information to employees about benefit enrollment.

Employees can use the Employee Self-Service feature to learn about their benefits, view their benefit options, enroll in benefit plans, review and make changes to their existing benefit elections, and perform "what if" scenarios to determine the total cost of elections. The Self-Service feature saves HR staff from spending time explaining and distributing enrollment forms and providing enrollment confirmation.

Your company needs a system that accommodates exceptions to standard eligibility requirements.

Using Enrollment with Overrides, you can add to any benefit plan and make the changes effective at any time. If a one-time change in the amount of a deduction or benefit is needed, the change can be reflected in One-time DBA Overrides in Time Entry. The system reduces the time needed to manually override or correct benefits deductions or subsidies during payroll processing. It also eliminates the need to track employees with special circumstances manually.

Your company acts as the plan administrator for your own retirement and pension plans, so you are required to track fund allocations and prove a nondiscriminatory plan.

Using Fund Allocation Setup and Allocations by Employee, you can list all funds available within a retirement plan. You can specify whether employees are owners or officers of the company, whether they are considered highly compensated, and whether they should be included in "look-back year" statistics. This information helps ensure that statistics compiled for nondiscrimination testing are accurate. The system makes fund allocation easy to administer and maintain, thus reducing the need for paying third-party administrators for this service. You are also assured that plan and participation data are accurately reported.

Your company needs to know whether employees are eligible for benefits when they are working part time or are on flexible schedules.

Using Enrollment Parameters, you can set up the conditions under which time eligibility is tested. If the Continuing Eligibility Tables feature is set up with minimum hours requirements, the system will review an employee's scheduled hours to determine whether he is eligible for the plan. If the employee drops below the hours requirements, he will be placed in a new benefit status based on how the eligibility rules are set up.

When self-administering benefit plans that are based on factors such as income and age, your company needs to ensure that the premiums charged are in accordance with factors associated with the plan.

You can set up your own calculation tables that define the appropriate premiums to charge for each age or income bracket. You can update these tables in one place when rates change, and the system will automatically update all deductions for employees enrolled in the plan. You can increase the accuracy of premiums being deducted for age-based benefit plans. The HR staff no longer needs to rely on manual tracking to determine when age-based rate increases are necessary.

Benefits Administration Overview

You use the Benefits Administration module of the J.D. Edwards Human Resources system to implement and support benefit packages for the employees in your organization. With the Benefits Administration module, you can enroll employees in the benefit plans that your organization offers. You can end enrollment whenever employment ends or your organization changes benefit plans. You can also add new benefit plans, change the cost of current plans, and remove old plans from the system.

System Integration

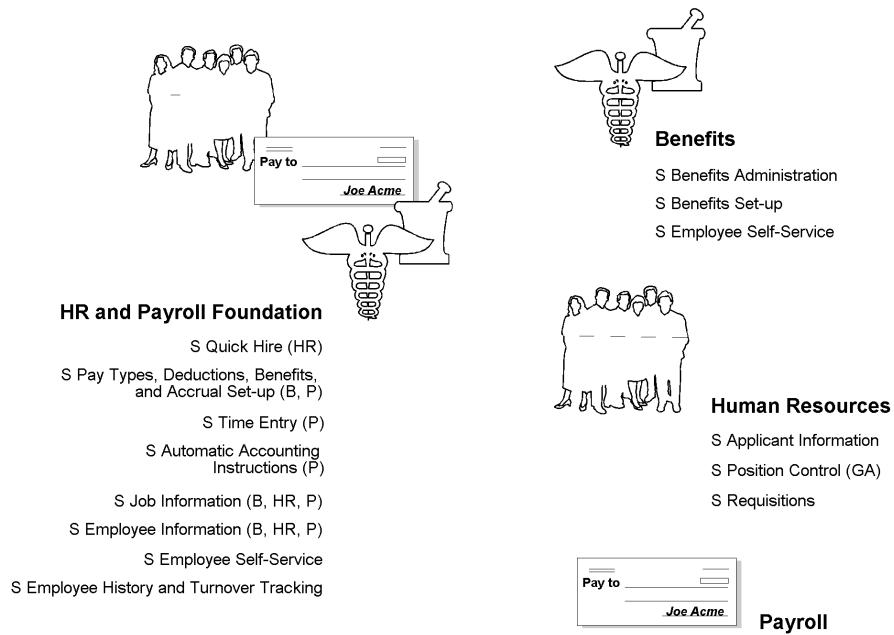
Benefits Administration is one module of the J.D. Edwards Human Resources system. To simplify your processes and facilitate communication within your organization, the Benefits Administration module fully integrates with the other modules in the Human Resources system and with other J.D. Edwards systems, such as Payroll and General Accounting. This integration provides the following advantages:

- It eliminates redundant data entry
- It manages current and accurate information across all your business operations

To prevent unauthorized access to confidential information, you can set up system security that allows users to access only the information they need for their jobs.

The following graphic shows how Workforce Management Foundation, Human Resources, Benefits, and Payroll are integrated:

HR and Payroll System Integration



Key

- B = Integrates with Benefits
- HR = Integrates with Human Resources
- P = Integrates with Payroll
- GA = Integrates with General Accounting

Features

The Benefits Administration module provides you with the tools to manage your organization's benefit plans with online integration to other human resources information and payroll processing. With the Benefits Administration module, you can respond to employees' requests for information about their benefits.

You can also perform the following functions:

- Administer any number of plans with varying amount or rate options
- Separate the employer's and employee's portions of the costs of the plans and options
- Administer both pre-tax and post-tax benefits
- Track non-cash benefits, such as use of a company car or health club dues
- Determine benefit eligibility based on system or user-defined criteria
- Generate payroll deductions

Terms and Concepts

You need to understand the following terms and concepts to administer your benefit program

Allocation	An allocation is the distribution of funds over various investment options. For example, you might allocate half of the money you are investing to one fund and the other half to another fund.
Beneficiary	A beneficiary is the individual who will receive the benefit from an insurance or investment plan in the event of the plan holder's death. For example, you might designate your spouse as the beneficiary of your life insurance plan.
Benefit group	A benefit group is a group of employees who, for benefit purposes, are offered the same set of benefit plans. For example, a benefit group can be salaried, hourly, or executive.
Benefit category	A benefit category is a broad description of related benefit plans. For example, a benefit category can be medical, dental, or retirement.
Benefit plan	A benefit plan is a plan that provides a benefit for the employee. For example, a benefit plan can be traditional medical, medical HMO, vision, dental, and so forth.
Dependent	A dependent is an individual, such as a spouse or child, who is supported financially by an employee. Dependents are often entitled to share in an employee's benefit plans, such as medical insurance.
Deductions, benefits, and accruals (DBAs)	A deduction is a monetary amount taken out of an employee's pay. For example, a deduction can contribute toward a benefit, such as life insurance or medical coverage. A benefit is something employees receive for working for the employer. For example, a benefit can be a medical insurance plan, a 401(k) program, or a life insurance plan. An accrual is typically sick time, vacation time, or holiday time that can be accumulated by the employee and used at a later date.
Flexible Benefit Plan	A flexible benefit plan, also called flex plan, allows employees to select the benefit choices that meet their individual needs. Employers provide employees with flex credits with which they can purchase the benefit plans that they want. Employers can provide flex credits in a lump sum that is based on factors such as length of service or in a lump sum that is the same for all employees. Flex credits can also be awarded upon selection of certain benefit plans.
Plan option	A plan option further defines the benefit plan. For example, within a medical plan you might have options for employee, employee plus one, and employee plus family.

Tables and Descriptions

The following tables in the Human Resources system are used by the Benefits Administration module:

401(k) Elections (F08346)	Contains information about fund allocations linked to employees.
401(k) Elections Setup (F08345)	Contains information about the accrual DBAs for fund allocations.
Available Plans and Plan Options by Employee Work Table (F08320WF)	Contains all the active plans and plan options that are available for enrollment within various benefit categories. This table is used for Self-Service Benefits.
Enrollment Event Setup (F08500)	Contains information about the eligibility tests and date codes that the system applies when you enroll employees using enrollment with eligibility or batch enrollment.
Benefit Categories by Enrollment Events (F08510)	Contains information about the benefit categories that are eligible for changes during specific enrollment events. This table is used for Self-Service Benefits.
Categories within Benefit Groups (F08350)	Contains information regarding categories within benefit groups, as well as category and group rules.
Employee Current/Pending Elections Work Table (F08330WF)	Contains information about the current benefit enrollment for each employee. This table is used for Self-Service Benefits.
Dep/Ben to Employee Plan X-Reference (F08336)	Contains information about dependents and beneficiaries linked to employee records, as well as the benefit plans in which the dependents and beneficiaries are enrolled.
Eligibility (F08390)	Contains the eligibility criteria for a benefit plan and the action to be taken when an employee tests either eligible or ineligible.
Employee Enrollment (F08330)	Contains the detail information for the online enrollment of employee benefits processing.
Employee Master Information (F060116)	Contains all significant employee information for the Human Resources and Payroll systems.
Enrollment Date Terms (F08395)	Contains the date terms that define the effective beginning and effective ending dates of the event enrollment period.
Enrollment Event Setup (F08500)	Contains information about the events that justify a change in benefits enrollment. This table is used for Self-Service Benefits.

Pay Type Tables (F08393)	Contains the definition of groups of pay type ranges that affect the payment of various benefit amounts.
Payroll Transaction Constants (F069116)	Contains details of deduction, benefit, or accrual (DBA), payroll, and pay type setup specifications.
Participant file (F08901)	Contains information about dependents and beneficiaries.
Plan Additional Options (F083202)	Contains additional options that are variations of the plan.
Plan DBA/Enrollment DBA Cross Reference (F08515)	Contains information about the current benefit plan DBAs cross-referenced with the DBAs that contain the rates for the new plan year. This table is used for Self-Service Benefits.
Benefits Plan Master (F08320)	Contains provider/trustee data, effective dates, payroll DBA integration codes, and eligibility tables for benefit plans.
Plans within Benefit Categories (F08351)	Contains information about plans linked to categories, as well as pertinent plan enrollment rules.

Benefits Administration

Benefits Administration

As part of a total compensation package, companies typically provide benefit plans for their employees. Benefit plans vary among companies, organizations, and industries. However, most benefit plans include medical insurance, life insurance, and retirement and investment programs. Additionally, a company might offer various plan options.

You enroll employees in benefits so that they can participate in the benefit plans that your organization offers. Depending on how you have set up your benefit plans and the eligibility standards that you have set up for employees or groups of employees, you can use one or more of the following methods to enroll employees in the plans:

- Enrollment with eligibility
- Enrollment overrides
- Batch enrollment
- Self-service enrollment

When you need to enroll employees in benefit plans that have eligibility requirements, you typically use the enrollment with eligibility method. When you use this method, the system verifies that the employee meets the eligibility requirements before it enrolls the employee in a plan. You can also use batch enrollment to globally verify and enroll employees who are eligible for enrollment. Batch enrollment is typically used to enroll employees in mandatory and default plans.

In some cases, you might need to waive eligibility requirements for an employee. For example, when you rehire an employee who previously worked for your organization for ten years, you might waive the eligibility requirements for that employee. When you enroll the employee in benefit plans, you use enrollment overrides to waive eligibility requirements of those plans.

You can provide an additional service to employees and reduce your data entry by allowing self-service benefits enrollment. With self-service enrollment, employees can enroll in or change their own benefits through a Web site on your company's intranet during open enrollment or when an employee is hired or has a life change, such as marriage. The changes that an employee makes are stored in workfiles, which are then updated to the live benefits tables.

You need to maintain accurate and current information to successfully administer benefit plans to all employees throughout your company. After you enroll employees in benefit plans, you can perform the following tasks:

- Correct or change employee and enrollment information
- Manage plan changes and open enrollment

You can produce benefit statements for each employee detailing the amount that both the employee and the company have contributed to their benefits, taxes, and other compensation.

Enrolling Employees

You enroll employees in benefits so that they can participate in the benefit plans that your organization offers. You also enroll employees so that they can pay premiums or make contributions to the benefit plans through payroll deductions. You can choose from the following methods for enrolling employees in benefits:

- Enrollment with eligibility
- Enrollment overrides
- Batch enrollment
- Self-service enrollment

If you offer flex benefit plans, you can enroll employees using enrollment with eligibility or allow employees to enroll themselves using self-service enrollment.

For benefit plans that have eligibility requirements, you can enroll employees using enrollment with eligibility or batch enrollment. You also use these methods when your company requires a certain group of employees to participate in particular plans. For example, you can use batch enrollment to enroll every employee assigned to the management benefit group in a mandatory management medical plan.

When you use enrollment with eligibility or batch enrollment, the system verifies the employee's eligibility against the standards for the plans and plan options available to the benefit group.

To use either enrollment with eligibility or batch enrollment, you must create benefit groups when you set up your system. A benefit group identifies the type of employee who is eligible for a particular set of benefits. Examples of benefit groups might include executives, hourly employees, and part-time employees. You can create benefit categories (broad descriptions of related types of benefit plans) for each benefit group, and you can link multiple benefit plans to each category. For example, you can create a benefit category called medical and link two medical plans, a traditional-style plan and an HMO, to that category.

Additionally, you can set up default plans for some benefit categories. This means that if a category has more than one plan, you can define one of the plans as the default. If an employee does not choose a plan or plan option, the system automatically enrolls the employee in the default plan.

You can use enrollment overrides when you need to waive eligibility requirements for specific employees.

As an alternative to entering each employee's enrollment information yourself, you can allow employees to enroll themselves online using self-service benefits. For more information, see *Entering Benefits Information Using Employee Self-Service* in the *Workforce Management Foundation Guide*.

Before You Begin

- Set up benefit plans and related information. See *Setting Up Benefit Plans*.
- Create an employee record for each employee whom you need to enroll in benefits. See *Adding Employee Records One at a Time* in the *Workforce Management Foundation Guide*.
- If you need to enter or change the benefit group selection for a group of employees before you enroll them in benefit plans, see *Processing Mass Changes* in the

Workforce Management Foundation Guide for instructions on assigning benefit groups globally.

See Also

- Enrolling in Flex Benefit Plans* for more information about displaying flex benefit costs and credits

Enrolling Employees Using Eligibility

To enroll an employee in benefit plans that have eligibility requirements, you can use the enrollment with eligibility feature. For you to use this feature, the employee must be assigned to a benefit group. When you enroll an employee, the system tests for eligibility and assigns the applicable enrollment status and date to the employee's record, based on which eligibility requirements are met.

The system displays the selected employee's benefit group, benefit group rule, pay frequency, benefit status, and date started. If the employee's benefit group does not offer flex plans, the system also displays the total payroll deduction for the plans in which the employee is enrolled. The system updates this total as you change the employee's enrollment.

If the selected employee's benefit group offers flex plans, the system displays a Flex Elections tab, which lists the employee's available, spent, and remaining flex credits. The system also displays the employee's non-flex payroll deductions, any flex payroll deduction that results from overspending flex credits, and total payroll deductions.

The system displays a colored box at the top right corner of the enrollment form to indicate the current payroll status of an employee. The box can display any of the following colors and statuses:

- Green - Active employee not included in the current payroll cycle
- Fuchsia - Active employee included in the current payroll cycle
- Red - Terminated employee
- Yellow - Employee on leave of absence

For some benefit plans, you can enter variable amounts or rates. For example, when you enroll an employee in a retirement plan, you can enter the percentage of salary that the employee wants to contribute to the plan. When you enroll an employee in a plan that requires you to enter an amount or rate that is unique to that employee, an additional form appears on which you can enter the information.

You can set up a default plan for a benefit category in which employees are required to elect a plan. For example, you can set up a medical benefit category that includes three plans, with a default plan for no coverage. Employees can choose a medical plan in which they want to participate. If an employee does not choose a medical plan in the category, the system automatically enrolls the employee in the default plan for no coverage.

When you are enrolling an employee in benefit plans, you can use the options on the Row menu to access detailed information about individual benefit plans.

To change an employee's enrollment information for plans that have eligibility requirements, see *Working with Enrollment with Eligibility*.

► To enroll an employee using eligibility

From the Daily Processing menu (G08BB1), choose Enrollment with Eligibility.

The screenshot shows the PeopleSoft interface for 'Enrollment with Eligibility - Work With Enrollment With Eligibility'. At the top, there's a navigation bar with links for Portal, WWWW, Intranet, and Training. Below that is a toolbar with icons for Select, Find, Submit, Close, Refresh Eligibility, Form, Row, and Tools. The main area has tabs for General and Flex Elections, with General selected. Under General, there are fields for Employee Identification (5522, Thompson, Craig) and Effective Date (01/01/00). A checkbox labeled 'Display Elected Plans and Plan Options' is checked. Below these are fields for Benefit Group (FLEX), Benefit Status (Active), Benefit Group Rule (1), Pos. remaining credits allowed (02/15/97), and Pay Frequency (Semi-Monthly). A grid titled 'Records 1 - 10' displays various benefit categories and their details. The grid columns include Category, Category Rule, Plan ID, Plan Description, Plan Option, Plan Option Description, and M/P. The data in the grid is as follows:

Category	Category Rule	Plan ID	Plan Description	Plan Option	Plan Option Description	M/P
FLEXMED	No rules apply-select any item FMEDEE	FMEDEE	Medical Flex Ee Only			N
		FMEDEE+1	Medical Flex Ee + 1			N
		FMEDEE+2	Medical Flex Ee + 2 or More			N
FLEXDEN	No rules apply-select any item FDENTEE	FDENTEE	Dental Flex Ee Only			N
		FDENTEE1	Dental Flex Ee + 1			N
		FDENTEE2	Dental Flex Ee + 2 or More			N
FLEXVIS	No rules apply-select any item FVISEE	FVISEE	Vision Flex Ee Only			N
		FVISEE1	Vision Flex Ee + 1			N
		FVISEE2	Vision Flex Ee + 2 or More			N
FLEXEEDED	No rules apply-select any item FLXEEDED	FLXEEDED	Employee Flex Deduction			Y

1. On Work With Enrollment With Eligibility, complete the following fields and click Find:
 - Employee Identification
 - Effective Date
2. Review the information in the following fields:
 - Benefit Group
 - Benefit Status
 - Benefit Group Rule
 - Date Started
 - Pay Frequency

Enrollment with Eligibility - [Work With Enrollment With Eligibility]

File Edit Preferences Form Row Window Help

Select Find Close Seg... New... Sub... Ret... Dis... Abo Links ▼ Submit OLE... Internet

Employee Identification 5522 Thompson, Craig
Effective Date 1/1/05 Display Elected Plans and Plan Options

General Flex Elections

Flex Credits Available	.00	Non Flex Payroll Deduction	0.00
Flex Credits Spent	37.00	Flex Payroll Deduction	0.00
Flex Credits Remaining	37.00-	Total Payroll Deductions	.00

Category	Category Rule	Plan ID	Plan Description	Plan Option
FLEXMED	No rules apply-select any if	FMEDEE	Medical Flex Ee Only	
		FMEDEE+1	Medical Flex Ee + 1	
		FMEDEE+2	Medical Flex Ee + 2 or More	
FLEXDEN	No rules apply-select any if	FDENTEE	Dental Flex Ee Only	
		FDENTEE1	Dental Flex Ee + 1	

3. If the selected employee's benefit group offers flex plans, click the Flex Elections tab and review the information in the following fields as you change the employee's enrollment:
 - Flex Credits Available
 - Non Flex Payroll Deduction
 - Flex Credits Spent
 - Flex Payroll Deduction
 - Flex Credits Remaining
 - Total Payroll Deduction:
 4. In the detail area, choose each row that contains a benefit plan or plan option in which you want to enroll the employee, and choose Elect from the Row menu.
- If any of the plans that you choose requires an amount or rate, the Change Amount or Rate form appears.

5. On Change Amount or Rate, type the amount or rate that the employee pays in the unlabeled field to the right of the Employee Payroll Ded DBA field.
6. If applicable, complete the unlabeled field to the right of the Employer Paid Benefit DBA field.

If your company has set up the employer-paid DBA to calculate from the employee-paid DBA, leave the unlabeled field to the right of the Employer Paid Benefit DBA field blank. For this type of setup, the system calculates the amount or rate based on the value in the employee-paid field. If your company has not set up the employer-paid DBA to calculate on the employee-paid DBA, type the amount or rate in the unlabeled field to the right of the Employer Paid Benefit DBA field.

7. When you have entered the amounts or rates, click OK to close Change Amount or Rate.
8. On Work With Enrollment With Eligibility, review the amount in the following field on either the General tab or the Flex Elections tab:

- Total Payroll Deduction:

The system displays the Total Payroll Deduction field on the General tab only if the selected employee's benefit group does not offer flex plans. If the selected employee's benefit group offers flex plans, the system displays the Total Payroll Deduction field on the Flex Elections tab.

Before you click Submit to save the elections, you can undo an incorrect election by double-clicking the check mark bitmap for that election.

9. Click Submit to save your entries.

Note

Every time you submit records in Enrollment with Eligibility, the system recalculates the DBA amounts.

If you discover an incorrect election after you have saved the record, use the Mistaken Enrollment option from the Row menu to remove the election. See *Working with Enrollment with Eligibility* for information about removing elections.

Processing Options for Enrollment with Eligibility (P08334)

Dates Tab

These processing options specify the dates that the system uses when it processes enrollments with eligibility.

1. Effective Date

A specific date

Blank = the system date

Use this processing option to indicate the effective date. To use the system date as the effective date, leave this processing option blank. The effective date is used in conjunction with the plan's initial and continuing eligibility tests to determine the employee's enrollment status and date. When you enter an effective date on the Enrollment with Eligibility form, that date overrides the date that you enter in this processing option.

2. Eligible Date

0 = Do not calculate

for unelected plans

1= Calculate for

unelected plans

Use this processing option to define whether the system automatically calculates and displays eligibility dates for unelected plans and plan options. Valid values are:

0

Do not calculate for unelected plans.

1

Calculate eligibility dates for unelected plans and plan options.

Calculating eligibility for unelected plans and plan options significantly increases the time required to display the employee's plan information.

3. Qualifying Life Event Date

A specific date

A specific date when a qualifying life event, such as marriage, occurred.

Defaults Tab

These processing options specify the default information for processing enrollments.

1. Future Enrollment Status

**Any 3 alphanumeric
status.**

Use this processing option to define the value that you are using to indicate that a future enrollment record exists for the plan. The values that you enter in this processing option are not associated with a user defined code table. For this processing option, "future" means that the actual plan enrollment date is greater, or later in the future, than the entered effective date.

2. Mistaken Enrollment

Status

A valid code

Use this processing option to define the user defined code (08/ES) for the enrollment status that you want to assign to mistaken enrollments. If you leave this processing option blank, the system displays an error message when you choose the Mistaken Enrollment option on Enrollment with Eligibility.

3. Ending Enrollment Status

A valid code

Use this processing option to define the user defined code (08/ES) for the enrollment status that you want to assign to enrollments that have ended. If you leave this processing option blank, the system displays an error message when you choose the Stop - Auto Dt/Sts (Stop - Automatic Date and Status) option on Enrollment with Eligibility.

4. Ending Enrollment Status

Based on Plan End Date(s)

A valid code

This processing option affects enrollments in only those plans for which you entered an ending date in either the Plan Master (P08320) or Plans within Categories (P08351). For example, a flexible spending account plan might have an ending date because employees must re-enroll in the plan each year. Use this processing option to define the user defined code (08/ES) for the ending enrollment status that you want to assign to enrollments in these plans. The system assigns the ending enrollment status when you enroll the employee in the plan.

5. Ending Enrollment Status

Based on Rate Change

A valid code

Use this processing option to select the user defined code (08/ES) that you want to assign to enrollments that have ended because of a rate change to a plan or option.

The system checks for plan and option rate change as of the effective date keyed in. If there is a rate change, the system verifies the existence of DBA history for the plan or option. If DBA history exists, this processing option ends the enrollment. A new enrollment and new Employee DBA Instruction records with the new rates are created. If no DBA history exists, the existing Employee DBA Instruction records are replaced with the new rates.

6. Enrollment Event Code

A valid UDC Code

A specific date when a qualifying life event, such as marriage, occurred.

7. Call Enrollment Event Form

0 = No

1 = Yes

A code used to determine whether to call the form that is used to enter the enrollment event code and event date. Valid values are:

- 0 Do not call the form.
 - 1 Call the form.
-

8. Plan/Option Description

0 = Plan/Option Description (30 char)

1 = Plan/Option Self Service Description (50 char)

Use this processing option to specify whether to get the description from table F08320/F083202, Plan/Option Description, or from table F08320B, Self-Service Description. Valid values are:

- 0 Get description from F08320 or F083202, Plan/Option Description.
 - 1 Get description from F08320B, Self-Service Description.
-

Enrolling Employees Using Overrides

You can use enrollment overrides when you need to waive eligibility requirements for specific employees. For example, when your organization acquires another company, the acquisition plan might stipulate that you waive the benefits eligibility requirements for the employees in the acquired company. You can use enrollment overrides to enroll these employees in plans for which they would not typically meet the eligibility requirements.

► To enroll employees using overrides

From the Daily Processing menu (G08BB1), choose Enrollment Overrides.

PeopleSoft®

Plan ID	Plan ID Description	Plan Option	Plan Option Description	Begin Status	Begin Status Description	Begin Date	End Status
<input checked="" type="checkbox"/> 401K	401 (k) Plan			ACT	Active	01/01/05	
<input type="checkbox"/> DENTAL	Dental Insurance	ONE	Employee + One	ACT	Active	01/01/05	
<input type="checkbox"/> LIFE	Life Insurance Plan			ACT	Active	01/01/05	
<input type="checkbox"/> LIFE10K	Life Insurance Plan 10,000			ACT	Active	01/01/05	
<input type="checkbox"/> LTD	Disability - Long Term			ACT	Active	01/01/05	
<input type="checkbox"/> MED+ONE	Medical Plan - EE + One			ACT	Active	01/01/05	
<input type="checkbox"/> STD	Disability - Short Term			ACT	Active	01/01/05	
<input type="checkbox"/> VISIONE1	Vision - EE + One			ACT	Active	01/01/05	
					.		

1. On Enrollment Overrides, to locate the employee for whom you need to enter plans, complete the following field and click Find:

- Employee Identification

The system shows all of the plans in which the employee is enrolled.

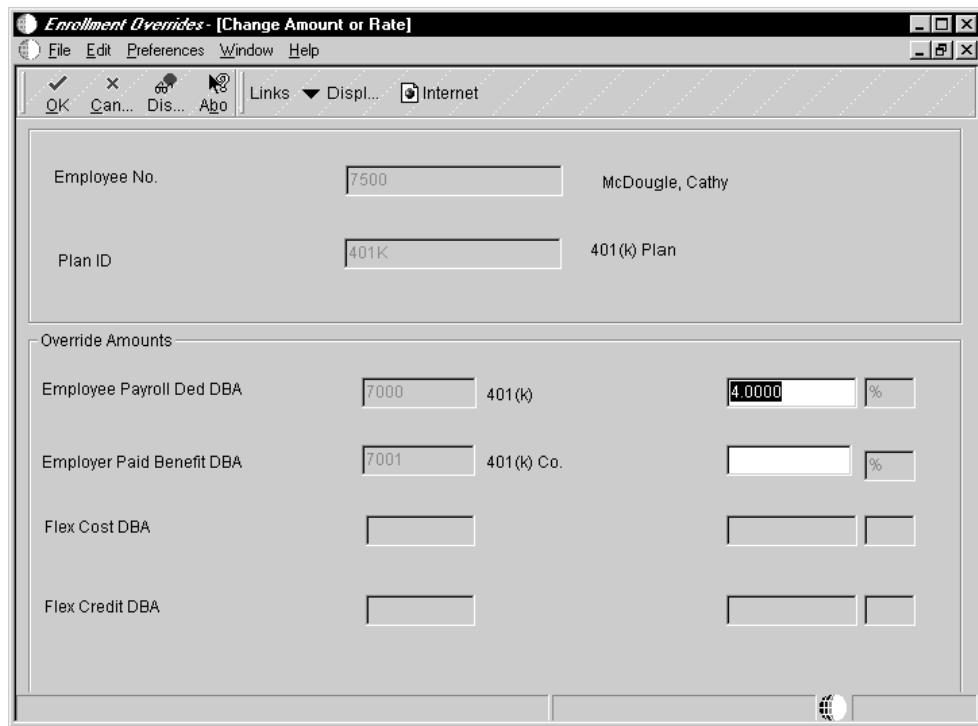
2. To enroll the employee in a plan, complete the following fields in a blank row in the detail area:

- Plan ID
- Begin Status
- Begin Date
- Eligible Date
- Participation Date

3. If the plan has associated options, complete the following field:

- Plan Option

If the plan requires an amount or rate, Change Amount or Rate appears.



4. On Change Amount or Rate, type the amount or rate that the employee pays in the unlabeled field to the right of the Employee Payroll Ded DBA field.
5. If applicable, complete the unlabeled field to the right of the Employer Paid Benefit DBA field.
 If your company has set up the employer-paid DBA to be calculated based on information in the employee-paid DBA, leave the unlabeled field to the right of the Employer Paid Benefit DBA field blank. For this type of setup, the system calculates the amount or rate based on the value in the employee-paid field. If your company has not set up the employer-paid DBA to be calculated based on information in the employee-paid DBA, type the amount or rate in the unlabeled field to the right of the Employer Paid Benefit DBA field.
6. When you have entered the amounts or rates, click OK to close Change Amount or Rate.
7. To enroll the same employee in another plan, repeat the previous steps.
8. When you are finished entering the plans, click OK.
9. To verify changes to an amount or rate for a plan, review the DBA instructions for the employee.

See *Assigning DBA Codes in the Workforce Management Foundation Guide*.

Processing Options for Enrollment Overrides (P08330)

Defaults Tab

These processing options specify the defaults that are applied when you enroll employees with overrides.

1. DBA Points Multiplier

Factor or Blank

Use this processing option to identify a factor to convert Plan DBA Points to a monetary amount. The system multiplies the factor by the DBA points.

The factor can be a whole number and up to four decimal places, or up to four decimal places only without a whole number. For example, 1.4321 would be the format for a whole number and decimal places, or .9876 would be the format for a factor of less than one.

Blank is a valid value if the Plan DBA Points do not need to be converted to a monetary amount.

2. Plan/Option Description

0 = Plan and Option Description

1 = Self Service Description

Use this processing option to specify whether to get the description from table F08320/F083202, Plan/Option Description, or from table F08320B, Self-Service Description. Valid values are:

- 0 Get description from F08320 or F083202, Plan/Option Description.
- 1 Get description from F08320B, Self-Service Description.

3. Enrollment Event Codes

0 = Do Not Show

1 = Show

Use this processing option to specify whether the qualifying event code should display on the form. The Enrollment Event Code identifies a life event such as marriage. An enrollment or change by override cannot be made without an enrollment event, but the code does not need to display on the form. Valid values are:

- 0 Do not show the event code.
- 1 Show the event code.

Enrolling Employees Using Batch Enrollment

From the Daily Processing menu (G08BB1), choose Batch Enrollment.

To enroll multiple employees at the same time, use batch enrollment. Batch enrollment is especially efficient to enroll employees in mandatory plans. For example, you can enroll all employees assigned to the management benefit group in a mandatory management medical plan.

You can also use batch enrollment to enroll employees in default plans. That is, if a category has more than one plan, you can set one as the default. If an employee does not make a selection from the category, the system enrolls the employee in the default plan.

In addition, if you have enrolled employees who did not immediately pass the eligibility requirement, you can run a batch enrollment to retest their eligibility. The system retests the employees against the defined effective date and enrolls the employees who meet the test criteria. The system uses the eligibility rules and date codes assigned to the plan in conjunction with the enrollment parameters to test eligibility. See *Setting Up Enrollment Parameters*.

For example, an employee might have a three-month waiting period for active enrollment. You receive the election forms one month after the hire date and enter the elections. The employee does not pass the initial eligibility test, so the system gives the employee an ineligible status. When you run batch enrollment with an effective date three months after the hire date, the program retests the employee against the initial eligibility test. This time the employee passes the eligibility test, and the system updates the records. You can review both the "before" and "after" enrollment record to see what changes the system made.

Depending on how you set the processing options, batch enrollment produces one or more of the following reports:

Detail By Employee	Use this report to review all employees and their corresponding enrollment status for each benefit plan.
Invalid Enrollment	Use this report to identify any employees enrolled in a benefit plan that is not available for the benefit group.
One Election Required	Use this report to identify employees who have not elected at least one plan within a category that requires election of a plan.
Manual Review	Use this report to identify any employees enrolled in a benefit plan that is not available for the benefit group.
No Action Taken	Use this report to review the records that the system did not change during batch enrollment. The report includes remarks indicating why the enrollment was not made and the action that must occur before the system enrolls the employee. Additionally, the report lists invalid date errors indicating that incorrect dates were included in the plan setup.

To preview the changes that will take place during batch enrollment, you can run batch enrollment in proof mode. After you review the reports to verify that the enrollments are correct, you can run batch enrollment in final mode.

Note

The system recalculates the plan costs every time you run batch enrollment.

Before You Begin

- ❑ Assign a benefit status to all employees who are to be processed by batch. See *Entering Additional Benefits Information for Employees in the Workforce Management Foundation Guide*.
- ❑ Review the setup for the Batch Enrollment Parameters table. See *Setting Up Enrollment Parameters*.

See Also

- ❑ R083800, *Batch Enrollment* in the *Reports Guide* for a report sample

Processing Options for Batch Enrollment (R083800)

Date Tab

This processing option specifies the dates that the system uses when it processes batch enrollments.

1. Effective Date

A specific date

Blank equals system date

Use this processing option to enter the effective date of the enrollment. To use the system date as the effective date, leave this field blank. The effective date is used in conjunction with the plan's initial and continuing eligibility tests to define the employee's enrollment status and date.

Process Tab

These processing options specify the type of information to process during a batch enrollment.

1. Mode

0 = Proof

1 = Final

Use this processing option to define whether you want to process enrollments in proof mode or final mode. Valid values are:

- 0 Proof mode. The system prints the requested reports without updating the employees' DBA instructions. Use the report to verify enrollment information before you process enrollments in final mode.
- 1 Final mode. The system prints the requested reports and updates the database. Use this mode after you have verified enrollment information and are ready to update the employees' DBA instructions.

2. Category

A specific category

Blank = All

Use this processing option to define the category for which you want to process enrollments. If you leave this processing option blank, the system processes all categories.

3. Plan

A specific plan

Blank = All

Use this processing option to define a plan to run batch processing. If you leave this processing option blank, the system runs batch processing for all plans.

4. Ending Enrollment Status

Based on Plan End

Date(s). A valid code

This processing option affects enrollments in only those plans for which you entered an ending date in either the Plan Master (P08320) or Plans within Categories (P08351). For example, a flexible spending account plan might have an ending date because employees must re-enroll in the plan each year. Use this processing option to define the user defined code (08/ES) for the ending enrollment status that you want to assign to enrollments in these plans. The system assigns the ending enrollment status when you enroll the employee in the plan.

Enrollment Tab

These processing options specify the types of employees to include in the batch enrollment.

1. Mandatory and Default Plans for New Hires

Hires

0 = Do Not Enroll

1 = Enroll

Use this processing option to indicate whether you want the batch enrollment to enroll newly hired employees in all mandatory and default benefit plans.

Newly hired employees are employees who have a benefit status of N. Valid values are:

- 0 No. Do not enroll new hires in mandatory and default plans.
- 1 Yes. Enroll new hires in mandatory and default plans.

2. Mandatory and Default Plans for Rehires

Rehires

0 = Do Not Enroll

1 = Enroll

Use this processing option to indicate whether you want the batch enrollment to enroll rehired employees in all mandatory and default benefit plans.

Rehired employees are employees who have a benefit status of R. Valid values are:

- 0 No. Do not enroll rehired employees in mandatory and default plans.
- 1 Yes. Enroll rehired employees in mandatory and default plans.

3. Mandatory and Default Plans for

Transfers**0 = Do Not Enroll****1 = Enroll**

Use this processing option to indicate whether you want the batch enrollment to enroll recently transferred employees in all mandatory and default benefit plans. Recently transferred employees are employees who have a benefit status of T. Valid values are:

- 0 No. Do not enroll transferred employees in mandatory and default plans.
- 1 Yes. Enroll transferred employees in mandatory and default plans.

4. Mandatory and Default Plans for**Active****Employees****0 = Do Not Enroll****1 = Enroll**

Use this processing option to indicate whether you want the batch enrollment to enroll active employees in all mandatory and default benefit plans. Active employees are employees who have a benefit status of A. Valid values are:

- 0 No. Do not enroll active employees in mandatory and default plans.
- 1 Yes. Enroll active employees in mandatory and default plans.

Recalculation Tab

This processing option specifies the ending enrollment status for a date sensitive amount or rate that has changed for an enrolled plan.

1. Ending Enrollment Status

**A specific enrollment
status**

This processing option is used when a date sensitive amount or rate has changed for an enrolled plan. If the DBA within that plan has history attached to it, the system must write the old record with an ending status and a new record with the new amount or rate.

The code entered in this option may be different from the code defined in the option under the Process tab to easily identify why the plan was ended and started again. If the DBA within that plan has no history attached to it, the current record is replaced with the new amount or rate.

Reports Tab

These processing options specify the reports that the system prints when you process a batch enrollment. To print any of these reports, you must enter 1 in the Batch Enrollment processing option on the Enrollment tab.

1. Detail By Employee

0 = Do Not Print

1 = Print

Use this processing option to indicate whether you want to print the Detail by Employee report when you process a batch enrollment. Valid values are:

- 0 Do not print the report.
- 1 Print the report.

2. Invalid Enrollment

0 = Do Not Print

1 = Print

Use this processing option to indicate whether you want to print the Invalid Enrollment report when you process a batch enrollment. Valid values are:

- 0 Do not print the report.
- 1 Print the report.

3. One Election Required

0 = Do Not Print

1 = Print

Use this processing option to indicate whether you want to print the One Election Required report when you process a batch enrollment. Valid values are:

- 0 Do not print the report.
- 1 Print the report.

4. Manual Review

0 = Do Not Print

1 = Print

Use this processing option to indicate whether you want to print the Manual

Review Requested report when you process a batch enrollment. Valid values are:

- 0 Do not print the report.
- 1 Print the report.

5. No Action Taken

0 = Do Not Print

1 = Print

Use this processing option to indicate whether you want to print the No Action

Taken report when you process a batch enrollment. Valid values are:

- 0 Do not print the report.
- 1 Print the report.

6. Changes

0 = Print all records

1 = Print changes only

Use this processing option to indicate whether you want the reports to include

all records or only the records that changed as a result of the batch

enrollment. Valid values are:

- 0 Print all records.
- 1 Print changed records only

Printing a Confirmation Statement

From the Periodic Processing menu (G08BB2), choose Confirmation Statement.

After you enroll employees using batch enrollment, you can print a confirmation statement. The confirmation statement shows the benefit plans and benefit plan options in which an employee is enrolled. It also lists all applicable deductions, benefits, and accruals. Employees use this statement to confirm that they have been correctly enrolled according to their choices.

See Also

- R083440, *Confirmation Statement* in the *Reports Guide* for a report sample

Processing Options for Confirmation Statement (R083440)

Date Tab

This processing option specifies the date that the system uses when it tests enrollment and selects plans for the report.

1. Effective Date

A Specific Date

Use this processing option to enter the effective date for the selection of plans and for testing enrollment. The confirmation statement cannot be processed without a valid date.

Print Tab

These processing options specify whether to print certain information on the report.

1. Employee Address

0 = Name Only

1 = Name and Address

Use this processing option to specify whether to print the employee's address. If you leave this processing option blank, the system does not print the employee's address. Valid values are:

0 or Blank

Do not print the employee's address.

Print the employee's address.

2. Employee Annual Salary

0 = Do Not Print

1 = Print

Use this processing option to specify whether to print the employee's annual salary. If you leave this processing option blank, the system does not print the employee's annual salary. Valid values are:

0 or Blank

Do not print the employee's annual salary.

1

Print the employee's annual salary.

3. Employee Age

0 = Do Not Print

1 = Print

Use this processing option to specify whether to print the employee's age. If you leave this processing option blank, the system does not print the employee's age. Valid values are:

0 or Blank

Do not print the employee's age.

1

Print the employee's age.

4. Employee Life Ins. Annual Salary

0 = Do Not Print

1 = Print

Use this processing option to specify whether to print the employee's life insurance annual salary. If you leave this field blank, the system does not print the employee's life insurance annual salary. Valid values are:

0 or Blank

Do not print the employee's life insurance annual salary.

1

Print the employee's life insurance annual salary.

5. Benefit Group Description

0 = Do Not Print

1 = Print

Use this processing option to specify whether to print the benefit group description. If you leave this processing option blank, the system does not print the benefit group description. Valid values are:

0 or Blank

Do not print the benefit group description.

1

Print the benefit group description.

6. Benefit Group Category Description

0 = Do Not Print

1 = Print

Use this processing option to specify whether to print the benefit category description. If you leave this processing option blank, the system does not print the benefit group description. Valid values are:

0 or Blank

Do not print the benefit category description.

1

Print the benefit category description.

Working with Dependents and Beneficiaries

Some of the benefit plans that your organization offers can include coverage for employees' dependents. For example, the medical and dental plans might have options for spouse and family coverage. Other benefit plans, such as life insurance and retirement plans, require a beneficiary who is entitled to receive benefits from the plan in the event of the employee's death. Before you can enroll an employee's dependents in a benefit plan or enter a person as a beneficiary for a plan, you must create a record for those dependents and beneficiaries. These records include the following types of personal information about the dependents and beneficiaries:

- Birth date
- Disability information
- Student status

- Tax ID number

After you create a record for a dependent or beneficiary, you can link that record to the corresponding employee record. You can also enter supplemental data for dependents and beneficiaries. Supplemental data is any additional information that you want to store in the dependent and beneficiary database. For example, you can use supplemental data to track medical history by dependent.

You can review information about a dependent or beneficiary to verify that it is correct.

Before You Begin

- Enroll the employee in the benefit plans that allow eligible dependents and beneficiaries. See *Enrolling Employees*.
- Set up the relationships that can exist in UDC 08/RL. See *Setting Up User Defined Codes for Benefits*.

Creating Dependent and Beneficiary Records

You create dependent records so that employees' dependents can participate in benefit plans, such as medical insurance. You create beneficiary records so that an employee's relative or friend will receive benefits from a plan, such as life insurance, in the event of the employee's death. A person can be both a dependent and a beneficiary of an employee.

Note

If you are administering your company's COBRA and HIPAA programs using the J.D. Edwards Benefits system, you must create dependent records for COBRA and HIPAA reporting to comply with government regulations.

After you create dependent and beneficiary records, you can link them to an eligible employee's record. Dependents are associated with specific benefit plans when their records are linked to the appropriate employee records.

► To create dependent and beneficiary records

From the Daily Processing menu (G08BB1), choose Dependent/Beneficiary Entry.

Dependent/Beneficiary Entry - [Work With Dependents/Beneficiaries]

File Edit Preferences Row Window Help

Select Find Add Del... Close Seg... New... Dis... Abo Links Dep./... Internet

Dep./Ben. Number

Address Number	Alpha Name	Tax ID	Sex	Birth Date	
5266	Walters, Bob		M	2/15/67	2006
5274	Walters, Susan		F	5/1/90	2006
5282	Walters, John		M	6/18/87	2006
5345	Allen, Cheryl		F	7/19/59	6001
5396	O'Malley, Rebecca	481926231	F	7/20/64	8444
5437	Mastro, Sheila	481129586	F	10/14/60	
5497	Brown, Ethel	482841269	F	11/13/39	8447
5510	Mastro, Steven	481216596	M	2/19/78	
5513	Ebby, Linda	521829586	F	1/18/81	5127
5514	O'Malley, Stephanie	658453612	F	5/2/90	8444
5524	Bennett, Matthew	482956612	M	8/17/52	8446

Find records

Work With Dependents/Beneficiaries

1. On Work With Dependents/Beneficiaries, click Add.

PeopleSoft.

Select Workspace: Active Foundation

Active Foundation Personalize Change Role Sign Out

Dependent/Beneficiary Entry

General Information

Address Number	<input type="text" value="5266"/>	Walters, Bob
Gender	<input type="text" value="M"/>	
Date of Birth	<input type="text" value="02/15/67"/>	<input type="checkbox"/> Employee Identification

School Information

High School Graduate	<input checked="checked" type="checkbox"/>	Employed	<input checked="checked" type="checkbox"/>
Full Time Student	<input checked="checked" type="checkbox"/>	School Attending	<input type="text"/>

Other Information

Disability Flag	<input checked="checked" type="checkbox"/>	Date of Disability	<input type="text"/>
Date of Medicare	<input type="text"/>	Date of Death	<input type="text"/>
Send Initial Letter (Y/N)	<input checked="checked" type="checkbox"/>	Date of Notification	<input type="text"/>

Related Employee

Employee Identification	<input type="text" value="2006"/>	Walters, Annette	<input type="button"/>
-------------------------	-----------------------------------	------------------	------------------------

2. On Dependent/Beneficiary Entry, complete the following field to assign a specific address number to the person:

- Address Number

If you leave this field blank, the system assigns the next available number.

3. Complete the following fields:

- Gender
- Date of Birth

4. If the dependent or beneficiary has the same address as the employee, click Employee Identification.

The Employee Identification field appears.

The screenshot shows the 'Dependent/Beneficiary Entry' window. The 'General Information' section contains fields for Address Number (5396), Gender (F), Date of Birth (7/20/64), and Employee Identification (8444). A checked checkbox indicates 'Default Employee's Address for Dep./Ben.' The 'School Information' section includes High School Graduate (Y) and Full Time Student (N) fields. The 'Other Information' section includes Disability Flag (N), Date of Medicare, Send Initial Letter (Y/N) (N), Date of Disability, Date of Death, and Date of Notification fields. The 'Related Employee' section shows Default Employee's Address for (8444) and O'Malley, James. A green square icon is visible next to the name, indicating payroll status.

5. Complete the following field:

- Employee Identification

A colored box following the employee's name indicates the current payroll status of the employee. Green indicates an active employee not included in the current payroll cycle. Fuchsia indicates an active employee included in the current payroll cycle. Red indicates a terminated employee, and yellow indicates an employee who is on a leave of absence.

6. Complete the following optional fields:

- Disability Flag
- Date of Disability
- Date of Medicare
- Send Initial Letter (Y/N)
- Date of Notification

7. If the person is a dependent, complete the following fields and click OK:

- High School Graduate
- Employed
- Full Time Student
- School Attending

When you click OK, Dependent/Beneficiary Entry closes.

The screenshot shows the PeopleSoft Address Book Revision interface. The main window title is "Address Book Revision". The "Address Book" tab is active. In the "Alpha Name" field, the value "Walters, Bob" is entered. In the "Tax ID" field, the value "221498989" is entered. In the "Business Unit" field, the value "1" is entered, and the label "Financial/Distribution Company" is displayed next to it. Other tabs visible in the header include "Mailing", "Additional", "Related Address", "Cat Code 1 - 10", and "Cat Code 11 - 30". The top navigation bar includes links for "Portal", "WWW", "Intranet", "Training", and "Help".

8. On Address Book Revision, click the Address Book tab.
 9. Complete the following fields:

- Alpha Name
- Tax ID

10. Click the Mailing tab, and then complete the following field:

- Mailing Name

11. If you did not choose the employee's address for the dependent or beneficiary, complete the following fields:

- Address Line 1
- City
- State
- Postal Code
- Country
- County

12. Complete the following fields, if necessary, and click OK:

- Address Line 2
- Address Line 3
- Address Line 4

Processing Options for Dependent/Beneficiary Entry (P08901)

Process Tab

These processing options specify whether to automatically delete related records in other tables when you delete a record from the Participant file table (F08901). Deleting related records allows you to eliminate records that you do not need for another purpose.

1. Delete related records from the Address Book table (F0101)

2. Delete related records from the Dependent/Beneficiary Cross-Reference table (F08336)

3. Delete related records from the COBRA Qualified Beneficiary table (F08910)

Edit Tab

These processing options specify whether certain fields are required or optional. Depending on the requirements of your organization, you might not need to gather certain types of information.

1. Gender and Date of Birth fields**2. School Attending field**

Enrolling Dependents and Beneficiaries in Benefit Plans

After you create records for dependents and beneficiaries, you can enroll the dependents and beneficiaries in benefit plans. You can enroll a dependent or beneficiary in only those plans in which the employee is already enrolled.

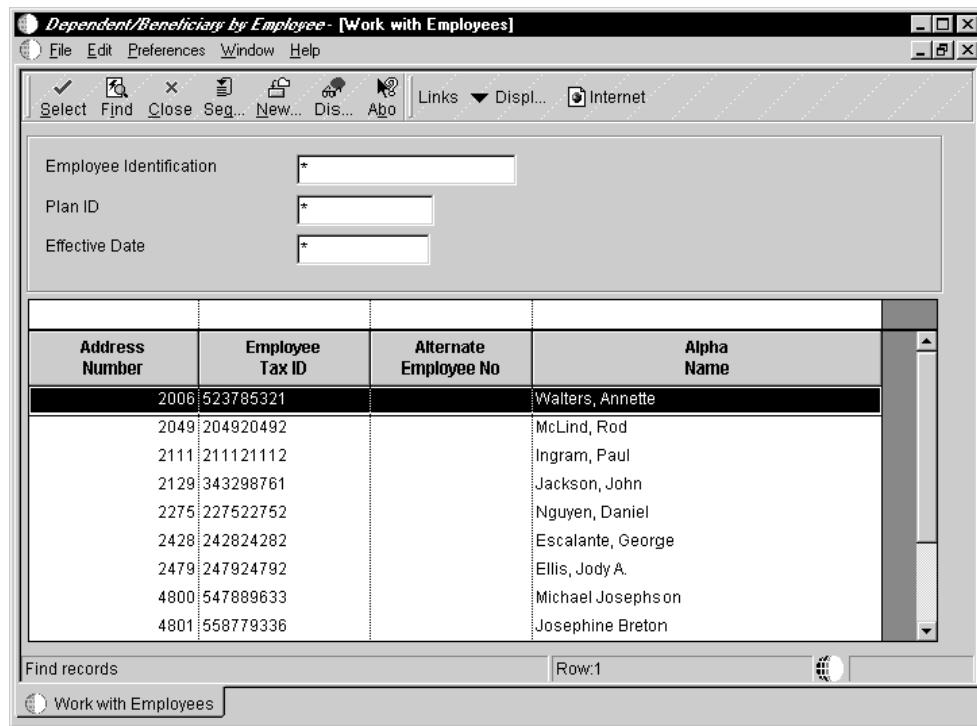
Enrolling dependents and beneficiaries in benefit plans is for documentation purposes only. It does not generate instructions to make payroll deductions for benefits or beneficiary payments.

Before You Begin

- Enroll the employee in benefit plans. See *Enrolling Employees*.
- Set up UDC 08/RL to identify the relationships that dependents and beneficiaries can have with employees. See *Understanding User Defined Codes for Workforce Management Systems* in the *Workforce Management Foundation Guide*.
- Set up UDC 08/DB to identify beneficiary designations, such as primary and contingent beneficiaries.
- Set up dependent and beneficiary records. See *Creating Dependent and Beneficiary Records*.
- Set up common settings to specify whether dependents or beneficiaries related to an employee must be associated with a plan. See *Setting Up Common Settings for Human Resources* in the *Workforce Management Foundation Guide*.

► To enroll dependents and beneficiaries in benefit plans

From the Daily Processing menu (G08BB1), choose Dependent/Beneficiary by Employee.



1. On Work with Employees, complete any of the following fields and click Find:
 - Employee Identification
 - Plan ID
 - Effective Date
2. Choose the employee record in the detail area that you want to link dependents or beneficiaries to and click Select.

Dep./Ben. Address	Dependent/Beneficiary Name	Tax ID Number	R L	Description	Plan ID	A O
<input checked="" type="checkbox"/> 5396	O'Malley, Rebecca	481926231	S	Spouse		
<input type="checkbox"/>	5514 O'Malley, Stephanie	658453612	C	Child		
<input type="checkbox"/>	5608 O'Malley, James R.	523453611	C	Child		
<input type="checkbox"/>	5688 O'Malley, Kara	523664522	C	Child		
<input type="checkbox"/>	5691 O'Malley, Adam	541221134	C	Child		
<input type="checkbox"/>						

3. On Dependents/Beneficiaries By EE, complete the following fields in the detail area:

- Dep./Ben. Address
- R L
- Plan ID

4. If the plan has options, complete the following field:

- Add Opt

5. Complete the following optional fields:

- Effective Date
- Ending Date

The system displays a D in the DB field if the plan requires dependents, or a B if the plan requires beneficiaries. The system also displays the dependent's or beneficiary's birth date and tax ID number.

6. Complete the following field to specify primary or secondary beneficiaries:

- DB Ty

7. For a plan in which the person is a beneficiary, complete the following field:

- Ben %

The total of the beneficiary percentages for each beneficiary type for a specific plan must equal 100%. For example, the total percentages for all primary beneficiaries of a life insurance plan must equal 100%. The total of contingent beneficiaries for the same plan must also equal 100%.

8. Repeat steps 3 through 7 for each plan for which you want the person to be a dependent or beneficiary.

You might need to enter more than one record for a particular person. For example, you must enter three records for a person who is a dependent for the medical plan and the dental plan and is a beneficiary for the life insurance plan.

9. Click OK.

After you link a dependent or beneficiary record to an employee record, a field at the bottom of the Dependent/Beneficiary Entry form displays the employee's name and employee number. Also, the employee's mailing address can be updated to the dependent's or beneficiary's mailing address. If you turned on the Default Employee's Address for Dependent/Beneficiary option, the linked employee's address updates the Dependent/Beneficiary Entry form if the addresses were different.

Entering Supplemental Data for Dependents and Beneficiaries

From the Dependent Beneficiary Supplemental Data menu (G08BSDD2), choose Dep/Ben Supplemental Data Entry.

Supplemental data is any type of additional information that you want to track about any of the following items or individuals:

- Requisitions
- Applicants
- Employees
- Jobs
- Dependents
- Beneficiaries

When you set up your Human Resources system, you identify the types of supplemental data (data types) that you want to track. Supplemental data is not required by the system.

You might include the following types of supplemental data for dependents and beneficiaries:

- Health information
- Emergency contacts

The method that you use to enter supplemental data is the same for any type of supplemental information that you track.

See Also

- Working with the Supplemental Database in the Workforce Management Foundation Guide*
- Reviewing Employee Enrollment* for information about Dependent and Beneficiary reports

Working with Fund Allocations

Many companies offer employees a variety of investment options for retirement or investment plans, such as 401(k) plans. To set up a retirement or investment plan that includes several investment options, you set up each option as a separate accrual.

When you enroll an employee in a retirement or investment plan, you identify the percentage or amount of the contribution from the employee's wages and any percent or amount contributed by the employer. After you enroll an employee in the retirement or investment plan, you create fund allocations to define how the system should distribute that total contribution among the available investment options.

You add a fund allocation whenever an employee becomes active in a retirement or investment plan. You can change the fund allocation whenever an employee wants to change the funds in which he or she participates or change the percentage contributed. You can revise the percentage contributed to any fund only if the system has not yet made the deduction during payroll processing.

Before You Begin

- Link the accrual codes for each investment program to the Deduction, Benefit, or Accrual (DBA) codes for the retirement or investment plan. See *Linking Allocation Funds to Plans*.
- Enroll the employee in the retirement or investment plan. See *Enrolling Employees*.

Adding a New Allocation

To define the way in which an employee wants to distribute funds among investment options, you must add a new allocation. You also specify the percentage of the total contribution that the employee wants to contribute to each investment program.

► To add a new allocation

From the Daily Processing menu (G08BB1), choose Allocations by Employee.

Allocations by Employee - [Work With Allocations By Employee]

File Edit Preferences Form Row Window Help

Select Find Del... Close Seg... New... Dis... Abo... Links Alloc... Internet

Employee Identification	7500	McDougle, Cathy	<input type="radio"/> Current Enrollment
Plan ID	*		<input type="radio"/> Prior Enrollment
			<input checked="" type="radio"/> All

	Employee Number	Employee Name	Plan ID	Plan ID Description	Percent %	Start Date
	7500	McDougle, Cathy	401K	401(k) Plan	100	1/1/09

Find records

1. On Work With Allocations By Employee, complete the following fields:
 - Employee Identification
 - Plan ID
2. Click one of the following options and then click Find:
 - Current Enrollment
 - Prior Enrollment
 - All
3. Choose the row containing the plan for which you are creating allocations, and then choose Allocations by EE from the Row menu.

The screenshot shows a software application window titled "Allocations by Employee - [Allocations By Employee]". The menu bar includes File, Edit, Preferences, Form, Row, Window, Help, and Internet. Below the menu is a toolbar with icons for OK, Find, Cancel, New, Delete, Links, Allocations, and Internet.

Employee No.: 7500, Name: McDougle, Cathy

Plan ID: 401K, Description: 401 (k) Plan

New Start Date: 1/1/05

	DBA Code	DBA Code Description	New Percent %
	8023	401 GrowthFd	25
	8024	401 Inc Fnd	75
Σ			100

Row:3

4. On Allocations By Employee, complete the following field:

- New Percent %

5. Click OK.

6. On Work With Allocations By Employee, click Find.

The system updates the percentage and start date.

Changing Fund Allocations

You change a fund allocation whenever an employee wants to change his or her allocation among the investment programs that your company offers. The employee can allocate funds among all available investment programs, but the total must equal 100%.

The new allocations begin on the new start date. The previous allocations end one day prior to the new start date.

► To change fund allocations

From the Daily Processing menu (G08BB1), choose Allocations by Employee.

1. On Work With Allocations By Employee, to locate the employee information, complete the following fields:

- Employee Identification
- Plan ID

2. Click one of the following options and then click Find:
 - Current Enrollment
 - Prior Enrollment
 - All
3. Choose the row containing the plan for which you are changing allocations, and then choose Allocations by EE from the Row menu.
4. Type the correct percentage in the following field:
 - New Percent %
5. Click OK.
6. On Work With Allocations By Employee, click Find.

The system adds the new allocations in a new row.

Revising Fund Allocations

You can revise a fund allocation only if the system has not yet made a deduction from the employee's pay. When any pre-payroll processing has occurred, you cannot revise the fund allocation but must change the allocation.

You can revise fund allocations in either of the following ways:

- By revising fund allocation percentages
- By revising fund allocation start dates

► To revise fund allocation percentages

From the Daily Processing menu (G08BB1), choose Allocations by Employee.

1. On Work With Allocations By Employee, to locate the employee's allocations, complete the following fields:
 - Employee Identification
 - Plan ID
2. Click one of the following options and then click Find:
 - Current Enrollment
 - Prior Enrollment
 - All
3. Choose the row containing the allocations that you want to change, and then choose Allocations by EE from the Row menu.
4. Type the correct percentage in the following field and click OK:
 - New Percent %

► To revise fund allocation start dates

From the Daily Processing menu (G08BB1), choose Allocations by Employee.

1. On Work With Allocations By Employee, to locate the employee's allocations, complete the following fields:
 - Employee Identification
 - Plan ID
2. Click one of the following options and then click Find:
 - Current Enrollment
 - Prior Enrollment
 - All
3. Choose the row containing the allocation with the incorrect start date and click Delete.
4. On Delete Confirmation, click Yes.
5. Choose the row containing the latest allocation for the enrollment, and then choose Allocations by EE from the Row menu.
6. Type the correct percentage in the following field and click OK:
 - New Percent %

Working with Enrollment Information

After you enroll employees in benefit plans, you need to ensure that enrollment information is accurate and current. For example, you might need to change enrollment as follows when an employee:

- Leaves your organization. You must end the employee's enrollment in benefit plans
- Marries. The employee might need to change from the Employee Only medical plan to the Employee Plus Spouse plan
- Is enrolled in the wrong plan. You must correct the mistaken enrollment
- Chooses to increase the amount of life insurance coverage. You might need to change the amount or rate of a payroll deduction

Many companies provide an open enrollment period once a year to allow employees to change their benefit elections. Employees can change the type of coverage that they have elected as well as add or remove a benefit plan as part of their coverage.

Working with Enrollment with Eligibility

When you need to change an employee's enrollment information for plans that have eligibility requirements, use Work with Enrollment with Eligibility to make the change.

When your organization discontinues a plan or an employee wants to stop participating in a plan, you must end the employee's enrollment in the plan. During an open enrollment period,

you might need to end an employee's enrollment in one plan and then enroll the employee in another plan.

You also must end enrollment when you terminate an employee. When you end enrollment for a terminated employee, the system does not re-enroll the employee in required plans.

For plans that require an amount or rate, you occasionally might need to change that amount or rate. For example, an employee might want to change the percentage of salary to contribute to a retirement plan.

When you discover that an employee is enrolled in an incorrect plan or plan option, you must correct the mistaken enrollment. If you have not yet processed payroll for the employee, the system deletes the mistaken enrollment record. If you have already processed payroll for the employee, the system creates an audit record of the mistaken enrollment.

For a plan that has continuing eligibility requirements, you can verify an employee's eligibility in the plan. When an employee fails the continuing eligibility test, the system automatically ends the employee's enrollment in the plan and assigns the employee an ineligible status.

Certain events in an employee's life can change enrollment in one or more plans. Marriage or the birth of a child are examples of life events. You can set the Enrollment with Eligibility processing options to allow these changes.

► **To end enrollment using eligibility**

When you end an employee's enrollment in a benefit plan for which employee payroll history exists, the system updates the employee's DBA instructions with an ending date for the associated DBA. Depending on how the enrollment ending date corresponds to the payroll cycle, the ending date for the DBA might differ from the enrollment ending date. Typically, the ending date for the DBA is the date on which the DBA was last recorded in the employee's payroll history that is, the last time that a deduction was made from the employee's payroll. However, if the enrollment ending date is greater than the DBA history date, the date that the system assigns for the DBA ending date is the enrollment ending date. When you end an employee's enrollment in one plan at the same time that you enroll the employee in another plan, the effective date of the DBA associated with the new plan is equal to the effective enrollment date for the new plan.

From the Daily Processing menu (G08BB1), choose Enrollment with Eligibility.

1. On Work With Enrollment With Eligibility, to locate the employee's plans, complete the following field:
 - Employee Identification
2. To limit the records that appear, click the following option:
 - Display Elected Plans and Plan Options
3. In the following field, type a date one day later than the date on which you want to end the enrollment:
 - Effective Date
4. Click Find.

5. To end enrollment in a plan on the date that you defined in the enrollment parameters, choose the plan and then choose Stop - Auto Dt/Sts from the Row menu.
If no enrollment parameters exist, the system ends the enrollment one day prior to the effective date.
6. To end enrollment in a plan on any date other than the date that you defined in the enrollment parameters, choose the plan and then choose Stop - Ovrd Dt/Sts from the Row menu.

The screenshot shows the PeopleSoft interface with the title "Enrollment with Eligibility - Stop - Override Date and Status". The window contains the following data:

Employee No.	7500	McDougle, Cathy	
Plan ID	DENTAL	Dental Insurance	
Plan Option	ONE		
Enrollment Begin Date	01/01/05	Enrollment End Date	12/30/05
Enrollment Begin Status	ACT	Active	<input checked="" type="checkbox"/> TRT
DBA Begin Date	01/01/05	DBA End Date	

Buttons at the top left include OK, Cancel, and Tools. At the top right are links for Personalize, Change Role, and Sign Out.

7. On Stop - Override Date and Status, complete the following fields and click OK:
 - Enrollment End Date
 - Enrollment End Status
 On Enrollment with Eligibility, the system displays a circle with a line through it in the row header of the record for which you ended enrollment.
8. To cancel the change, double-click the row header for the plan.
9. To complete the change, click Submit.
After you submit the change, the circle with a line through it disappears.

► **To change an amount or rate using eligibility**

From the Daily Processing menu (G08BB1), choose Enrollment with Eligibility.

1. On Work With Enrollment With Eligibility, to locate the employee's plans, complete the following fields:
 - Employee Identification
 - Effective Date
 2. To limit the records that appear, click the following option:
 - Display Elected Plans and Plan Options
 3. Click Find.
 4. Choose the plan for which you need to change the amount or rate, and then choose Change Amt or Rate from the Row menu.

You can change the amount or rate only for plans that have a "begin" status starting with the letter A and that allow an amount or rate change.
 5. On Change Amount or Rate, type the amount or rate that the employee pays in the unlabeled field to the right of the Employee Payroll Ded DBA field.
 6. If applicable, complete the unlabeled field to the right of the Employer Paid Benefit DBA field.

If your company has set up the employer-paid DBA to be calculated based on information in the employee-paid DBA, leave the unlabeled field to the right of the Employer Paid Benefit DBA field blank. For this type of setup, the system calculates the amount or rate based on the value in the employee-paid field. If your company has not set up the employer-paid DBA to be calculated based on information in the employee-paid DBA, type the amount or rate in the unlabeled field to the right of the Employer Paid Benefit DBA field.
 7. Click OK to close the Change Amount or Rate form and continue with the change.
 8. On Work With Enrollment With Eligibility, verify the following information:
 - A value of D in the row header for the record with the change
 - A triangle displayed in the row header for the record with the change
 - An ending date of one day prior to the effective date for the record with the change
 - A new record with the new rate
 9. To complete the change, click Submit.
- After you submit the change, the D and the triangle disappear.

► **To correct mistaken enrollment using eligibility**

From the Daily Processing menu (G08BB1), choose Enrollment with Eligibility.

1. On Work With Enrollment With Eligibility, to locate the employee's plans, complete the following fields:
 - Employee Identification
 - Effective Date

2. To limit the records that appear, click the following option:
 - Display Elected Plans and Plan Options
3. Click Find.
4. Choose the row containing the mistaken enrollment, and then choose Mistaken Enrollment from the Row menu.

On Work With Enrollment With Eligibility, the system displays either a trash-can icon (no payroll history is associated with the record) or an X (payroll history is associated with the record) in the row header of the record that was a mistaken enrollment.

5. To accept the correction, click Submit.

► **To verify continuing eligibility in plans**

From the Daily Processing menu (G08BB1), choose Enrollment with Eligibility.

1. On Work With Enrollment With Eligibility, to locate the employee's plans, complete the following fields:
 - Employee Identification
 - Effective Date
2. To limit the records that appear, click the following option:
 - Display Elected Plans and Plan Options
3. Click Find.
4. From the Form menu, choose Retest Eligibility.

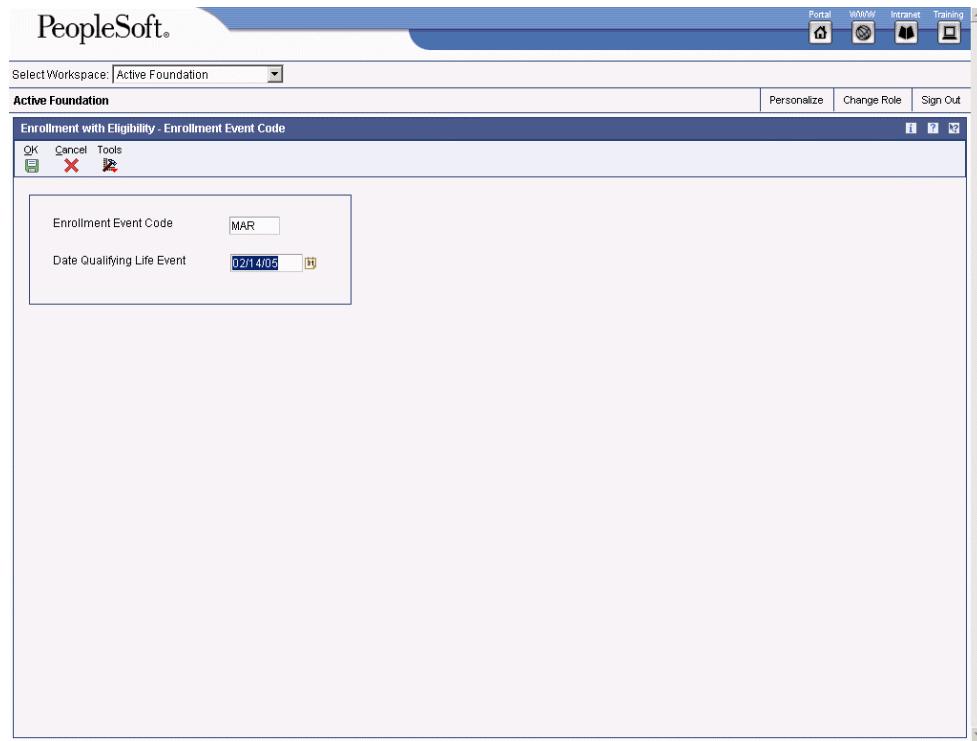
For any plan for which the employee is no longer eligible, a grayed-out record appears below the employee's current plans. Any plan for which eligibility information changed appears in blue letters.

► **To change enrollment due to a life event**

To change enrollment due to a life event, you must set the Enrollment with Eligibility processing option on the Defaults tab to access the Enrollment Event form.

From the Daily Processing menu (G08BB1), choose Enrollment with Eligibility.

1. On Work With Enrollment With Eligibility, to locate the employee's plans, complete the following fields and click Find:
 - Employee Identification
 - Effective Date
2. In the detail area, choose each row that contains a benefit plan or plan option in which you need to change enrollment options.
3. From the Row menu, choose Elect.
4. Click Submit.



5. On Enrollment Event Code, complete the following fields and click OK:

- Enrollment Event Code
- Date Qualifying Life Event

Working with Enrollment Overrides

You use the Enrollment Overrides form to make changes to a plan in which you waived the eligibility requirements for an employee.

The Enrollment Overrides form requires more manual entry than the Enrollment with Eligibility form. Therefore, you should use the Enrollment Overrides form primarily for exception cases.

You typically need to use overrides to end an employee's enrollment in a plan when an employee's enrollment extends beyond the normal end date. This situation might occur as part of a severance agreement.

When you end enrollment by using overrides, you must enter the actual date on which you want to stop the plan for the employee.

For plans that require an amount or rate, you occasionally might need to change that amount or rate. For example, when an employee marries, the employee might change from the Employee Only medical plan to the Employee Plus Spouse plan.

When you discover that an employee has been enrolled in the wrong plan or in the right plan with the wrong option, you must correct the enrollment. After you correct the mistaken enrollment, enroll the employee in the right plan. If you have not yet processed payroll for the

employee, the system deletes the mistaken enrollment. If you have processed payroll for the employee, the system creates an audit record of the mistaken enrollment.

► **To end enrollment using overrides**

When you end an employee's enrollment in a benefit plan for which employee payroll history exists, the system updates the employee's DBA instructions with an ending date for the associated DBA. Depending on how the enrollment ending date corresponds to the payroll cycle, the ending date for the DBA might differ from the enrollment ending date. When the enrollment ending date is greater than the DBA history date, the date that the system assigns for the DBA ending date is one day prior to the enrollment ending date. When the enrollment end date precedes the date on which the DBA was last recorded in the employee's payroll history, the DBA ending date is the payroll period end date last recorded in the DBA record.

Typically, when you end an employee's enrollment in one plan at the same time that you enroll the employee in another plan, the effective date of the DBA associated with the new plan is the same as the effective enrollment date for the new plan if the enrollment date is after the DBA history date. Otherwise, the new DBA begin date will be one day after the DBA payroll history date, which is different from the enrollment date. This situation generally occurs when there is a mistaken enrollment that is corrected after payroll has been processed.

From the Daily Processing menu (G08BB1), choose Enrollment Overrides.

1. On Enrollment Overrides, to locate the employee's plans, complete the following field and click Find:
 - Employee Identification
2. To end enrollment in a single plan, complete the following fields for that plan and click OK:
 - End Status
 - Ending Date
3. To end enrollment in all plans, choose End Enrollment from the Form menu.

PeopleSoft.

Select Workspace: Active Foundation

Active Foundation

Enrollment Overrides - Stop - Override Date and Status (Form)

Employee No.	7500	McDougle, Cathy
Enrollment End Date	12/30/05	
Enrollment End Status	TRT	

OK Cancel Tools X

4. On Stop - Override Date and Status, complete the following fields and click OK:

- Enrollment End Date
- Enrollment End Status

► To change an amount or rate using overrides

From the Daily Processing menu (G08BB1), choose Enrollment Overrides.

1. On Enrollment Overrides, to locate the employee's plans, complete the following field and click Find:
 - Employee Identification
2. Choose the plan for which you need to change the amount or rate and then choose Amount/Rate from the Row menu.
3. On Change Amount or Rate, type the amount or rate that the employee pays in the unlabeled field to the right of the Employee Payroll Ded DBA field.
4. If applicable, complete the unlabeled field to the right of the Employer Paid Benefit DBA field.

If your company has set up the employer-paid DBA to be calculated base on information from the employee-paid DBA, leave this unlabeled field blank. For this type of setup, the system calculates the amount or rate based on the value in the employee-paid field. If your company has not set up the employer-paid DBA to be calculated based on information in the employee-paid DBA, type the amount or rate in the unlabeled field to the right of the Employer Paid Benefit DBA field.

5. Click OK.

► To correct a mistaken enrollment using overrides

You must refund any incorrect deduction manually when you correct mistaken enrollment. When you correct the information in the Benefits system, the system does not automatically generate a refund.

From the Daily Processing menu (G08BB1), choose Enrollment Overrides.

1. On Enrollment Overrides, to locate the employee's plans, complete the following field and click Find:
 - Employee Identification
2. Complete the following fields for the incorrect plan and click OK:
 - End Status
To enter a begin date for the correct plan that is the same as the begin date for the incorrect plan, you must enter an end status that begins with the letter X. The X end status allows you to enroll the employee in the new plan for the correct enrollment period and still track the incorrect plan for historical purposes.
 - Ending Date
3. To enroll the employee in the correct plan, complete the steps for enrolling employees.

See [Enrolling Employees Using Overrides](#).

Reviewing Employee Enrollment

Employees often have questions about their enrollment in particular benefits. In addition, organizations frequently need information about total enrollment for specific plans. OneWorld provides easy access to the information that you need in order to answer these types of questions.

You can review the details of the benefit plans in which an employee is enrolled. You can also review information about each plan and the employees enrolled in that plan. Additionally, you can run reports that list the following:

- Employees who are not enrolled in benefit plans that are defined as mandatory for either the employee's benefit group or for the plan
- Employees who are enrolled in benefit plans that are not available to members of their benefit group
- Employees who are not enrolled in a plan for categories that require participation
- Dependents who are ineligible for benefits because of age or educational status

Reviewing Benefits by Employee

You can review benefit information to answer employees' questions about the plans in which they are enrolled.

► **To review benefits by employee**

From the Daily Processing menu (G08BB1), choose Benefits by Employee.

The screenshot shows a Windows application window titled "Benefits by Employee - [Work With Benefits by Employee]". The window has a menu bar with File, Edit, Preferences, Form, Row, Window, and Help. Below the menu is a toolbar with icons for Find, Close, Seg..., New..., Dis..., Abo, Links, Empl..., and Internet. The main area contains several input fields and a grid table.

Employee Identification	7500	McDougle, Cathy
Enrollment Status	*	Year <input type="text" value="05"/>
Ending Enrollment Status		Type of Year <input checked="" type="radio"/> Calendar <input type="radio"/> Fiscal
Benefit Group	EXEC	Executive Benefit Group
Home Business Unit	9	Corporate Administration

Below these fields is a grid table with columns: Plan ID, Description, Plan Option, Plan Option Description, Enrollment Status, and Effective Date. The data in the grid is as follows:

Plan ID	Description	Plan Option	Plan Option Description	Enrollment Status	Effective Date
401K	401(k) Plan			ACT	1/1
DENTAL	Dental Insurance	ONE	Employee + One	ACT	1/1
LIFE	Life Insurance Plan			ACT	1/1
LIFE10K	Life Insurance Plan 10,000			ACT	1/1
LTD	Disability - Long Term			ACT	1/1

On Work With Benefits by Employee, complete the following fields and click Find:

- Employee Identification
- Year

Reviewing Employees by Benefit Plan

Frequently, you want to review all the information for all the employees enrolled in a specific benefit plan. You can review information by benefit plan and locate all the history and detail information for each employee.

► **To review employees by benefit plan**

From the Daily Processing menu (G08BB1), choose Employees by Benefit Plan.

The screenshot shows a software application window titled "Employees by Benefit Plan - [Work With Employees by Benefit Plan]". The menu bar includes File, Edit, Preferences, Form, Row, Window, and Help. The toolbar contains icons for Find, Close, Seg..., New..., Dis..., Links, Plan..., Internet, and a magnifying glass. The main area has several input fields and radio buttons:

- Plan ID: LIFE
- Life Insurance Plan
- Year: 05
- Enrollment Status: *
- Ending Enrollment Status: (empty)
- Type of Year: Calendar Fiscal
- Provider Trustee: 4350 Equitable Insurance Company
- Plan Type: Life Insurance

Below these fields is a table listing employees:

	Alpha Name	Plan ID	Plan ID Description	Plan Option	Plan Option Description	Enr S
Walters, Annette	LIFE	Life Insurance Plan				ACT
McLind, Rod	LIFE	Life Insurance Plan				ACT
Ingram, Paul	LIFE	Life Insurance Plan				ACT
Escalante, George	LIFE	Life Insurance Plan				ACT
Ellis, Jody A.	LIFE	Life Insurance Plan				ACT
Ebby, Chester	LIFE	Life Insurance Plan				ACT

On Work With Employees by Benefit Plan, complete the following fields and click Find:

- Plan ID
- Year

Reviewing the Employee List by Benefit Group Report

From the Periodic Processing menu (G08BB2), choose Employee List By Benefit Group.

This report lists all of the benefit groups and the employees who are enrolled in those benefit groups. This report includes information about each employee's job type and step, pay frequency and class, and employment status.

See Also

- R083492, *Employee List by Benefit Group* in the *Reports Guide* for a report sample

Reviewing the Benefit Enrollment by Plan Report

From the Periodic Processing menu (G08BB2), choose Benefit Enrollment by Plan.

Use this report to review each plan and the employees enrolled in each plan. This report includes previously enrolled employees, the ending status, and the ending date.

See Also

- R083493, *Benefit Enrollment by Plan* in the *Reports Guide* for a report sample

Reviewing the Benefit Enrollment Outside Group Report

From the Periodic Processing menu (G08BB2), choose Benefit Enrollment Outside Group.

This report lists all employees who are enrolled in benefit plans that are not available to members of their benefit group. After you identify employees enrolled in the wrong benefit group, you can enroll them in the correct benefit plan.

See Also

- R083470, *Benefit Enrollment Outside Group* in the *Reports Guide* for a report sample

Processing Options for Benefit Enrollment Outside Group (R083470)

Edits Tab

These processing options specify the effective "as of" date and whether to evaluate all enrollments or only active enrollments.

1. Effective "As Of" date:

Use this processing option to specify the effective "As Of" date for determining enrollment statistics. A default of blank will use today's date.

2. Evaluate active enrollments:

1 - Evaluate only active enrollments

0 - Evaluate all enrollments

Use this processing option to specify whether all enrollments or only active enrollments should be evaluated. Valid values are:

- 0 Evaluate all enrollments based on the "As Of" date specified in a previous processing option.
 - 1 Evaluate only active enrollments.
-

Reviewing the Mandatory Participation Exception Report

From the Periodic Processing menu (G08BB2), choose Mandatory Participation Exception Report.

Companies often have one or more benefit plans that are mandatory for some or all employees. The Mandatory Participation Exception report lists all employees who, because of their group status or the requirements of the plan, are not enrolled in the mandatory benefit plans but should be. You can use the report to identify the employees who are not enrolled in the mandatory plans and then enroll them.

See Also

- R083450, *Mandatory Participation Exception* in the *Reports Guide* for a report sample

Processing Options for Mandatory Participation Exception Report (R083450)

Options

1. Enter the "As Of" date to be used for the exception report. All active employees on the selected date will be tested. Default of blank will use today's date.
-

Reviewing the Required Elections in Benefits Report

From the Periodic Processing menu (G08BB2), choose Required Elections in Benefits.

This report lists all employees who are not enrolled in any benefit plan within a category that requires plan participation. Also, if you specify a particular plan in the processing option, you can identify the employees who are missing enrollment in that plan.

Processing Options for Required Elections in Benefits (R083480)

Options

1. Enter the effective or "As Of" date for determining enrollment status. A default of blank will use today's date.
 2. Enter a single plan to verify enrollment. Employees who are not enrolled in this plan will display if the plan is available for their benefit group. A default of blank will evaluate all enrollments using the "As Of" date above.
-

Printing a Benefit Enrollment Form

From the Periodic Processing menu (G08BB2), choose Benefit Enrollment Form.

This report creates a personal enrollment form for an individual employee. The form shows all effective plans and plan options for the employee and shows rates for all of the plans and plan options.

See Also

- R083430, *Benefit Enrollment Form* in the *Reports Guide* for a report sample

Processing Options for Benefit Enrollment Form (R083430)

Defaults Tab

These processing options specify the default dates that the system uses for selecting plans, determining employee eligibility, and calculating the employee's age. They also specify whether the system uses the employee's identification number or the employee's tax ID number as the default value for the Employee Tax Number.

1. Effective Date

A specific date

Blank = system date

Use this processing option to specify the effective date for the selection of plans and the determination of employee eligibility. To use the system date as the effective date, leave this processing option blank.

2. Age As Of Date

A specific date

Blank will not show age

Use this processing option to specify any date of a given year. The system uses this value and the employee's date of birth to calculate the employee's age. Running this process allows the system to update the Employee Age field on the Personal form (W0801EMPD). To use the system date leave this processing option blank.

3. Employee Tax Id Number

0 = Print Employee Id Number

1 = Show Tax Id Number

Use this processing option to specify whether to print the employee's tax ID number or the employee's identification number.

- 0 Print the employee's identification number.
 - 1 Print the employee's tax ID number.
-

Print Tab

These processing options specify whether to print certain information on the report.

1. Employee Address

0 = Do not print

1 = Print

Use this processing option to choose whether to print the employee's address.

Valid values are:

- 0 Do not print.
- 1 Print.

2. Benefit Group Additional Description

0 = Do not print

1 = Print

Use this processing option to specify whether to print an additional description for the benefit group. Valid values are:

- 0 Do not print.
 - 1 Print.
-

3. Plan Category Additional Description

0 = Do not print

1 = Print

Use this processing option to specify whether to print the description for the plan category. Valid values are:

0 Do not print.

1 Print.

4. Plan Remarks

0 = Do not print

1 = Print

Use this processing option to specify whether to print plan remarks. Valid values are:

0 Do not print.

1 Print.

5. Test Eligibility

0 = Do not test

1 = Test

Use this processing option to specify which benefit plans to print. Valid values are:

-
- 0 Print all plans in the employee's benefit group.
 - 1 Print only plans for which the employee is eligible.
-

Reviewing the Dep/Ben by Plan ID and Employee Report

From the Periodic Processing menu (G08BB2), choose Dep/Ben by Plan ID and Employee.

This report lists the employees who have dependents or beneficiaries enrolled in each benefit plan. It includes information about each dependent, such as the relationship to the employee and the dependent/beneficiary type.

See Also

- R083490, *Dep/Ben by Plan ID and Employee* in the *Reports Guide* for a report sample

Reviewing the Dependent/Beneficiary Exception Report

From the Periodic Processing menu (G08BB2), choose Dep/Ben Exception Report.

Some benefit plans require that employees specify dependents or beneficiaries. Run the Dependent/Beneficiary Exception report to identify employees who are actively enrolled in benefit plans but who have not provided the required information about dependents or beneficiaries. You should notify these employees so that they can provide this information.

Plans that are not active on the "as of" date and employees who are not enrolled on the "as of" date are not included in the report.

See Also

- R083460, *Dependent/Beneficiary Exception* in the *Reports Guide* for a report sample

Processing Options for Dep/Ben Exception Report (R083460)

Options

1. Enter the "As Of" date to be used for the exception report. All employees enrolled in the selected plans on this date will be tested. Default of blank will use today's date.
 2. Enter a '1' to print active enrollment records only. Default of blank will print all enrollment records.
-

Reviewing the Dep/Ben Missing Tax ID, Gender, or DOB Report

From the Periodic Processing menu (G08BB2), choose Dep/Ben Missing Tax ID, Gender or DOB.

Use this report to locate dependent or beneficiary records that do not contain a tax ID, gender, or date of birth. You should notify the appropriate employees so that they can provide this information.

See Also

- R083491, *Dep/Ben Missing Tax ID, Gender, or DOB* in the *Reports Guide* for a report sample

Reviewing Dependent Status Reports

Use one of the following navigations:

From the Periodic Processing menu (G08BB2), choose Non-Qualifying Dependents.

From the Periodic Processing menu (G08BB2), choose All Dependents Over Maximum Age.

From the Periodic Processing menu (G08BB2), choose Check Student Institutions.

Use any of the three dependent status reports to determine whether dependents are eligible for benefits according to their age and student status:

Non-Qualifying Dependents	This report lists all dependents over the maximum age for all dependents and are not enrolled as full-time students. This report also lists all dependents who are over the maximum age for full-time students, regardless of student status.
All Dependents Over Maximum Age	This report lists all dependents over the maximum age for all dependents. Dependents who are full-time students are listed with the names of the schools in which they are enrolled.
Check Student Institutions	This report lists the schools in which all dependents between the maximum age for all dependents and the maximum age for full-time students are enrolled. You can use this list to verify that the schools are accredited institutions.

See Also

- R083496, *Non-Qualifying Dependents* in the *Reports Guide* for a report sample
- R083496, *All Dependents Over Maximum Age* in the *Reports Guide* for a report sample
- R083496, *Check Student Institutions* in the *Reports Guide* for a report sample

Processing Options for Non-Qualifying Dependents (R083496)

General

Calculate the dependent's age as of the specified date range:

1. Beginning Date

A default of blank will use today's date

2. Ending Date

A default of blank will use one day after the Beginning Date

Max. Age Range

-
1. Enter the maximum age for which all dependents are eligible.
A default of blank will use an age of 17.
 2. Enter the maximum age for which full time students are eligible as dependents.
A default of blank will use an age of 22.
-

Reviewing the Dependent/Beneficiary Supplemental Data Report

From the Dependent Beneficiary Supplemental Data menu (G08BSDD2), choose Dep/Ben Supplemental Data Report.

To review complete supplemental information for one or more dependents or beneficiaries, run the Dependent/Beneficiary Supplemental Data report. This report compiles all of a dependent's and beneficiary's supplemental information into an easy-to-read format.

See Also

- R080415, *Dependent/Beneficiary Supplemental Data* in the *Reports Guide* for a report sample

Processing Options for Dep/Ben Supplemental Data Report (R080415)

Processing

1. Enter a '1' to bypass printing the Tax ID on the report. A default of blank will print the Tax ID.
 2. Enter a '1' to bypass printing text information on the report. A default of blank will print the text.
-

Reviewing the Dependent/Beneficiary Data by Data Type Report

From the Dependent Beneficiary Supplemental Data menu (G08BSDD2), choose Dep/Ben Data by Data Type.

To review a list of all dependents and beneficiaries who have information entered in a particular supplemental data type, you can print the Dependent/Beneficiary Data by Data Type report.

See Also

- R080405, *Dependent/Beneficiary Data by Data Type* in the *Reports Guide* for a report sample

Processing Options for Dep/Ben Data by Data Type Report (R080405)

Narrative Tab

This processing option specifies the text that prints on the report.

Narrative

1. Enter a '1' to bypass printing text information on the report. Default of blank will print the text.
-

Working with Employee Benefit Statements

Employers in the United States typically pay a significant portion of an employee's total compensation for benefit and tax payments. These payments made by the employer are nearly invisible to the employee. You can create a benefit statement that shows employees

the funds spent on their behalf. The benefit statement can include specific information about an employee's compensation and benefits such as:

- Base salary or regular earnings
- Specific additional earnings, such as bonuses
- Employee and employer contributions to specific insurance benefits
- Paid time off such as holiday or vacation time
- Taxes such as FICA, unemployment, and workers' compensation

When you create a benefit statement, you create benefit statement headings that correspond to the categories of information that you want to display on the benefit statement. For example, you might have benefit statement headings such as medical insurance, vacation pay, taxes, and so on. For each benefit statement heading, you select the PDBAs or tax types that will provide the amount spent on each type of compensation.

After you have gathered information for the benefit statement using benefit statement headings, you can merge a benefit statement form with a list of employees who should receive a benefit statement. You use the MailMerge feature of Microsoft Word to combine the benefit statement form and list of employees to create a customized benefit statement for each employee.

Setting Up a Benefit Statement

When you set up a benefit statement, you assign a code and description that will identify the benefit statement. You might set up different benefit statements for different groups of employees, depending on the kind of compensation and benefits that each group receives.

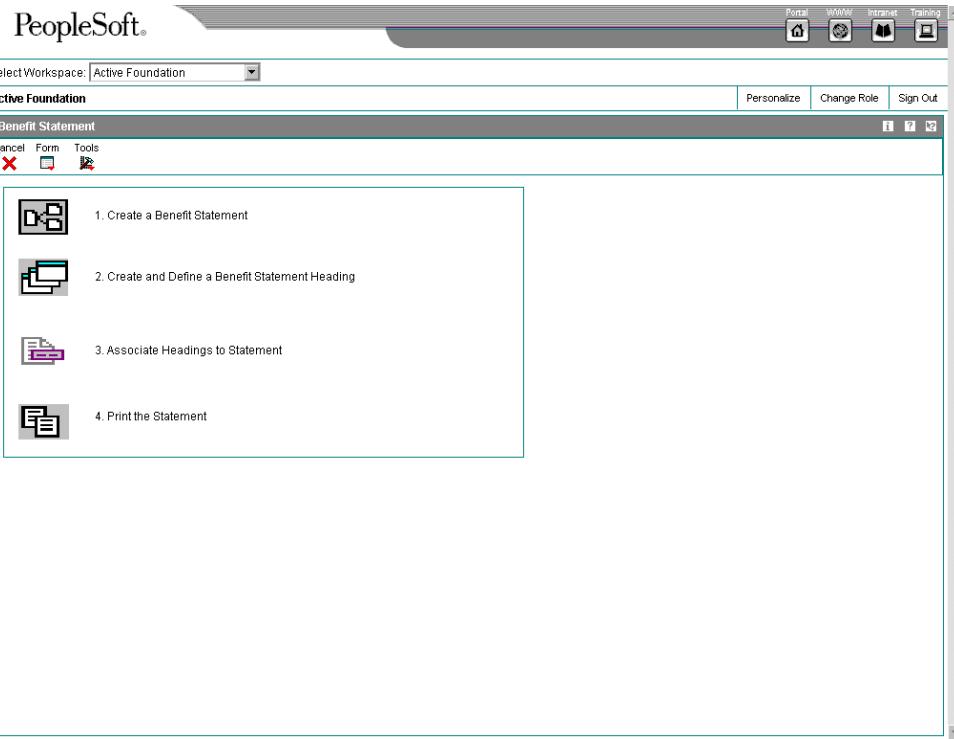
You also need to specify the MailMerge document that you will use to create the benefit statement. The MailMerge document is a Microsoft Word document that contains the structure of the benefit statement.

Before You Begin

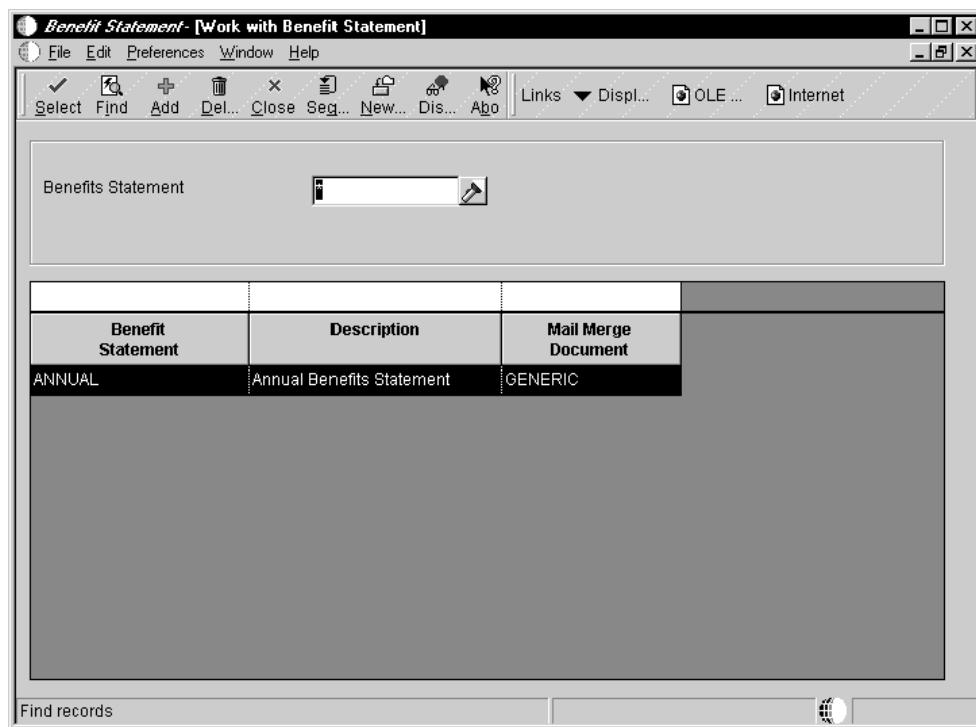
- Set up a MailMerge document for the benefit statement using the data structure name D083305. For more information, see *Adding MailMerge Documents* in the *OneWorld Foundation Guide*.

► To set up a benefit statement

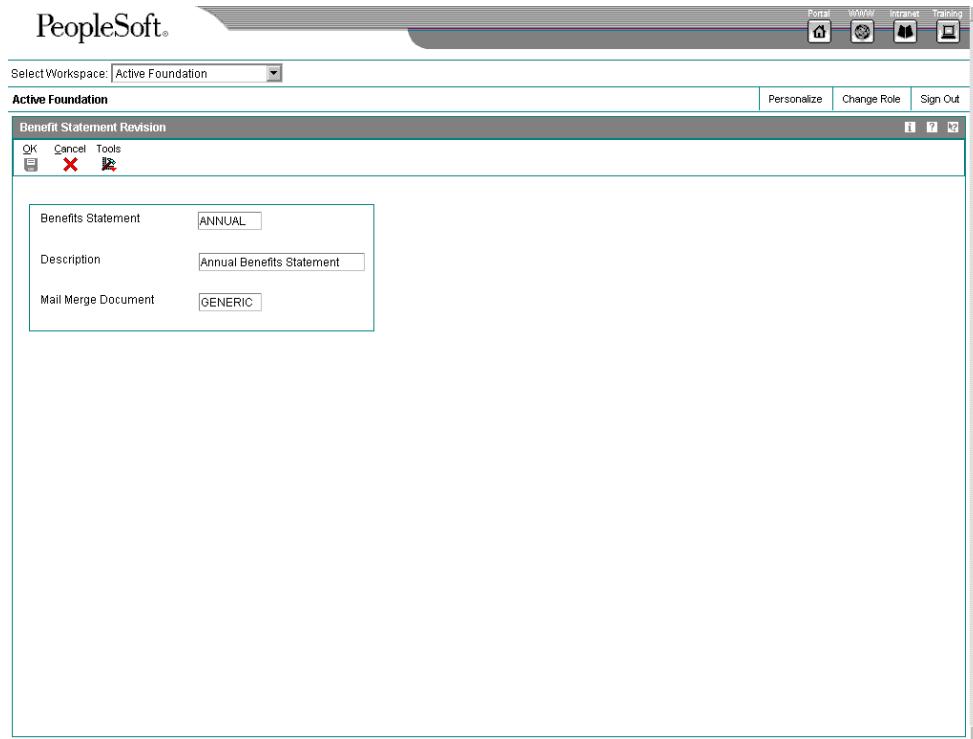
From the Periodic Processing menu (G08BB2), choose Benefit Statement.



1. On Benefit Statement, click Create a Benefit Statement.



2. On Work with Benefit Statement, click Add.



3. On Benefit Statement Revision, complete the following fields and click OK:

- Benefits Statement
- Description
- Mail Merge Document

Setting Up Benefit Statement Headings

Benefit statement headings correspond to the categories of information that will appear on a benefit statement. You need to set up a benefit statement heading for each type of earnings, benefits, or tax amounts that you want to appear on the benefit statement. For example, you could set up a benefit statement for each type of insurance provided, for each significant type of pay (regular earnings, vacation pay, and so on), and for specific taxes.

When you create a benefit statement heading, you specify whether the heading corresponds to benefits or earnings. For example, company-paid insurance and taxes are all benefit-type headings, but regular pay types are earnings-type headings. The system uses the totals of the benefit-type headings and earnings-type headings to calculate the percentage of benefits that were company-paid.

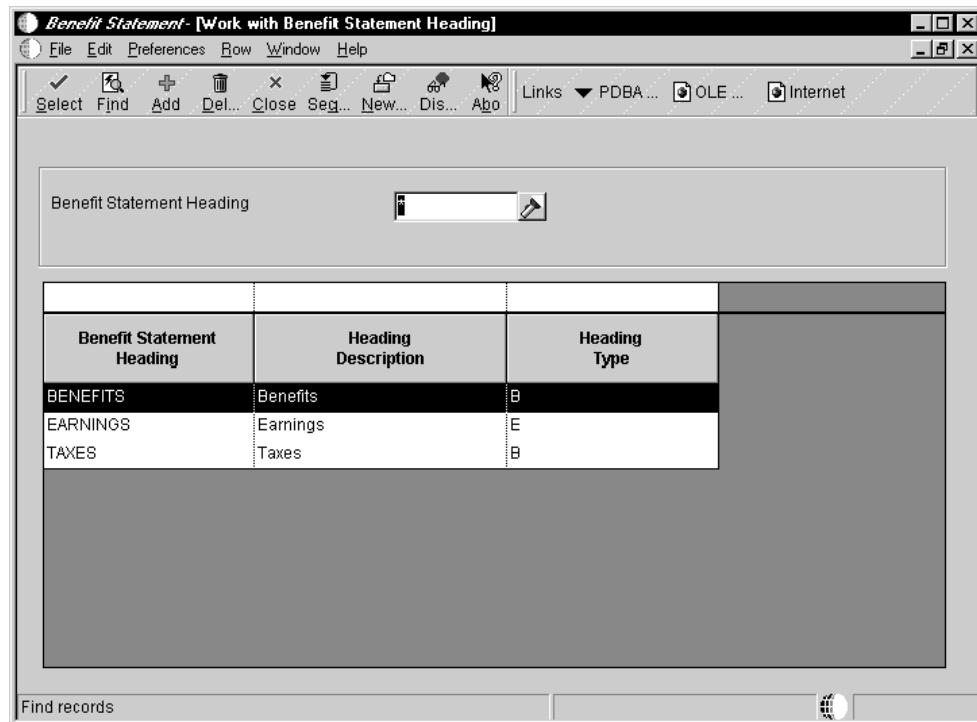
You need to cross-reference each heading to either a PDBA or a tax type that will supply the amounts of employee and employer contributions for that heading, and indicate whether the amount is employer or employee paid. If the heading corresponds to a type of pay or a benefit plan, cross-reference a PDBA. If the heading corresponds to a tax, cross-reference a

tax area and tax type. You must cross-reference either a PDPA or a tax area and type to each heading that you want to include on the benefit statement.

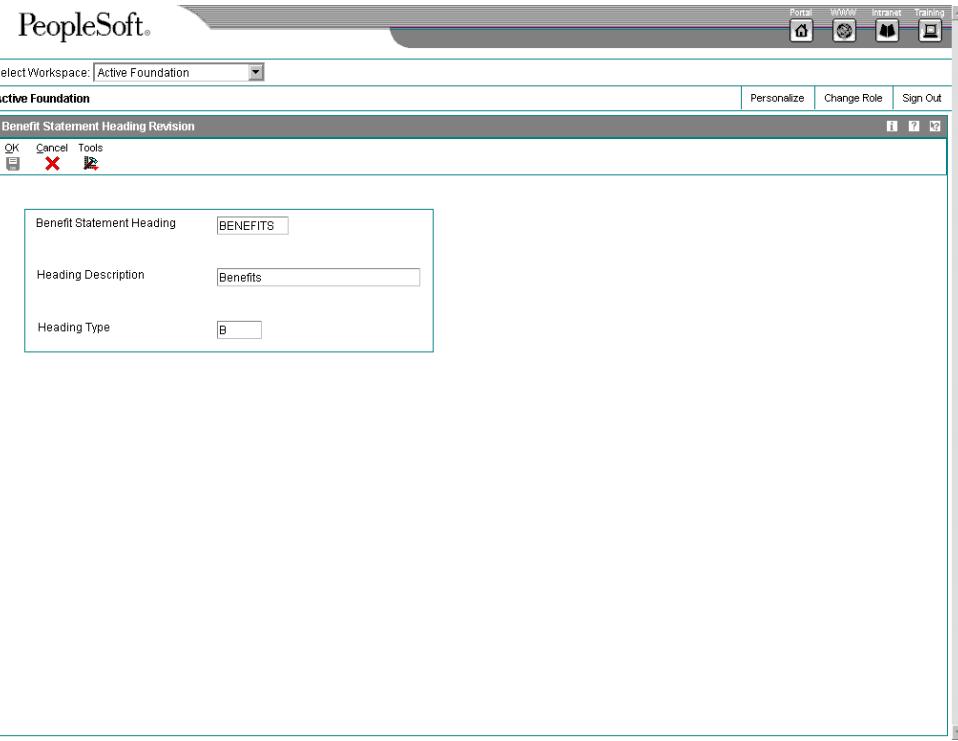
► To add a benefit statement heading

From the Periodic Processing menu (G08BB2), choose Benefit Statement.

1. On Benefit Statement, click Create and Define a Benefit Statement Heading.



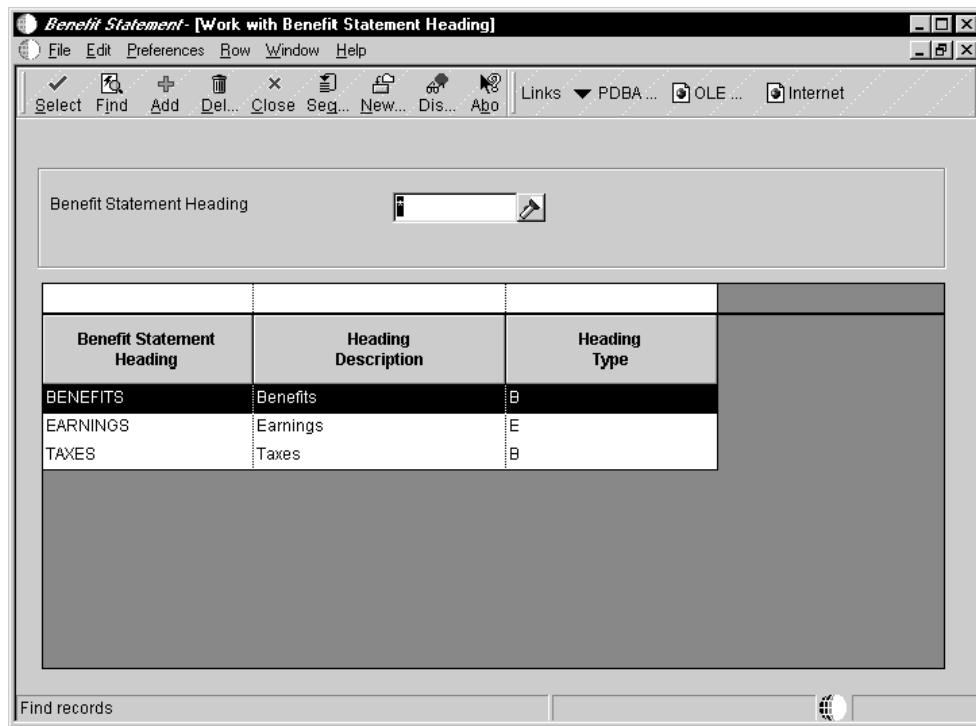
2. On Work with Benefit Statement Heading, click Add.



3. On Benefit Statement Heading Revision, complete the following fields and click OK:
 - Benefit Statement Heading
 - Heading Description
 - Heading Type

► **To cross-reference PDBAs**

From the Periodic Processing menu (G08BB2), choose Benefit Statement.



1. On Benefit Statement, click Create and Define a Benefit Statement Heading.
2. On Work with Benefit Statement Heading, complete the following field and click Find:
 - Benefit Statement Heading
3. Choose a row in the detail area.
4. From the Row menu, choose PDBA Ref.

ER Paid 'X'	EE Paid 'X'	PDBA Code	PDBA Type	PDBA Description	Effect On Description	Used for Deductions & Accruals
<input checked="" type="checkbox"/>		4 P	1STLASTCHK		Used for Deductions & Accruals	
<input type="radio"/>		15 P	RETROPAY		Used for Deductions & Accruals	
<input type="radio"/>		35 P	PIECERATE		Used for Deductions & Accruals	
<input type="radio"/>		100 P	OVERTIME15		Used for Deductions & Accruals	
<input type="radio"/>		110 P	OVERTIME20		Used for Deductions & Accruals	
<input type="radio"/>		204 P	TUITREIM-NTX		Used for Deductions & Accruals	
<input type="radio"/>		205 P	TUITREIM-TAX		Used for Deductions & Accruals	
<input type="radio"/>		250 P	RELOCATION		Used for Deductions & Accruals	
<input type="radio"/>		300 P	SICK PAY		Used for Deductions & Accruals	

5. On PDBA Heading Cross Reference Detail, complete either of the following fields in the QBE row and click Find:

- PDBA Code
- PDBA Type

6. If you want to cross-reference a benefit, type an X in the following field:

- ER Paid 'X'

The system does not allow you to enter an X in the ER Paid field for a deduction code because deductions can only be employee paid.

7. If this is a deduction that you want to cross-reference, type an X in the following field:

- EE Paid 'X'

The system does not allow you to enter an X in the EE Paid field for a PDBA code, such as a pay type code, that can only be employer paid.

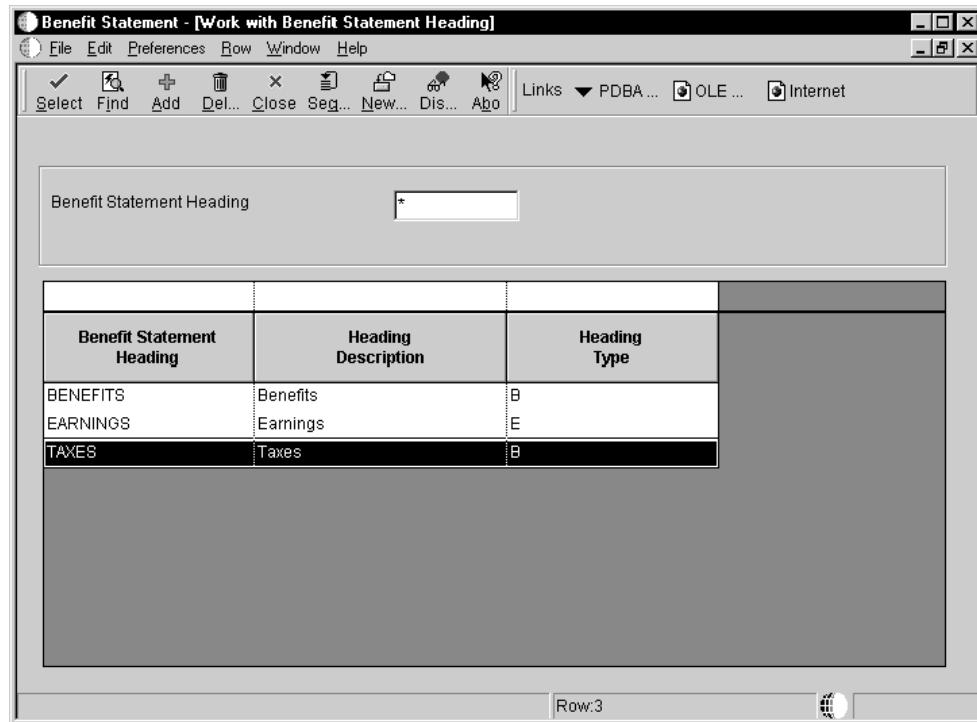
The employer-paid and employee-paid amounts from all the PDBAs that you cross-reference to a single heading will be totaled to produce total employer and employee contributions for that heading.

8. To review your cross-references, choose Display Selected on the PDBA Heading Cross Reference Detail form.
 9. When you have cross-referenced all the PDBAs that you want, click OK.

► **To cross-reference tax information**

From the Periodic Processing menu (G08BB2), choose Benefit Statement.

1. On Benefit Statement, click Create and Define a Benefit Statement Heading.



2. On Work with Benefit Statement Heading, complete the following field and click Find:
 - Benefit Statement Heading
3. Choose TAXES from the detail area and choose Tax Ref. from the Row menu.

The screenshot shows the 'Tax Heading Cross Reference Detail' form in PeopleSoft. At the top, there are buttons for OK, Find, Delete, Cancel, and Tools. Below that, there are fields for 'Benefit Statement Heading' (set to 'TAXES') and 'Benefit Statement Heading Type' (set to 'B'). There is also a 'Display Selected' checkbox. The main area is a grid titled 'Records 1 - 10' with columns: ER Paid 'X', EE Paid 'X', Tax Area, Tax Type, CO EE, and Tax Type Description. The data in the grid is as follows:

	ER Paid 'X'	EE Paid 'X'	Tax Area	Tax Type	CO EE	Tax Type Description
<input checked="" type="checkbox"/>			01	F	E	ALDEPARTMENTOFREVENUE
<input type="radio"/>			02	F	E	AKDEPARTMENTOFREVENUE
<input type="radio"/>			03	F	E	AZDEPARTMENTOFREVENUE
<input type="radio"/>	X		04	F	E	ARDEPARTMENTOFREVENUE
<input type="radio"/>		X	05	C	C	CAFUI
<input type="radio"/>		X	05	F	E	CAEMPLOYMENTDEVELOPMENTDEPT
<input type="radio"/>		X	05	H	C	CAUNEMPLOYMENTINSURANCE
<input type="radio"/>			05	I	E	CASDIEMPLOYEEPAID
<input type="radio"/>			05	MW	C	CAMINIMUMWAGE
<input type="radio"/>	X		05	W	C	CAWORKERSCOMPENSATION

4. On Tax Heading Cross Reference Detail, complete either of the following fields in the QBE row and click Find:
 - Tax Area
 - Tax Type
5. Type an X in either of the following fields for each tax area that you want to cross-reference, and click OK:
 - ER Paid 'X'
 - EE Paid 'X'

The amounts from all the tax areas that you cross-reference to a single heading will be added to produce total employer and employee contributions for that heading.
6. To review your cross-references, choose Display Selected on the Tax Heading Cross Reference Detail form.

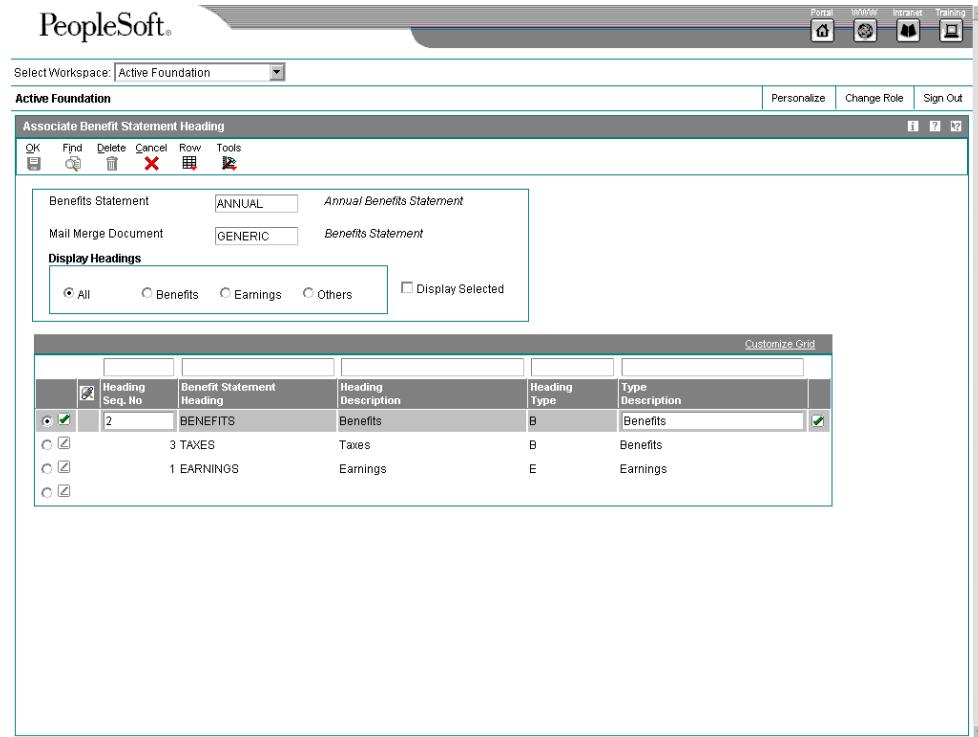
Linking Headings to a Benefit Statement

You link headings to a benefit statement to specify which benefit statements that you have created should appear on a particular benefit statement. You also use sequence numbers to specify the order in which the headings appear on the benefit statement. You can link as many as ten headings of each heading type (benefit, earnings, or other).

► **To link headings to a benefit statement**

From the Periodic Processing menu (G08BB2), choose Benefit Statement.

1. On Benefit Statement, click Associate Headings to Statement.



2. On Associate Benefit Statement Heading, complete the following field:
 - Benefits Statement
3. To narrow your search, click one of the following options in the Display Headings area, and then click Find:
 - All
 - Benefits
 - Earnings
 - Others
4. Complete the following field in the detail area for each heading that you want to include on the benefit statement and click OK:
 - Heading Seq. No

Printing Benefit Statements

When you print benefit statements, the system uses the data selection on a version of the Benefit Statement Workfile Build program (R083305) to generate the list of employees who will receive a benefit statement. The system merges this list with the MailMerge document that you specified when you set up the benefit statement to create a customized benefit statement for each employee.

You must specify the name of the benefit statement in the processing options of the Benefit Statement Workfile Build program. You also specify the date range for the benefit statement in these processing options. The system uses the dates that you enter in the processing options along with the PDBAs and tax areas that you have cross-referenced to headings to produce total employer and employee contributions for each heading for each employee. The system retrieves the amounts of employer and employee contribution from the Employee Transaction History Summary table (F06146).

Note

Benefit statements are produced as Microsoft Word documents. You must have Microsoft Word in order to print benefit statements.

Before You Begin

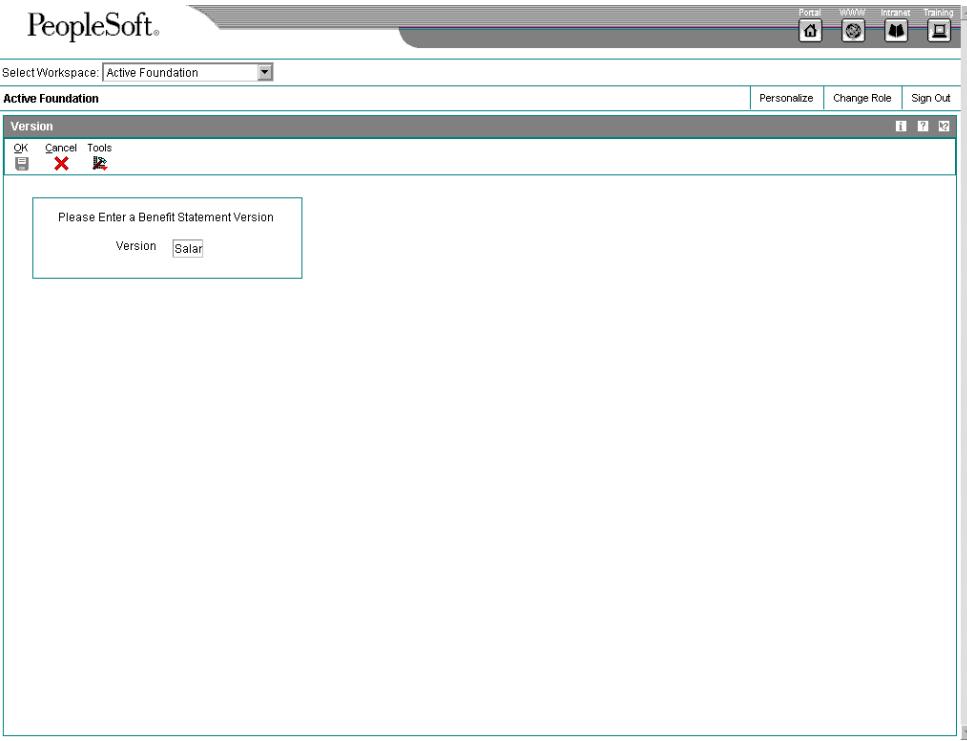
- ❑ Set up a version of the Benefit Statement Workfile Build program (R083305) with the data selection defined to select the employees for whom you want to create benefit statements. See *Creating a Batch Version and Accessing Data Selection and Sequencing for Batch Versions* in the *OneWorld Foundation Guide*.
- ❑ Enter the name of your benefit statement and specify the date range for the benefit statement in the processing options for your version of the Benefit Statement Workfile Build program (R083305). You can access the version list for the Benefit Statement Workfile Build program by choosing Versions from the Form menu on the Benefit Statement form.

See Also

- ❑ R08305, *Benefit Statement* in the *Reports Guide* for a report sample
 - ▶ **To print benefit statements**
-

From the Periodic Processing menu (G08BB2), choose Benefit Statement.

1. On Benefit Statement, click Print the Statement.



2. On Version, complete the following field and click OK:

- Version

As with other reports, you can print your benefit statements directly or display them online. If you choose to display the benefit statement online, the system creates a read-only Word document of the benefit statements in the MailMerge Workbench. You can print the benefit statements from the MailMerge Workbench.

Processing Options for Benefit Statement Workfile Build (R083305)

Define

1. Benefits Statement Name
 2. Month - From
 3. Year - From
 4. Month - Through
 5. Year - Through
-

Flexible Benefits

Flexible Benefits

Flexible benefit plans, also called flex plans, allow employees to select the benefit choices that meet their needs. Employers provide employees flex credits with which they can "purchase" the benefit plans that they want. Flex credits can be provided in a lump sum that is based on factors such as length of service or in a lump sum that is the same for all employees. Flex credits can also be awarded upon selection of certain benefit plans.

Each benefit plan has corresponding costs or credits. Plans that are less costly to the employer have a lower flex cost to the employee. For example, a medical plan that includes family coverage might cost an employee 15 flex credits while an employee-only medical plan might cost only 5 flex credits. A plan that is particularly inexpensive might carry a flex credit to encourage employees to choose that plan over a more costly plan.

If an employee selects a combination of benefit plans for which the cost exceeds the credits available to the employee, the difference is deducted from the employee's pay through a pretax payroll deduction.

Benefits administrators can enroll employees in flex benefit plans through Enrollment with Eligibility. Employees can also enroll themselves through the self-service benefits applications. In both cases, the system maintains a running total of flex credits available, spent, and remaining for each employee.

Enrolling in Flex Benefit Plans

You can enroll employees in flex benefit plans using the Enrollment with Eligibility program. You can also let employees enroll themselves in benefit plans using the self-service applications. In either case, enrolling in flex plans follows the same process as enrolling in non-flex plans.

The only visible difference between flex and non-flex enrollment is the information that appears on the enrollment form. If a benefit group does not offer flex plans, the system displays the total employee payroll deduction as plan elections are made. If a benefit group offers flex plans, the system dynamically updates various flex amounts on the enrollment form.

PeopleSoft®

Category	Category Rule	Plan ID	Plan Description	Plan Option	Plan Option Description	M	P
<input type="checkbox"/> FLEXMED	No rules apply-select any item FMEDEE	FMEDEE	Medical Flex Ee Only			N	
<input checked="" type="checkbox"/>		FMEDEE+1	Medical Flex Ee + 1			N	
<input type="checkbox"/>		FMEDEE+2	Medical Flex Ee + 2 or More			N	
<input type="checkbox"/> FLEXDEN	No rules apply-select any item FDENTEE	FDENTEE	Dental Flex Ee Only			N	
<input checked="" type="checkbox"/>		FDENTEE1	Dental Flex Ee + 1			N	
<input type="checkbox"/>		FDENTEE2	Dental Flex Ee + 2 or More			N	
<input checked="" type="checkbox"/> FLEXVIS	No rules apply-select any item FVISEE	FVISEE	Vision Flex Ee Only			N	
<input type="checkbox"/>		FVISEE1	Vision Flex Ee + 1			N	
<input type="checkbox"/>		FVISEE2	Vision Flex Ee + 2 or More			N	
<input checked="" type="checkbox"/> ERLUMPCRD	No rules apply-select any item FXERLUMP	FXERLUMP	Flex Lump Sum Credits			Y	

The following table describes how the system calculates the information in the fields on the enrollment forms for flex benefit plans:

Flex Credits Available	Flex credits available are calculated as the total of flex credits awarded in a lump sum and flex credits awarded as a result of enrolling in specific plans.
Flex Credits Spent	Flex credits spent are calculated as the total of flex credits spent to enroll in selected plans.
Flex Credits Remaining	Flex credits remaining are calculated as the flex credits spent subtracted from the flex credits available. If the remaining flex credits is a negative amount, the system displays a message that the employee has overspent flex credits, which will result in a flex payroll deduction. The system automatically updates the DBA referenced in the employee flex deduction plan with the amount of the negative remaining balance. If you choose to track and reward positive remaining credits, the benefits administrator must manually enter that amount in the appropriate plan DBA.
Non-Flex Payroll Deduction	The non-flex payroll deductions amount represents the total cost of non-flex plans in which an employee has enrolled. This amount is displayed for enrollment in groups that offer flex plans.
Flex Payroll Deduction	The flex payroll deduction is the amount that results from an employee overspending flex credits. This amount is displayed only if the remaining flex credits amount is negative.
Total Payroll Deductions	The total payroll deductions are the total amount that will be deducted from an employee's pay per pay period to pay for benefit plans. This amount is the total of non-flex payroll deductions and the flex payroll deduction.

See Also

- ❑ *Enrolling Employees Using Eligibility* for information about enrolling employees in benefit plans

COBRA

COBRA

Companies that maintain group health plans are required to offer employees and their dependents continuation of coverage at group rates that the employee would otherwise have forfeited due to qualifying events such as termination, reduction of work hours, divorce, and so forth. This requirement is known as the Consolidated Omnibus Reconciliation Act of 1985 (COBRA). The act applies to companies with more than 20 employees.

Companies are also required to provide certification to qualified employees that confirms previous coverage, limits preexisting conditions exclusions, provides special enrollment rights to certain employees and dependents, and prohibits discrimination in plan enrollment and premiums. This requirement is known as Health Insurance Portability and Accountability Act of 1996 (HIPAA).

The J.D. Edwards COBRA administration system allows companies to maintain control of their own programs in compliance with federal and state regulations.

Employees who have been terminated from the company are entitled to COBRA coverage. Their dependents and beneficiaries are also entitled to this coverage. You must notify former employees when they become eligible to enroll in COBRA. You handle claims and benefits for COBRA participants in the same way as for employees enrolled in the same plans.

You can track the dates that a qualified beneficiary is eligible for COBRA, elections, and payment dates. Initial notice letters can be sent and the date recorded. Additional information can be recorded for all qualified beneficiaries through profile data.

After you enroll qualified beneficiaries, you can run a variety of COBRA reports to review what COBRA coverage the qualified beneficiary has chosen, as well as all additional information that has been entered regarding the beneficiary.

This guide is not a replacement for the federal and state requirements. You should be familiar with the regulations and mandates provided through COBRA to implement and maintain your COBRA coverage benefits. For current legislative information regarding COBRA administration, contact your regional or district office of the Pension and Welfare Benefits Administration for the U.S. Department of Labor.

What Is a Qualifying Event?

Qualifying events are certain events that result in an employee losing group health coverage. The type of qualifying event determines who the qualified beneficiaries are and the length of the coverage period that is offered under COBRA. A plan, at its discretion, may provide longer periods of continuation than required by law.

Examples of qualifying events for an employee are:

- Voluntary or involuntary termination of employment for any reason other than "gross misconduct"
- Reduction in employment hours, such as changing from full-time to part-time status or taking a leave of absence

Examples of qualifying events for a spouse include:

- Voluntary or involuntary termination of the covered employee's employment for any reason other than "gross misconduct"
- Reduction in employment hours worked by the covered employee
- Death of the covered employee
- Divorce or legal separation of the covered employee
- Eligibility of the covered employee to enroll in Medicare

Examples of qualifying events for a dependent child include:

- Loss of "dependent child" status under the employer's plan rules
- Voluntary or involuntary termination of the covered employee's employment for any reason other than "gross misconduct"
- Reduction in employment hours worked by the covered employee
- Death of the covered employee
- Divorce or legal separation of the covered employee
- Eligibility of the covered employee to enroll in Medicare

Who Are Qualified COBRA Beneficiaries?

A qualified beneficiary is any individual covered under the employer's group health plan on the day before a qualifying event occurs. Each qualified beneficiary who elects COBRA coverage receives the same core benefits that they were entitled to as an active employee. Qualified beneficiaries include:

- Employee
- Employee's spouse
- Employee's dependent children

How Do You Comply with COBRA Coverage?

Employees and their dependents impacted by a qualifying event are entitled to COBRA coverage. You must notify employees that they are qualified beneficiaries and are eligible for COBRA coverage. Qualified beneficiaries are responsible for paying the premium for the plan and any administrative, or handling, fees that are incurred. You administer claims and benefits for COBRA participants in the same way you do for employees enrolled in the same plans, including flexible spending accounts.

You can track the dates that a qualified beneficiary is eligible for COBRA, elections, and payment dates. Initial notice letters can be sent and the date recorded. As with all Human Resources system programs, you can set up and maintain additional information, or profile data, for all qualified beneficiaries. For example, you can record medical history or plan remittance information.

After you enroll qualified beneficiaries, you can print reports to review information on COBRA coverage. You can also print reports with the additional information obtained through the profile data that you choose to track.

The following terms are used throughout COBRA coverage:

Benefit group	Any group of employees who are enrolled in the same benefit plans and who receive the same benefits. Many companies establish a COBRA benefit group specifically for qualified beneficiaries who have elected to enroll in COBRA coverage.
Benefit plan	Any benefit plan available with COBRA that is offered by the employer. These include, but are not limited to: <ul style="list-style-type: none"> • Medical and dental insurance • Flexible spending accounts
Dependent	Any person, usually related to the employee, who is eligible for coverage in a benefit plan. A dependent is also a qualified beneficiary.
Qualified beneficiary	Anyone who is entitled to receive benefits from a COBRA plan. After a qualified beneficiary elects the COBRA coverage, the term <i>COBRA participant</i> is often used throughout the industry interchangeably with qualified beneficiary.
Qualifying event	A qualifying event is any occurrence that causes an employee or qualified beneficiary to lose group medical coverage.

COBRA Administration

Before you can administer COBRA correctly, you must understand the legislation, your responsibilities, and potential liabilities. For current legislative information regarding COBRA administration, contact your regional or district office of the Pension and Welfare Benefits Administration for the U.S. Department of Labor.

COBRA administration involves the process of notification, as well as tracking and documenting all aspects of COBRA compliance. The system generates both COBRA and HIPAA notification letters. You can track important dates, such as notification dates and coverage periods. You can document qualifying events, qualified beneficiaries, the plans they select, and premium payments. Various reports allow you to monitor compliance with COBRA legislation.

Before You Begin

- Verify that the plans available for COBRA coverage have been checked as COBRA plans on the Plan Master form (W08320A). See *Setting Up Benefit Plans*.
- Verify that all DBAs that are used for COBRA administration are checked as valid for COBRA on the U.S. Legislative/Regulatory form (W059116UB).

Entering a Qualifying Event or a Subsequent Qualifying Event

Before individuals become eligible for COBRA coverage, a qualifying event must occur. A qualifying event is any event that results in the loss of group health coverage for employees, their spouses, or dependents. As part of the COBRA notification process, you must enter COBRA qualifying events for qualified participants.

The key to COBRA administration is the ability to track important events. For example, you are required to record the following:

- When the benefits administrator is notified of the qualifying event
- When notification letters are sent
- When COBRA coverage is elected

This information is maintained when you enter qualifying events.

When you print the COBRA notification letter, you will also want to print the election form for COBRA coverage so that you can mail both forms together. See *Reviewing the COBRA Print Election Form*.

You can also enter a subsequent qualifying event for a participant. For example, an employee initially qualifies for COBRA coverage due to a reduction in hours. Currently, the maximum allowable coverage period for this qualifying event is 18 months. During that 18-month period the employee is terminated. This second qualifying event allows for a 36-month coverage period. When the second qualifying event has a longer coverage period than the initial qualifying event, you write a subsequent qualifying event record for the employee.

You can add subsequent qualifying events manually in the Qualifying Events program (P089102). Subsequent qualifying event information can also be written automatically when you change employee information that creates a subsequent qualifying event according to the rules that you have created in the rules engine. See *Reviewing and Updating Subsequent Qualifying Event Information*.

► To enter a qualifying event or a subsequent qualifying event

On the Daily Processing menu (G05BCOB2), choose Qualifying Events.

1. On Work With Qualifying Events, click Add.

PeopleSoft

Select Workspace: Active Foundation

Active Foundation

Qualifying Events - Qualifying Events Revisions

Employee or Dependent Number: 6071, Ishita, Narumi
Qualifying Event: TM, Termination of Employment
Date of Qualifying Event: 02/18/02

Qualifying Event Information

Date Notice Mailed: 02/22/02	Date of Death:
Date Notice Received: 03/08/02	Date of Disability:
Notice to Convert Date: 02/19/03	Date Terminated: 02/18/02
Date Event Reported: 02/18/02	Medicare Entitlement Date:
Last Date to Elect: 04/23/02	Date of Retirement:
Date Reported Administrator: 02/19/02	Date of Bankruptcy:
Administrator Number: 2049	McLind, Rod

Additional Employee Info

Form

2. On Qualifying Events Revisions, complete the following required fields:

- Employee or Dependent Number
- Qualifying Event
- Date of Qualifying Event

When you enter the date of the qualifying event, the following fields are completed for you:

- Notice to Convert Date
- Date Event Reported
- Last Date to Elect
- Administrator Number

You can override the Notice to Convert Date manually. When you enter a different date, you receive a warning message that states that you are about to override the Notice to Convert Date which was calculated based on the COBRA constants. On Warning COBRA Change Confirmation, click Yes to continue or No to cancel.

3. Complete the following fields as required:

- Date Notice Mailed
- Date Notice Received
- Date - Reported Admin.
- Date of Death
- Date of Disability
- Date Terminated
- Medicare Entitlement Date
- Date of Retirement
- Date - Bankruptcy

The screenshot shows the PeopleSoft Qualifying Events - Qualifying Events Revisions window. At the top, there are buttons for OK, Cancel, Form, Tools, and a red X. The main area has fields for Employee or Dependent Number (6071), Qualifying Event (TM), and Date of Qualifying Event (02/18/02). Below this, there are two tabs: Qualifying Event Information and Additional Employee Info. Under Qualifying Event Information, fields include Related Employee (6071), Home Company (00001), Business Unit (1), Home Business Unit (9), Benefit Group (HRLY), Union Code (blank), Job Type/Step (0A-10), and Tax Area (Res.) (06). Under Additional Employee Info, fields include Ishita, Narumi, FinancialDistribution Company, Corporate Administration, and FUTA.

4. On the Additional Employee Info tab, you can review related employee information.
5. Click OK to save the records.

Note

If the qualifying event that you enter is not valid for the employee according to the criteria that you set up in the COBRA Qualifying Event Constants, you receive a warning message when you click OK. The qualifying events of death, divorce, and dependent coming of age are valid for dependents rather than employees. When you set up qualified event constants (P08991), an option titled Send COBRA Letter To Employee is available. You select the option when the qualified event is valid for the employee and leave it blank when the qualifying event is not valid for the employee. See *Setting Up COBRA Qualifying Event Constants* for more information about setting up qualifying event constants.

On Warning Qualified Event Not Valid for Employee, click Yes to write qualified event and coverage information for the dependents related to the employee. Click No to cancel.

6. To enter a subsequent qualifying event, repeat steps 1 through 5.

When you click OK, you receive a Subsequent Qualified Event confirmation message. If the qualified beneficiary is or was an employee, subsequent event information might have been written for the beneficiary as well as any of their qualified dependents, updating the coverage period in the COBRA Subsequent Qualified Event Info. table (F089101). If the qualified beneficiary is a dependent, subsequent event information is written for the dependent only. The system does not

write subsequent event information unless the event causes an extension of the original coverage period.

7. To automatically generate the COBRA notification letter for this qualifying event, click Print COBRA Letter.

The system supplies the current date in the Date Notice Mailed column. You can override this date manually if, for example, you printed a letter but did not mail it for a few days. The system also completes the Date Notice Mailed field on the Qualifying Events Revisions form (W089102F).

8. To automatically generate the HIPAA notification letter for this qualifying event, click Print HIPAA Letter.
9. To display records with no date in the Date Notice Mailed column, choose the Show COBRA Letters To Be Printed option and then click Find.

The records displayed apply to the COBRA letter only.

Reviewing and Updating Subsequent Qualifying Event Information

You can add subsequent qualifying events manually using the Qualifying Events program (P089102). When the subsequent qualifying event extends the coverage period, a subsequent event record is automatically created. After you create qualifying event rules, the system also writes qualifying event information automatically whenever you change employee information that creates a subsequent qualifying event. You can review the updated information in the Subsequent Qualifying Events program (P089101).

► To review and update subsequent qualifying event information

From the Daily Processing menu (G05BCOB2), choose Subsequent Qualifying Events.

1. On Work With COBRA Subsequent Qualifying Events, complete the following filter fields and then click Find:
 - Employee or Dependent Number
 - Subsequent Qualifying Event
 - Subsequent Qualifying Event Date
 - Related Employee Number
2. Choose a record and click Select.
3. On Subsequent Events Revisions, you can review information related to the subsequent qualifying event.

The screenshot shows a PeopleSoft application window titled "Active Foundation". The main title bar includes "PeopleSoft.", "Portal", "Intranet", "Training", and other navigation links. Below the title bar, there's a toolbar with icons for "OK", "Cancel", "Form", "Tools", and a red "X". The main content area is titled "Subsequent Qualifying Events - Subsequent Events Revisions". It contains two main sections of data entry fields:

Employee or Dependent Number	6070	Toth, Stefan	
Subsequent Qualifying Event	BK	Employer's Bankruptcy	
Subsequent Qualifying Event Date	02/19/02		
Original Qualifying Event	HR		
Original Qualifying Event Date	02/19/02		
Date Event Reported	02/19/02	Date COBRA Coverage Starts	02/20/02
Date Notice Mailed		Date COBRA Expires	
Administrator Number	2049	McLind, Rod	
Related Employee	6070	Toth, Stefan	
Date Reported to Administrator			
Date Notice to Convert	02/19/03		
Coverage Period	18	Months	

4. On Work With COBRA Subsequent Qualifying Events, to update the COBRA Coverage records (F08920) with the extended coverage period, choose the record in the detail area of the form and choose Continue Coverage from the Row menu.

Note

When a subsequent event record is created automatically, the Coverage Period field displays only the number of months beyond the original coverage period that the COBRA coverage has been extended because of the subsequent qualifying event. For example, the coverage period for an original qualifying event is 18 months. Then a subsequent qualifying event occurs that allows for coverage of 36 months. In the Subsequent Qualifying Event record, the Coverage Period displayed is 18 months. After the original 18 month coverage period is concluded, the coverage period will be extended for an additional 18 months.

5. On Warning, click OK.

Selecting and Revising COBRA Coverage Election for Participant

Qualified beneficiaries must be given an election period during which each qualified beneficiary may choose to elect or waive COBRA coverage. Currently the election period must be at least 60 days, measured from the later of the coverage loss date or the date that the COBRA election notice is provided. The election period is defined in the constant applications.

Each qualified beneficiary may elect COBRA coverage independently. However, a covered employee or the covered employee's spouse may elect the coverage on behalf of all other qualified beneficiaries. A parent or legal guardian may elect coverage on behalf of a minor child.

If a qualified beneficiary chooses to waive COBRA coverage during the election period, he or she can subsequently revoke the waiver and elect coverage as long as the election period has not ended.

You might need to make revisions to the coverage information. For example, if a participant becomes disabled during the COBRA coverage period, the length of the coverage period is extended. Premiums might also increase during the open enrollment period and you might need to change the COBRA premium amount.

You terminate COBRA coverage at the end of the coverage period. A participant may also request to terminate the coverage before the end of the coverage period. For example, a participant who was terminated and elected COBRA coverage may cancel the coverage in the event that he or she obtains a new job that provides similar benefits.

► To select COBRA coverage for participant

On the Daily Processing menu (G05BCOB2), choose Coverage Selection.

Participant Address	Participant Name	Related Employee	Related Employee Name	Qualified Event Description	Qualified Event Date	Election Status	Election Status Description
6070 Toth, Stefan	6070 Toth, Stefan			Work Hour Reduction	02/18/02 W	Coverage Waived	
6071 Ishita, Narumi	6071 Ishita, Narumi			Termination of Employment	02/18/02 E	Plan Elected	
6072 Toth, Catherine	6072 Toth, Catherine	6070 Toth, Stefan	6070 Toth, Stefan	Work Hour Reduction	02/18/02 W	Coverage Waived	
6073 Ishita, Hiroshi	6073 Ishita, Hiroshi	6071 Ishita, Narumi	6071 Ishita, Narumi	Termination of Employment	02/18/02 E	Plan Elected	
6075 Ishita, Yuki	6075 Ishita, Yuki	6071 Ishita, Narumi	6071 Ishita, Narumi	Termination of Employment	02/18/02 E	Plan Elected	

1. On Work With COBRA Coverage Selection, complete the following field, and then click Find:
 - Participant Address
2. To waive COBRA coverage for this participant, click Waive COBRA Coverage.

Note

When you click Waive COBRA Coverage, you waive coverage for all plans in which the participant is eligible to elect coverage, and the Waived Date column is completed with the system date. You can override the system date by entering a date in the Date COBRA Coverage Waived field.

You receive the following pop-up message when you click Waive COBRA Coverage:

You are about to waive COBRA Coverage for the selected participant

If you wish to continue, press OK and all the plans for this participant and qualified event will be waived

If you do not wish to continue, press Cancel

3. On Warning - Waive COBRA Coverage, click OK.
4. To select COBRA coverage for a participant, choose a record, and then choose Coverage Selection from the Row menu.

The screenshot shows the PeopleSoft Coverage Selection - COBRA Coverage Selection window. At the top, there are fields for Participant Address (6071), Qualifying Event (TM), Date of Qualifying Event (02/18/02), and Related Employee (6071). Below these are buttons for Elect Plan and Terminate Plan. A grid below lists various plans with columns for Election Status, Plan, Option, Coverage Period, Total Due, Union Code, Elected Date, Rejected Date, Terminated Date, Termination Reason, and Begin Date. Some plans are marked as rejected (red X), while others are elected (green checkmark). The grid has a header row and several data rows.

Election Status	Plan	Option	Coverage Period	Total Due	Union Code	Elected Date	Rejected Date	Terminated Date	Termination Reason	Begin Date
Plan Rejected	DENTAL	DP	18	43.40		02/19/02				02
Plan Rejected	DENTAL	EE	18	19.09		02/19/02				02
Plan Elected	DENTAL	FAM	18	47.83		02/19/02				02
Plan Rejected	DENTAL	ONE	18	43.40		02/19/02				02
Plan Rejected	MED		18	125.97		02/19/02				02
Plan Elected	MED+FAM		18	154.70		02/19/02				02
Plan Rejected	MED+ONE		18	133.70		02/19/02				02
Unprocessed										

5. On COBRA Coverage Selection, the detail area displays all of the plans for which the participant is eligible. Choose a plan and click Elect Plan to specify your coverage selection.

When you click Elect Plan, all other related plans are rejected. For example, if the plan MED with the option EE Only is elected, the other plans that relate to MED will automatically be rejected and the Rejected Date field will be completed with the

system date. Therefore, the plan MED with the option EE + 1 and the plan MED with the option EE + Family will be rejected.

6. On Warning - Elect COBRA Plan, click OK.
7. Repeat Steps 5 and 6 for each plan that you want to select, and then click OK.

► To revise COBRA coverage for participant

On the Periodic Processing menu (G05BCOB3), choose Coverage Review.

1. On Work With Elected COBRA Coverage, complete the following field and then click Find:
 - Participant Address
2. Choose a record and choose Coverage Revisions from the Row menu.

The screenshot shows a PeopleSoft application window titled "Coverage Review - COBRA Coverage Revisions". At the top, there are buttons for OK, Cancel, Form, and Tools. The main form contains the following data:

Participant Address	6071	Ishita, Narumi
Qualifying Event	TM	Termination of Employment
Date Of Qualifying Event	02/18/02	
Plan ID	DENTAL	Dental Insurance
Additional Option	FAM	Employee + Family
Union Code		

Below this, there are two tabs: "Coverage Information" (selected) and "Administrative Information". The "Coverage Information" tab displays the following data:

Premium Amount	46.89	COBRA Coverage Begins	02/19/02
Handling Charge Amount	0.94	COBRA Coverage Expires	08/18/03
Coverage Period	18	Months	
Related Employee Address	6071	Ishita, Narumi	

3. On COBRA Coverage Revisions, complete the following fields on the Coverage Information tab as needed:
 - Premium Amount
 - Handling Charge Amount
 - Coverage Period
 - COBRA Coverage Begins

When you complete the date that COBRA Coverage Begins and tab out of the field, you will see a message to inform you that you are about to change the COBRA coverage expiration dates. Click OK to continue or Cancel to cancel. When you click OK, the system automatically calculates the new date that the COBRA coverage expires.

4. Complete the following fields on the Administrative Information tab as needed:

- Premium Balance Due
- Handling Charge Due
- Date Last Paid
- Number Payments Received

5. Click OK to save the changes.

► To terminate COBRA coverage for a participant

On the Daily Processing menu (G05BCOB2), choose Coverage Selection.

1. On Work With COBRA Coverage Selection, complete the following field, and then click Find:
 - Participant Address
2. Choose a record and click Select.

The screenshot shows the 'Coverage Selection - [COBRA Coverage Selection]' window. At the top, there are buttons for OK, Find, Cancel, New, Dis..., Abo, Links, Attach..., OLE..., and Internet. Below the buttons, there are input fields for Participant Address (6071, Ishita, Narumi), Qualifying Event (TM, Termination of Employment), Date of Qualifying Event (02/18/02), and Related Employee (6071, Ishita, Narumi). To the right of these fields are Last Date to Elect (04/19/02) and Elected Total Amount (154.70). A status bar at the bottom shows Status Date (03/08/02) and buttons for Elect Plan and Terminate Plan. Below this is a table grid with columns: Election Status, Plan, Option, Coverage Period, Total Due, Employee DBA ID, Union Code, and Elected Date. The grid contains several rows, some with red 'X' marks and others with checkmarks, representing different plan elections. The last row shown has a checkmark in the 'Election Status' column and 'MED+FAM' in the 'Plan' column.

3. To terminate COBRA coverage for this participant, on COBRA Coverage Selection, click Terminate Plan.

Note

The option to Terminate Plan appears on the form only after a payment has been entered for the coverage. When a payment is entered, the system hides the Reject Plan option and replaces it with the Terminate Plan option.

4. Repeat steps 2 and 3 for each plan option that you want to terminate.

Entering COBRA Payments

Qualified beneficiaries are generally required to pay for COBRA coverage. The initial premium payment is typically made within 45 days after the date of the COBRA election by the qualified beneficiary. The premium costs are generally fixed in advance of each annual premium cycle, but might increase from year to year as costs to the plan increase.

You record all payments received from COBRA beneficiaries for elected coverage. When the amount of the payment check equals the amount of the payment due, you record the payment in the COBRA Received Payments program (P08994). The payment record updates the Number of Payments Made and Number of Payments Remaining fields in the COBRA Coverage table (F08920).

When the amount of the payment check is greater than the amount of the payment due, you record the payment, then void the check. You can contact the participant, return the check, and request a new check in the correct amount. When you receive the new check in the corrected amount, you record the payment as you would any regular payment.

When the amount of the payment check is less than the amount of the payment due, you still record the payment, but the system does not know how to apply the payment to the premiums due and cannot update the COBRA Coverage table (F08920). When this happens, you must contact the participant and determine how to apply the payment. After you record the payment in the COBRA Payments program (P08994), you manually update the number of payments in the COBRA Coverage Review program (P08922). This entry then updates the COBRA Coverage table (F08920).

► To enter COBRA payments

On the Daily Processing menu (G05BCOB2), choose Payments.

1. On Work With COBRA Received Payments, click Add.

2. On COBRA Payment Revisions, complete the following required fields:
 - COBRA Participant
 - Check Number
 - Amount of Check
 - Bank Transit Number
3. Complete the following fields as needed, and then click OK:
 - Account Number
 - COBRA Check Date
 - COBRA Check Arrival Date
4. If the amount entered is different from the amount due, click OK on Payment Amount.
5. To enter a partial payment, repeat steps 1 through 4.

When the check amount is less than the payment amount due, the system does not automatically update the COBRA Coverage table (F08920) when you enter the payment. You must manually add the payment using COBRA Coverage Revisions (P08922). See *To update the COBRA Coverage table manually when partial payment is made*.

► To update the COBRA Coverage table manually when partial payment is made

On the Periodic Processing menu (G05BCOB3), choose Coverage Review.

1. On Work With Elected COBRA Coverage, complete the following field and then click Find:
 - Participant Address
2. Choose the elected plan and choose Coverage Revisions from the Row menu.
3. On the Administrative Information tab, complete the following field and then click OK:
 - Number Payments Received
4. On Warning, click OK.

The COBRA Coverage table is updated accordingly.

► To void a COBRA payment check

On the Daily Processing menu (G05BCOB2), choose Payments.

1. On Work With COBRA Received Payments, complete the following field and then click Find:
 - COBRA Participant
 2. Choose a record and choose Void Check from the Row menu.
 3. On Void Confirmation, click OK.
 4. If the payment amount is different from the due amount, click OK on Payment Amount.
- When you void a check for an amount equal to the total amount due, the system updates the COBRA Coverage table (F08920) by decreasing the number of payments received and increasing the number of payments remaining.

► To delete a COBRA payment check

On the Daily Processing menu (G05BCOB2), choose Payments.

1. On Work With COBRA Received Payments, complete the following field and click Find:
 - COBRA Participant
2. Choose a record and click Delete.
3. On Confirm Delete, click OK.

When you delete an accepted check for an amount equal to the total amount due, the system updates the COBRA Coverage table (F08920) by decreasing the number of payments received and increasing the number of payments remaining. When you delete a voided check in an amount equal to the total amount due, the system does not update the COBRA Coverage table.

Reviewing the COBRA Print Election

From the Daily Processing menu (G05BCOB2), choose Print Election Form.

The COBRA Print Election Form lists all plans and plan options that a participant is eligible to receive, as well as the cost for each plan. Mail this form with the COBRA Notification Letter so that the participant can make coverage selections from the form. You can also use the report to compare plans and plan options with the COBRA notification letter in order to ensure accuracy.

Processing Options for the COBRA Print Election Form (R089204)

Display Tab

These processing options specify the DBA detail information that appears on the form and the effective date for premium and handling fees.

1. Coverage DBA details and charges.

Blank = All DBA details and charges are displayed

1 = DBA details (DBA number and description) are omitted

2 = DBA details, Premium Charges, and Handling Charges are omitted

Use this processing option to specify which DBA details and charges are displayed on the form. Valid values are:

Blank

All DBA details and charges are displayed

1

DBA details (DBA number and description) are omitted

2

DBA details, Premium Charges, and Handling Charges are omitted

2. Enter an Effective Date to print new Premium and Handling charges. Blank will print the current records.

Use this processing option to select which Premium and Handling charges are displayed.
Valid values are:

Blank

Current records are displayed

Any Valid Date

New Premium and Handling charges are calculated and displayed

Reviewing COBRA Coverage

You can review and revise COBRA coverage information for a specific qualified beneficiary, or review information for all beneficiaries that meet search criteria. The COBRA Coverage Review program (P08922) allows you to maintain coverage information for a qualifying event associated with a specific COBRA qualified beneficiary.

See Also

- Selecting and Revising COBRA Coverage Election for Participant* for more information about revising coverage information

► To review COBRA coverage

From the Periodic Processing menu (G05BCOB3), choose Coverage Review.

1. On Work With Elected COBRA Coverage, complete the following fields as needed and then click Find:
 - Participant Address
 - Related Employee Address
 - Plan ID
 - Option
 - COBRA Coverage Begins
 - COBRA Coverage Ends

- To revise coverage information for a participant, choose a record in the detail area and choose Coverage Revisions from the Row menu. See *Selecting and Revising COBRA Coverage Election for Participant*.

The screenshot shows the PeopleSoft Coverage Review - COBRA Coverage Revisions interface. At the top, there's a toolbar with icons for Portal, iWay, Intranet, Training, and Help. Below that is a navigation bar with 'Active Foundation' selected. The main area has tabs for 'Coverage Information' (which is active) and 'Administrative Information'. Under 'Coverage Information', fields include:

Participant Address	6071	Ishita, Narumi
Qualifying Event	TM	Termination of Employment
Date Of Qualifying Event	02/18/02	
Plan ID	DENTAL	Dental Insurance
Additional Option	FAM	Employee + Family
Union Code		

Under 'Administrative Information', fields include:

Premium Amount	46.89	COBRA Coverage Begins	02/19/02
Handling Charge Amount	0.94	COBRA Coverage Expires	08/18/03
Coverage Period	18	Months	
Related Employee Address	6071	Ishita, Narumi	

- On COBRA Coverage Revisions, you can review or change coverage information in the detail area of the form. When you change the date that COBRA coverage begins, you receive a warning message that states that changing this date will update the records for all plans associated with this participant. Click OK to continue or Cancel if you do not want to update all records for the date COBRA coverage begins.

Tracking COBRA Notification History

The COBRA Notification History feature allows you to track two types of notification to participants:

- An initial COBRA notice informs employees and spouses of their rights under COBRA law if they experience a qualifying event sometime in the future
- A qualifying event letter explains their rights under the law that are specific to the qualifying event that has occurred

Tracking COBRA notification history is a critical element of the administration procedures. You use the COBRA Notification History feature to document compliance with COBRA law. Failure to comply can expose employers to significant liabilities. Plan administrators that fail to comply with notification requirements can be fined \$100 a day per individual, and might also be liable for past and future medical expenses as well as legal fees.

► **To track COBRA notification history**

From the Periodic Processing menu (G05BCOB3), choose Notification History.

1. On Work With COBRA Notification History, click Add.

The screenshot shows a PeopleSoft application window titled "Notification History - Notification History Revisions". The window contains the following data:

Field	Value
Participant Address	6071 Ishita, Narumi
Qualifying Event	TM Termination of Employment
Qualifying Event Date	02/18/02
Date Mailed	02/19/02
COBRA Mailing Number	1
Address Mailed To	8055 3rd Ave. #823, Denver, CO 80237

2. On Notification History Revisions, complete the following required fields:

- Participant Address
- Qualifying Event 1
- Qualifying Event Date

3. Complete the following fields as needed, and then click OK:

- Date Mailed
- COBRA Mailing Number
- Address Mailed To

Reviewing the COBRA Dependent Coming of Age Report

From the Periodic Processing menu (G05BCOB3), choose Dependent Coming Of Age.

The Dependent Coming of Age report lists dependents that have reached the age when they are no longer eligible for regular benefits coverage. This age is determined by the criteria you set up in the processing options.

This report includes data from the following tables:

- Participant file (F08901)
- Dep/Ben to Employee Plan X-Reference (F08336)
- Employee Master Information (F060116)
- Address Book – Contact Phone Numbers (F0115)

You must run this program in final mode to create a Dependent Coming of Age qualified event. Simply recording the dependent's birth date in the beneficiary table does not automatically trigger a qualified event when the dependent comes of age. Because this program does not read the event rules, you do not need to set up an event rule for Dependent Coming of Age.

Though the report uses processing options rather than event rules, you must still set up an event constant for DC – Dependent Child in order to define coverage periods and verify that the Send COBRA Letter To Employee option is not checked.

When running this program, you must also add data selection for Beneficiary Relationship to Employee (BENA) that is equal to the values that you set up in UDC 08/RL for Child or Foster/Step Child (generally C – Child or F – Foster/Step Child). This data selection excludes young spouses that are within the age range of dependent children from being included in the processing.

Processing Options for Dependent Coming of Age report (R089205)

Select Tab

These processing options specify age and qualifying event parameters for the report.

1. Enter Coming of Age for Dependents

Use this processing option to indicate the age that defines the legal age (coming of age) of a dependent. When a dependent turns this age, and is not a student, he/she is no longer eligible to be part of an employee's benefits. The dependent may be eligible to pay the premiums for these benefits as part of the U.S. COBRA federal laws.

2. Enter Maximum Age for Dependents

Use this processing option to define the maximum age of a dependent. When a dependent turns this age, and is or is not a student, he/she is no longer eligible to be part of an employee's benefits. The dependent may be eligible to pay the premiums for these benefits as part of the U.S. COBRA federal laws.

3. Select COBRA Qualified Event for Coming of Age

Use this processing option to indicate the COBRA qualifying event that is associated with a dependent coming of age. For this report, the only valid value is:

DC

Dependent Child Status

Process Tab

This processing option specifies whether the process runs in proof or final mode.

2. Choose whether to run the report in proof or update mode.

blank or 0 = Proof

1 = Update

Use this option to specify whether the report will be run in Proof or Final mode. Valid values are:

Blank or 0

Proof Mode. The user may verify the results for accuracy, but no tables are updated.

Final Mode. Records are updated in the COBRA Qualified Beneficiary File (F08910) and COBRA Coverage table (F08920).

Reviewing the COBRA Election Report by Type of Coverage

From the Periodic Processing menu (G05BCOB3), choose Election Coverage By Type.

Review the Election Coverage by Type report to identify all types of coverage available for a qualified beneficiary.

This report includes data from the following tables:

- COBRA Coverage (F08920)
- Benefits Plan Master (F08320)
- Plan Additional Options (F083202)

Reviewing the COBRA Elected Coverage by Beneficiary Report

From the Periodic Processing menu (G05BCOB3), choose Elected Coverage By Beneficiary.

Review the Elected Coverage by Beneficiary report to determine all the plans and plan optional coverages that a dependent or beneficiary has chosen. Depending on the processing options that you choose, this report can also list the plans that the dependent or beneficiary did not elect for COBRA coverage.

Processing Options for the COBRA Election Coverage by Beneficiary Report (R089203)

Display Tab

This processing option specifies the coverage information that appears on the report.

1. Display Option

Blank = Coverages not elected will be displayed.

1 = Elected coverages will be displayed.

Use this processing option to specify the types of coverages that will be displayed. Valid values are:

Blank

The coverages not elected by the beneficiary will be displayed.

1

The coverages elected by the beneficiary will be displayed.

Reviewing the COBRA Elected Plan Premium Report

From the Periodic Processing menu (G05BCOB3), choose Elected Plan Premium.

The COBRA Elected Plan Premiums report provides a list of premiums for all plans and plan options elected by a participant for COBRA coverage. You can also use this report as a tool for COBRA compliance analysis. The report is based on data from the COBRA Coverage table (F08920).

Reviewing COBRA Payments

From the Periodic Processing menu (G05BCOB3), choose Payments.

The COBRA Payments report lists all COBRA payments received in comparison with the amount due and the payment due date. Information in the report is based on data in the COBRA Coverage (F08920) and COBRA Payment History (F08994) tables.

Reviewing the COBRA Received Payment Exception Report

From the Periodic Processing menu (G05BCOB3), choose Received Payments.

The COBRA Received Payment Exception report provides a list of all payments received that do not match the amount due for that participant.

Reviewing the COBRA General Constants Report

From the Periodic Processing menu (G05BCOB3), choose General Constants.

After you set up COBRA General Constants (P08990), you can use this report to print the general constants setup information, including effective dates, coverage information, and grace periods.

Processing Options for the COBRA General Constants Report (R089909)

Process Tab

These processing options specify the general constants that will appear on the report, according to effective date.

1. Effective Date

Blank = Today's Date

Use this processing option to enter the effective date to be used for company constant selection. Only the company constants that are active as of the effective date will be reported. If left blank, the current system date defaults in the field.

2. Report All Company Constants

Blank = Print Active Constants Based On Effective Date

1 = Print All General Constants

Use this processing option to report all company constants regardless of effective date. A default of blank will print only those company constants active on the effective date defined in processing option 1. Valid values are:

Blank

Report only those company constants active on the effective date defined in processing option 1.

1

Report all company constants regardless of effective date.

Reviewing the COBRA Qualifying Events Constants Report

From the Periodic Processing menu (G05BCOB3), choose Qualified Event Constants.

After you set up Qualifying Events Constants (P08991), you can use this report to print a copy of them.

Nondiscrimination Testing

Nondiscrimination Testing

Many companies offer 401(k) plans for contributions in retirement investment plans. Frequently, the company provides a partial, or matching, contribution for each dollar the employee contributes to the plan. The government defers the taxes due for the amounts contributed to and earned by 401(k) plans until the employee withdraws money from the plan.

The tax advantages available to a qualified plan are contingent upon the plan covering an adequate cross section of the sponsoring employer's employees. To determine whether a plan meets this requirement there are a number of objective tests that measure the extent to which a plan benefits employees, often comparing the treatment of highly compensated employees with the treatment of non-highly compensated employees. Nondiscrimination tests ensure that highly compensated employees do not take substantially greater advantage of this tax savings than lower-paid employees. The industry uses the term HCE, or highly compensated employee, interchangeably with key employee and non-HCE for an employee who is compensated at a lesser amount than an HCE or key employee.

A highly compensated employee is one who meets at least one of the following criteria:

- Owned 5 percent of the company at any time during the determination year or the look-back year
- Received compensation in excess of \$85,000 during the look-back year and, at the election of the employer, is a member of the top-paid group during the look-back year.

In nondiscrimination testing for 401(k) plans, the first of two major components that determine plan status is the average deferral percentage (ADP). This percentage is calculated per employee, per annum. ADP represents the average amount of money deferred into the plan and allocated to the employees' accounts. This amount is expressed as a percentage of their compensation. The ADP of the non-HCE group determines the maximum ADP of the HCE group. In general, the HCE group may have a slightly higher ADP than the non-HCE group, but if it is too high, the plan is discriminatory and excess deferrals must be returned to the HCE group.

The second major component is the average contribution percentage (ACP). The ACP represents the average amount of employer-matching funds and employee post-tax contributions and is expressed as a percentage of compensation. You apply the ACP test in the same manner as the ADP test to measure the amounts contributed and allocated to employees' accounts.

A plan may be "disqualified" if it is discriminatory. When a plan is disqualified, the following events occur:

- Some or all of the employer's income tax deduction for contributions made to the plan will be disallowed
- The employee's income and tax deferrals will be lost
- The interest earned on employer and employee contributions will lose its tax deferral

In addition to the 401(k) related tests, you can review the 415 Report. The 415 Report identifies all employees, on a pay-period by pay-period basis, who have withheld more on a pretax basis than the government allows.

The Nondiscrimination Report program (P083600) groups together all of the tasks associated with nondiscrimination testing, and provides access to these tasks through a centralized point of entry that functions like a workbench. The workbench also provides you with a visual representation of current and historical test scenarios, the results of the tests, and the various stages of a current testing process. You can link to the Payroll system to review and verify the test results relating to employee/employer related plan contribution and employee compensation.

The following terms are used throughout Nondiscrimination Testing:

Highly compensated employee (HCE)	An employee who meets at least one of the following criteria: <ul style="list-style-type: none"> • Owned 5 percent of the company at any time during the determination year or the look-back year • Received compensation in excess of \$85,000 (indexed) during the look-back year and, at the election of the employer, is a member of the top-paid group during the look-back year.
Key employee	See Highly-compensated employee
Non-highly compensated employee (NHCE)	An employee who does not meet at least one of the following criteria: <ul style="list-style-type: none"> • Owned 5 percent of the company at any time during the determination year or the look-back year • Received compensation in excess of \$85,000 (indexed) during the look-back year and, at the election of the employer, is a member of the top-paid group during the look-back year.
Non-key employee	See Non-highly compensated employee
Average deferral percentage (ADP)	The average amount of money deferred into a plan and allocated to the employees' accounts. This amount is expressed as a percentage of the employees' compensation.
Average contribution percentage (ACP)	The average amount of employer-matching funds and employee post-tax contributions to a plan. This

	and employee post-tax contributions to a plan. This amount is expressed as a percentage of the employees' total compensation.
Determination year	The 12-month period running from January 1 through December 31 of the current testing year.
Look-back year	The 12-month period running from January 1 through December 31 of the year prior to the testing year.

Defining and Identifying Key Employees

To ensure that companies comply with governmental regulations, you must run nondiscrimination tests to identify key, or highly compensated employees (HCEs). A highly compensated employee is one who meets at least one of the following criteria:

- Owned 5 percent of the company at any time during the determination year or the look-back year
- Received compensation in excess of \$85,000 (indexed) during the look-back year and, at the election of the employer, is a member of the top-paid group during the look-back year

You review and audit employee information and payroll history information in the process of determining key employees. For example, you can review the Employee Master Information table (F060116) to determine whether the employee is an officer.

Maintaining Employee Information for Nondiscrimination Testing

You can access the Employee Master Information table (F060116) to update employee information relevant to nondiscrimination testing, such as owner/officer status.

Verifying Employee Payroll History for Nondiscrimination Testing

You can access employee payroll history from the Nondiscrimination Reporting program (P083600) to review payroll information. See *Reviewing PDBA History* in the *Payroll Guide*.

Employee Eligibility Batch Process

From the Government Reporting menu (G05BG), choose Nondiscrimination Report. On Non-Discrimination Testing Process, choose Employee Eligibility Batch Process from the Define and Identify Key Employees section.

To review the number of hours an employee works during a specific time period, run the NDT – Determine Eligibility By Hours report. You must run this report when a company establishes a specific number of hours that an employee must work before participating in the 401(k) plan. This report is set up in dual modes. You can run the report in proof mode for a report listing which employees will be updated. Alternatively, you can run the report in final mode and update the Employee Master Information table (F060116). When you run the report in final mode, you update the category code K008 in the Employee Master Information table.

Caution

Do not run this report during payroll processing. The program calculates values based on payroll history. If you run this report during payroll processing, the results will be inaccurate.

Processing Options for Employee Eligibility Batch Process (R08364)

Default

Enter the minimum number of hours an employee must work to be eligible for your 401(k) plan.

*****REQUIRED*****

Enter the name of the pay type table to retrieve pay types from. This is the pay type table defined in the DBA Pay Types Tables program. *****REQUIRED*****

Enter the From and Through dates for the plan year to be considered. If left blank, time from the current year will be used.

From Date (mm/dd/yy)

Through Date (mm/dd/yy)

Proof or Final Mode

0 - Proof Mode

(No update to Employee Master)

1 - Final Mode

(Update to Employee Master)

Blank will run report in Proof Mode

Defining a Test

Governmental regulations require that highly compensated employees not take unfair advantage of 401(k) contributions. To determine highly compensated employees, you must first set up the criteria that the system uses to differentiate highly compensated and non-highly compensated employees.

You might need to run multiple tests to determine highly compensated employees. The following examples have been provided:

Top 20% Look Back Year	The Top 20% Look Back Year test identifies the top 20% compensated employees in an organization during the previous year.
HCE Look Back Year	The HCE Look Back Year test identifies last year's highest-paid employee.
Top 20% Determination Year	The Top 20% Determination Year test identifies the top 20% compensated employees in an organization for the current year.
Top 100 Determination Year	The Top 100 Determination Year test identifies this year's 100 highest-paid employees.
Top 10 Determination Year	The Top 10 Determination Year test identifies this year's ten highest-paid employees.
HCE Determination Year	The HCE Determination Year test identifies this year's highest-paid employee.
ADP/ACP	The ADP/ACP test accumulates the results of all previous tests for the current year.

In defining a test, you set the selection criteria for the Employee Master Information table (F060116) and Employee Transaction History Summary table (F06146). You also identify the criteria for highly compensated employees.

Before You Begin

- Verify that you have set up:
 - Test name codes for nondiscrimination testing
 - Compensation/contribution PDBA codes (08/TU - DBA Pay Type Tables)
 - Test category codes (08/EC - Nondiscrimination Test Codes)
 - Plan control group

Entering Key Test Criteria

Governmental regulations require that highly compensated employees not take unfair advantage of 401(k) contributions. To determine highly compensated employees, you must first set up the criteria that the system uses to differentiate highly compensated and non-highly compensated employees.

You define the employees, PDBAs, and companies that will be used as the criteria for nondiscrimination testing. This program uses the following tables:

- Employee Master Information (F060116)

- Employee Transaction History Summary (F06146)
- User Defined Code Types (F0004)
- User Defined Codes (F0005)
- NDT – Company Selection Criteria (F08367)
- DBA Pay Type Tables (F083931)
- NDT – Criteria Heading (F08365)
- NDT – Key Employee Detail (F08366)

► To enter key test criteria

From the Government Reporting menu (G05BG), choose Nondiscrimination Reporting.

1. On Non-Discrimination Testing Process, choose Enter Key Test Criteria from the Define a Test (Companies, PDBA's and Criteria) section.
2. On Work With Test, click Add.

Records 1 - 2									Customize Grid
	And/Or	Compensation Limit	Top Pd	M/T	Description	NDT Code	NDT Code Description	NDT Value	NDT Value Description
<input checked="" type="checkbox"/>	AND		20	%	Top pd is a %age off EEs	K004	Determination Year-T	<input checked="" type="checkbox"/>	

3. On Define Test Criteria, complete the following required fields:

- Test Name
- Test Year/Basis
- Code - Compensation Basis

- Total Compensation Table
 - Employee/Employer Contribution Table
4. Complete the following fields in the combinations that you require for your organization:
- And /Or
- When you choose And, the system requires that an employee pass both lines of criteria. When you choose Or, the system requires that an employee pass one line. The system default is And.
- Compensation Limit
 - Top Pd
 - M T
 - Description
 - NDT Code
 - NDT Code Description
 - NDT Code Value
 - NDT Value Description
- For example, you can enter criteria for Compensation Limit And Top Pd based on rank, or Compensation Limit And Top Pd based on percentage. Or you can enter criteria for Compensation Limit Or NDT Code. You cannot, however, combine Compensation Limit And NDT Code.
5. To select the companies you want included in this test, choose Company Selection from the Form menu.
6. On Company Selection Overrides, complete the following field and click OK:
- Co
- Leave this field blank to include all companies in the test.
7. On Define Test Criteria, choose Pay Type Table from the Form menu to define the compensation/contribution tables and associate pay types.
8. On Work With PDBA Table for NDT, click Add.
9. On PDBA Tables for NDT, complete the following fields and click OK:
- Pay Type Table
 - From Trans
 - Thru Trans
10. On Work With PDBA Table for NDT, click Close.

11. On Define Test Criteria, click OK.

Reviewing Historical Test Data

You can review the results of previous nondiscrimination tests. You might want to compare the results of a particular test from year to year, or compare the results of various tests within the same year. Government regulations allow some flexibility in how the nondiscrimination tests are performed. By reviewing the results of various tests, you can choose the testing method that works best for your organization.

► To review historical test data

From the Government Reporting menu (G05BG), choose Nondiscrimination Reporting.

1. On Non-Discrimination Testing Process, choose Enter Key Test Criteria from the Define a Test (Companies, PDBA's and Criteria) section.
2. On Work with Test, complete the following fields and click Find:
 - Test Name
 - Test Year

The system completes the detail area with historical data for the specified nondiscrimination test, test year, or both.

3. To review the criteria for a specific test, choose the test and choose Define Criteria from the Row menu.

Creating Key Employee Test Versions

From the Government Reporting menu (G05BG), choose Nondiscrimination Report. On Non-Discrimination Testing Process, choose Create Key Employee Test Versions from the Define a Test (Companies, PDBA's and Criteria) section.

The key employee test versions are the batch programs that use the key criteria you defined earlier. The test versions define which test you are using and whether it is for the determination year or look-back year.

You might need to run multiple tests to determine highly compensated employees.

Processing Options for Creating Key Employee Test Versions (R08365)

Dates:

1. If the Test Year is NOT calendar, enter the Beginning and Ending Fiscal period dates:
Date - Effective From
Date - Effective Thru

Compensation Information:

1. Enter a '1' to NOT print the employee Compensation Amount. Default of a blank will print the Compensation Amounts:

2. Compensation Amount, enter the maximum eligibility compensation amount accrued:

Category Code Information:

1. Enter the value to identify the Owner/Officer (NDT Code 1).
2. Enter the value to identify the Determination Yr. Top 10 (NDT Code 6).
3. Enter the Employee Master NDT Code to be updated with this version (K001 - K010).
4. Enter the new Employee NDT Code Value for the Code above.

5. Clear the Employee Master NDT Code before Update.

Track NDT History

1. Would you like to track Nondiscrimination Test History
(Blank = 0)

Associating, Processing, and Reviewing Tests

After you have defined the nondiscrimination tests, you group and process the tests and review the test results.

Before You Begin

- Verify that you have defined the various nondiscrimination tests that you will be using. See *Entering Key Test Criteria*.

Associating, Selecting, and Processing Tests

After you have defined the nondiscrimination tests, you group and process the tests and review the test results.

The Test Association, Selection & Processing program (P083601) groups the nondiscrimination tests that you have defined and provides access to these tests through a centralized point of entry that functions like a workbench. The workbench also provides a visual representation of current and historical test scenarios, the results of the tests, and the various stages of a current testing process.

► **To associate, select, and process tests**

From the Government Reporting menu (G05BG), choose Nondiscrimination Reporting.

1. On Non-Discrimination Testing Process, choose Test Association, Selection & Processing from the Associate, Process and Review Tests section.

The screenshot shows a PeopleSoft application window titled "Nondiscrimination Reporting - Work with Test Association and Processing". At the top, there are navigation links for "Portal", "Intranet", and "Training". Below the title, there's a "Select Workspace" dropdown set to "Active Foundation" and buttons for "Personalize", "Change Role", and "Sign Out".

The main content area has two sections:

- Non-Discrimination Tests Defined:** This section contains a list of tests:
 - TOP%LY, 2004, Top 20% Percent Look Back Yr
 - HCLBY, 2004, HCE Look Back Year
 - TOP%DY, 2005, Top 20% Determination Yr
 - HCEDY, 2005, HCE Determination Yr
 - ADP/ACP, 2005, ADP/ACP
- Select Sequence Tests Associated to the Plan:** This section contains a list of tests:
 - TOP100, 2005, Top 100 Determination Yr, XJDE0005

A vertical toolbar on the right side of the main form area contains the following icons from top to bottom:

- Add a Test
- Remove a Test
- Delete (All) Selected Tests
- Enter Key Test Criteria
- Test Results Review
- Submit the Selected Report
- Submit All Plan Reports
- Create a Version
- Submitted Jobs

2. On Work with Test Association and Processing, complete the following field and then click Find:

- Plan Identification

The system displays the tests that you have previously defined in the Non Discrimination Tests Defined section (left side of the form). This side of the form is for view only; you cannot complete any functions from this side. You must first transfer selected tests to the Select & Sequence Tests Associated to the Plan section (right side of the form).

The middle section of the form displays a vertical row of icons that perform the following functions:

- Add a Test
- Remove a Test
- Delete (All) Selected Tests
- Enter Key Test Criteria
- Test Results Review
- Submit the Selected Report
- Submit All Plan Reports
- Create a Version
- Submitted Jobs

3. To set up the test format, choose the test on the left side of the form, and then click the Add a Test icon.

You can choose one test or multiple tests. The system prompts you to choose one of the versions that you set up earlier.

4. To process a single test, choose the test on the right side of the form and click the Submit the Selected Report icon.
5. To process all the tests that you have added to the right side of the form, click the Submit All Plan Reports icon.

The system processes the tests in the sequence displayed.

6. To remove a test from the testing sequence, choose the test on the right side of the form and click the Remove a Test icon.

The system returns the test to the left side of the form but does not delete the test from the system.

7. To delete a test, choose the test from the right side of the form and click the Delete (All) Selected Tests icon.

Note

If you do not choose a test from the right side of the form and you click the Delete (All) Selected Tests icon, you will delete all the tests on the right side of the form from the system.

8. To change or complete setup procedures, choose a test from the right side of the form and use the Enter Key Test Criteria and Create a Version icons.

See *Entering Key Test Criteria* and *Creating Key Employee Test Versions*.

9. To review test results, choose the test and click the Test Results Review icon.
10. To review the processing status of the submitted tests, click the Submitted Jobs icon.
11. On Work With Servers, select the batch program to determine which of the following statuses applies:

- Waiting
- Queue
- Processing
- Error
- Done

If the job is complete, you can choose View PDF from the Row menu to review the results.

Reviewing Test Results

You can review the results of each nondiscrimination test to identify compliance issues.

► To review test results

From the Government Reporting menu (G05BG), choose Nondiscrimination Reporting.

1. On Non-Discrimination Testing Process, choose Test Results Review from the Associate, Process and Review Tests section.

The screenshot shows a PeopleSoft application window titled "Nondiscrimination Reporting - Work with Employee Test Results". At the top, there are search fields for "Test Name" and "Test Year". Below these are two rows of data, each starting with a radio button. The main area displays a grid of 10 records. The columns in the grid are: Test Name, Test Year, Address Number, Employee Tax ID, Employee Name, Co, Co, Employee Rank, Wages Earned, and Benefits Included. The data in the grid is as follows:

Test Name	Test Year	Address Number	Employee Tax ID	Employee Name	Co	Co	Employee Rank	Wages Earned	Benefits Included
<input checked="" type="radio"/> ADP/ACP	2005	2006	523785321	Walters, Annette	00001	Financial/Distribution C	7	8,375.13	
<input type="radio"/> ADP/ACP	2005	2049	204920492	McLind, Rod	00001	Financial/Distribution C	11	5,711.48	
<input type="radio"/> ADP/ACP	2005	2111	211121112	Ingram, Paul	00001	Financial/Distribution C	12	5,562.46	
<input type="radio"/> ADP/ACP	2005	2428	242824282	Escalante, George	00001	Financial/Distribution C	13	2,326.80	
<input type="radio"/> ADP/ACP	2005	2479	247924792	Ellis, Jody A.	00001	Financial/Distribution C	10	6,156.00	
<input type="radio"/> ADP/ACP	2005	5127	577123142	Eddy, Chester	00001	Financial/Distribution C	9	6,249.87	
<input type="radio"/> ADP/ACP	2005	6002	476438269	Abbott, Dominique	00001	Financial/Distribution C	5	9,499.87	
<input type="radio"/> ADP/ACP	2005	6077	607760776	Marcheso, Dominic	00001	Financial/Distribution C	15	620.00	
<input type="radio"/> ADP/ACP	2005	6078	607860786	Aiken, Gwen	00001	Financial/Distribution C	16	520.00	
<input type="radio"/> ADP/ACP	2005	6832	683268328	Ato, Connie	00001	Financial/Distribution C	14	1,471.12	

2. Complete the following fields, and then click Find:
 - Test Name
 - Test Year

Processing and Reviewing the Final Pass/Fail Test

After you run the test to determine key employees and the ADP/ACP test, you run the 401(k) Discrimination Results report (R083675) to determine compliance with governmental regulations for qualified plans.

Running Pass/Fail Test Versions

From the Government Reporting menu (G05BG), choose Nondiscrimination Report. On Non-Discrimination Testing Process, choose Run Pass/Fail Test Versions.

The 401(k) Discrimination Results program (R083675) runs two tests:

- In the first test, the ADP/ACP of the non-highly compensated employees is multiplied by the factor that you entered in the first processing option. If the ADP/ACP of the highly compensated employees is less than the result, the test passes and indicates that the highly compensated employees are not overly contributing to a 401(k) plan.
- The second test has two parts. Both parts must pass the test.

- The first part of the test multiplies the ADP/ACP of the non-highly compensated employees by the factor that you entered in the second processing option. If the ADP/ACP of the highly compensated employees is less than the result, the report results indicate that the highly compensated employees are not overly contributing to a 401(k) plan.
- The second part of the test adds the ADP/ACP of the non-highly compensated group to the factor that you entered in the third processing option. If the ADP/ACP of the highly compensated employees is less than the result, the report results indicate that the highly compensated employees are not overly contributing to a 401(k) plan.

Note

Data selection for this test must be based on the ADP/ACP test for the test year.

Processing Options for Running Pass/Fail Test Versions (R083675)

Default Tab

These processing options specify the default values for Pass/Fail test versions.

Enter the multiplier related to the first test.

Use this processing option to specify the multiplier related to the first test.

Enter the multiplier related to the second test.

Use this processing option to specify the multiplier related to the second test

Enter the factor related to the second test.

Use this processing option to specify the factor related to the second test

Enter a '1' to NOT print employee number and employee name. Default of blank WILL print the employee number and employee on the report.

Use this processing option to specify whether to print the employee name and number. The default of blank will print the name and number.

Processing Options for Running 415 Report Versions (R083676)

Defaults Tab

This processing option specifies the version to use for the 415 Report.

- 1. Enter the year (CCYY) to use when selecting history records from F06146. If left blank, the year from the system date will be used.**

Use this processing option to specify the year (CCYY) to use when selecting history from the Employee Transaction History Summary table (F06146). If left blank system date will be used.

Running the 415 Report

From the Government Reporting menu (G05BG), choose Nondiscrimination Report. On Non-Discrimination Testing Process, choose 415 Report Versions from the Final Pass/Fail Test Processing and Review section.

Governmental regulations specify the maximum percentage that an employee can contribute to deferred plans. To identify employees who contribute more to their deferred plan than the government allows, run the 415 Report. You can print or view the report and review the results each pay period to ensure that all employees remain in compliance. The 415 Report should be run after payroll pre-processing is complete.

Setup

Benefits Administration Setup

Before you can use the Benefits Administration module of your Human Resources system, you must define certain information that the system uses when it processes benefits administration functions.

When you set up the benefits administration information, you define all the benefit plans that your company uses. Benefit plans include medical coverage and retirement plans. Before you can enroll employees in benefit plans, you must set up benefit plan information.

When you set up a benefit plan, you include the associated deductions, benefits, and accruals (DBAs) and define the following information:

- Effective dates
- Provider or trustee
- Payroll deduction and benefit information
- Eligibility tables

In some cases, the coverage for a plan can vary from employee to employee. For example, in a medical plan, employees might be allowed to choose between individual coverage (employee only) and family coverage (employee plus family). For plans such as these, you can either set up separate plans for each variation or create a single plan and set up plan options for each variation.

To simplify the process of enrolling employees in benefit plans, you can set up group information, which includes benefit groups and benefit categories. For example, you could set up a benefit group for all management personnel. Your organization might have several benefit categories that apply to the management group, such as medical, dental, and life insurance. You can also link the benefit categories to the benefit groups. After you set up the benefit plans, groups, and categories, you can link the benefit plans and options to the benefit categories.

Employees' eligibility for benefit plans might depend on various factors, such as length of service or age. After you set up a benefit plan, you must set up tables that define the eligibility rules for the benefit plan. Typically, eligibility rules are based on the following criteria:

- Age
- Length of service
- Number of hours worked

When you enroll an employee in a benefit plan, the system uses eligibility rules to verify that the employee meets the criteria required to participate in the plan. You can also use eligibility rules to verify that employees continue to meet the criteria after they are enrolled in a plan.

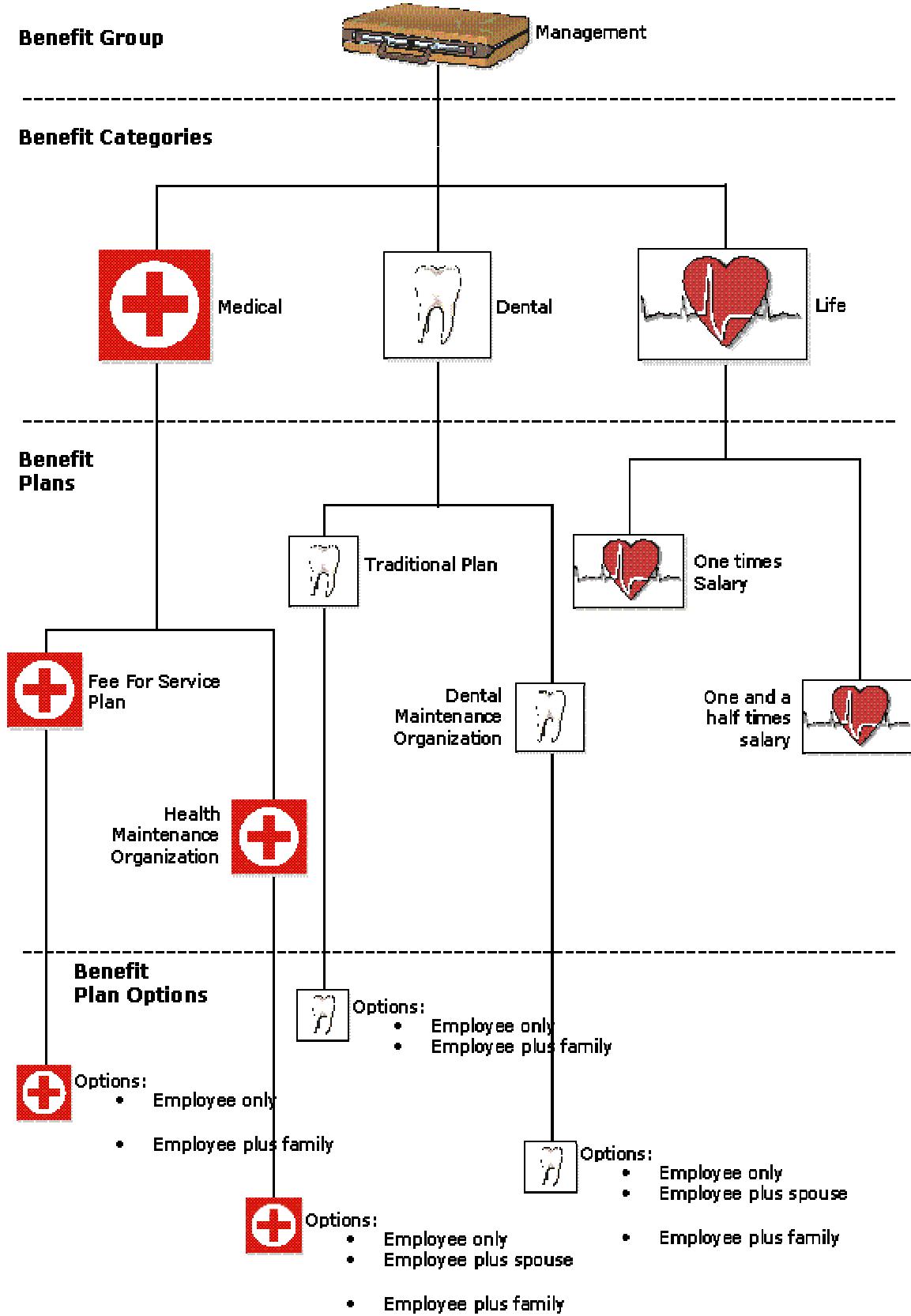
If you have set up any eligibility tables based on hours worked (method H), you must set up pay type tables. The system uses pay type tables to calculate the number of hours that an employee worked, which determines the employee's eligibility.

To define the dates on which employees can be enrolled in a benefit plan after they have passed or failed the eligibility tests, you set up date codes. You can set up date codes in one of the following ways:

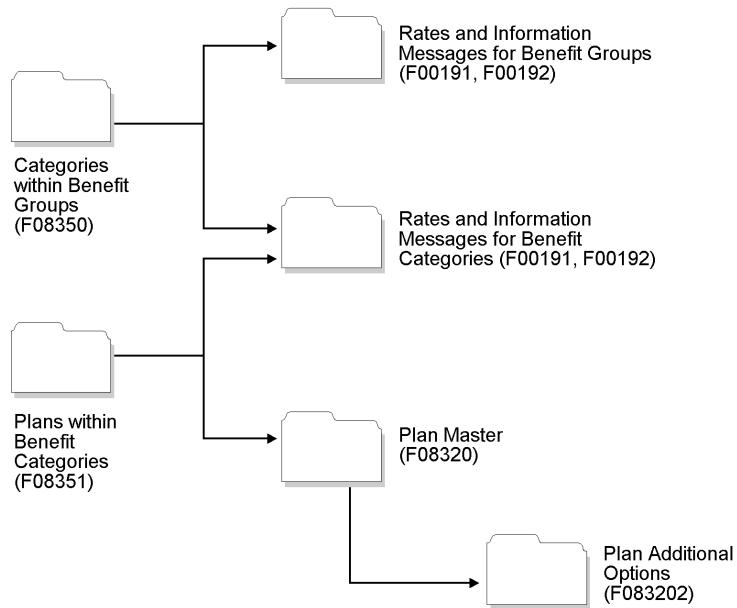
- By a specific day of the month
- By amount of time after a specific date
- By a specific enrollment date

When you set up the enrollment parameters, you define which action the system uses to determine eligibility when you enroll employees using the enrollment with eligibility feature.

The following graphic illustrates how benefit groups, categories, plans, and plan options are linked:



The system stores the information that you set up in various tables. The following graphic shows which tables the system stores the benefits information in:



Understanding User Defined Codes for Workforce Management Systems

Many fields throughout the Workforce Management systems accept only user defined codes. You can customize fields in your system by setting up user defined codes to meet the needs of your business environment.

User defined codes are stored in tables that relate to a specific system and code type. For example, 07/PY represents system 07 (Payroll) and user defined code type PY (Pay Cycle Codes). User defined code tables define which codes are valid for the individual fields in your system. If you enter a code that is not valid for a field, the system displays an error message. For example, in the Pay Cycle field, you can enter only those codes that are included in user defined code table 07/PY.

You can access all of the user defined code tables through a single user defined code form. After you choose a user defined code form from a menu, you can change the system code and user defined code type to access another user defined code table. The system stores user defined codes in the User Defined Codes table (F0005).

You can also print a list of all user defined code tables to review. To do this task, choose Print User Defined Codes from the Job Specifications Setup menu (G05BJ4).

Caution

User defined codes are central to J.D. Edwards systems. You must be thoroughly familiar with user defined codes before you change them.

You also might need to set up some additional user defined codes that are specific to the countries in which you do business.

See Also

- User Defined Codes* in the *OneWorld Foundation Guide* for complete instructions on setting up user defined codes
- The global solutions guide for your country for country specific information about user defined codes
- Understanding User Defined Codes for Workforce Management Systems* in the *Workforce Management Foundation Guide* for a list of additional user defined codes

Setting Up User Defined Codes for Benefits

The user defined codes described in the following sections are specific to the J.D. Edwards Benefits System.

Data Items Based From (08/D1)

You use these codes to specify the date from which eligibility is calculated. For example, if you want an employee to be eligible for a benefit plan 30 days after he or she begins employment with the company, you use code DST, which refers to the data item for the Date Started field. The allowed codes coincide with the dates that are on the Dates, Eligibility, and EEO form.

Dates to Follow (08/D2)

You use these codes to specify the date for the system to use in conjunction with either the Date of Month field or the End of Month field on the Define Date Codes form to enroll the employee in a benefit plan after he or she has passed eligibility testing. The codes allowed coincide with the dates that are on the Dates, Eligibility, and EEO form. A * specifies a fixed effective date, which is the date when the employee either passes or fails eligibility.

Dependent/Beneficiary Relationship (08/RL)

You use these codes to define the relationship of the dependent or beneficiary to the employee. Examples of these codes are spouse, parent, child, or other relationship.

Use the special handling field in this code to limit a relationship to one of the following:

- Dependent only
- Beneficiary only
- Both a dependent and a beneficiary

For example, using the Special Handling code, you can specify that a spouse relationship qualify as both a dependent and a beneficiary, but that a friend relationship qualify a friend to be only a beneficiary.

Dependent/Beneficiary Type (08/DB)

You use dependent/beneficiary type codes in conjunction with dependent/beneficiary relationship codes to further define the relationship of the dependent or beneficiary to the employee. For example, when determining beneficiaries for life insurance, you might designate a primary beneficiary to collect the benefit. You might also designate a secondary beneficiary to collect the life insurance benefit in the event that the primary beneficiary is no longer living. Examples of dependent/beneficiary type codes are primary and secondary.

Employee Benefit Status (08/EA)

You use these codes to indicate an employee's benefit status when testing for benefit eligibility. A * indicates that the guidelines refer to all employee actions not otherwise specified. Do not change the codes that are hard coded, such as A (Active) and X (Terminated). These are required codes in the system.

Enrollment Status (08/ES)

You use enrollment status codes to indicate the status of an employee's enrollment in a plan. When setting up enrollment status codes, you must use the following restrictions for the definitions:

- All codes indicating active participation in a plan must begin with the letter A.
- All codes indicating an ending status that does not result in a new enrollment (such as a termination) must have the letter X in the first position of Description 2 on the General User Defined Codes form.
- A code beginning with the letter X, when used as an ending status, represents a mistaken enrollment. No employee DBA instructions are written.
- An * indicates all statuses not otherwise specified.

Event Codes (08/BE)

You use event codes to indicate events that occur for which employees are allowed to change their benefit information using benefits self-service. Examples of event codes include marriage, birth of a child, new hire, and open enrollment.

Pay Type Table (08/TT)

You use pay type table codes to define different groups of pay types. These pay type tables are used to identify which pay types should be used for calculating certain benefit eligibility information. For example, if employees must work 160 hours before they are eligible for medical benefits, you must define which pay types count towards the 160 hours. If sick, vacation, or leave time should not be included in calculating the employees' accumulated hours for the purposes of testing eligibility, you would not include sick, vacation, or leave pay types in the pay type table associated with the eligibility table for your medical plan.

Plan Status (08/ST)

You use plan status codes to define the current state of a benefit plan. For example, you can use A to define the plan as active or N to define the plan as non-active. This code is used for informational purposes only and does not affect any system calculations or processes.

Plan Types (08/PT)

You use plan type codes to identify and group specific types of benefit plans. For example, L can be used to identify life insurance plans, and M can be used to identify medical plans.

Setting Up Group Information

A benefit group identifies a set of benefits that is available to a particular group of employees. For example, you might have a benefit group for executives, another for salaried employees, and another for hourly employees.

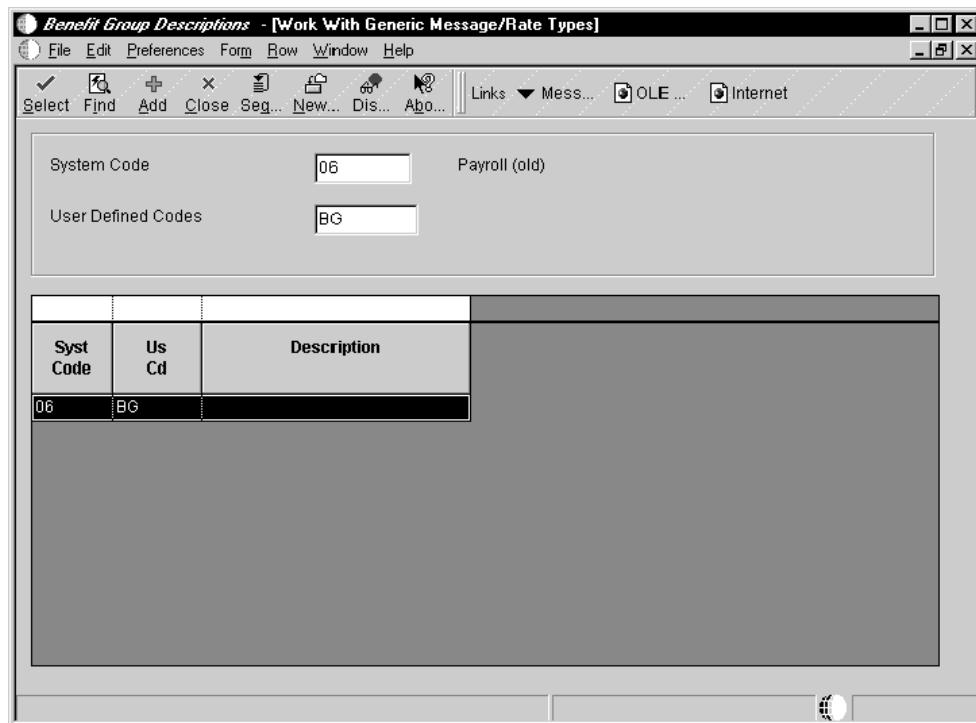
Within each benefit group are benefit categories. Benefit categories identify a type of benefit that is available to the members of the benefit group to which the benefit category belongs. For example, you can have a medical category that contains a variety of medical plans from which an individual in the Executive group could choose. You can have a different medical category for your Salaried group that offers them different medical plans.

Setting Up Benefit Groups

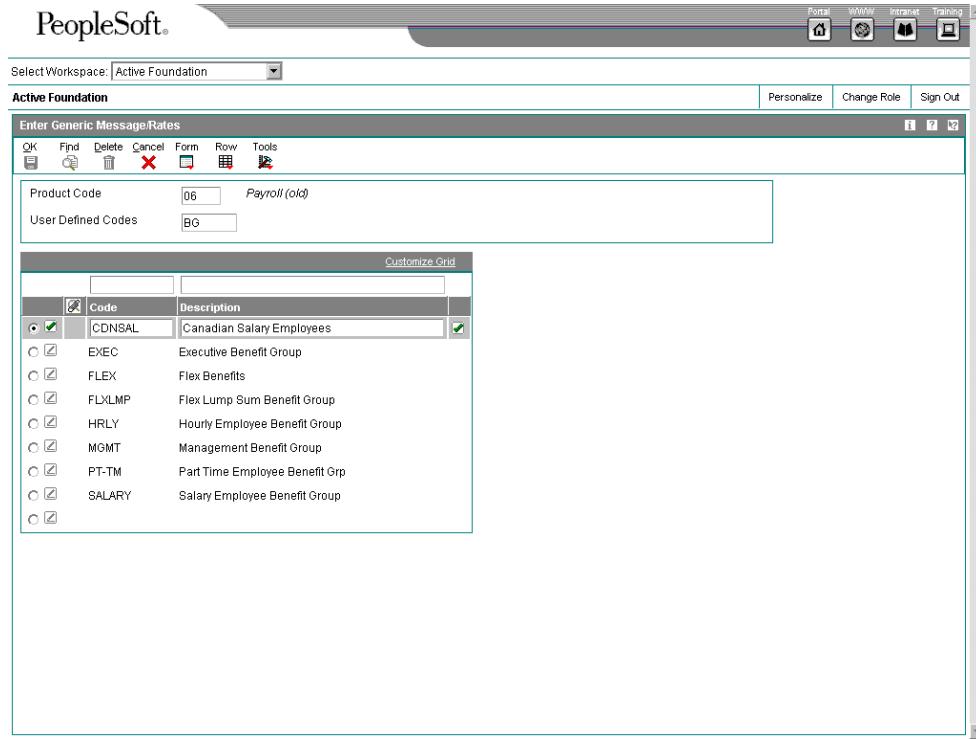
To save time and reduce data entry errors when you assign benefit plans to employees, you can set up benefit groups and benefit categories. You set up benefit groups to assign the same benefit plans to a specific group of employees, such as executives, hourly employees, or part-time employees. A benefit group identifies the type of employee who is eligible for a particular set of benefits that you define.

► To set up benefit groups

From the Benefits Administration Setup menu (G08BB4), choose Benefit Group Descriptions.



1. On Work With Generic Message/Rate Types, click Add.



2. On Enter Generic Message/Rates, to set up a benefit group, complete the following fields in an empty row:
 - Code
 - Description
3. Choose the row that you just created, and then choose General Message from the Row menu.

4. On General Message, type the description for this benefit group that you want to appear on the Enter Generic Message/Rates form and on the employee's enrollment form.
5. Click OK to return to Enter Generic Message/Rates.
6. Complete steps 2 through 5 for each benefit group that you need to set up.

After you finish setting up your benefit groups, complete the steps for setting up benefit categories. See *To set up benefit categories*.

Processing Options for Benefit Group Descriptions (P00191)

Defaults

1. Enter the desired System Code.

System Code

2. Enter the desired Record Type.

Tax Authority 5

Record Type

Display

1. Enter a '1' to display Rate Text or a '2' to display Message Text.

Text Type

2. Enter a '1' for 60 column display or a '2' for 80 column display.

Text Column Display

Setting Up Benefit Categories

After you set up a benefit group, you can create benefit categories to organize the plans within the group. Benefit categories are descriptions of groups of related types of benefit

plans. For example, your organization might offer two medical plans, a traditional-style plan and an HMO. You can define a benefit category called medical and link those two medical plans to that category.

Use benefit categories to associate the different categories of benefits that your company offers to a benefit group. Examples of benefit categories include medical, dental, life, and disability insurance, as well as flexible spending accounts.

When you set up a benefit group or benefit category, the system stores the information in the Generic Message/Rates table (F00191). Any additional, or detail, information that you include is stored in the General Message Detail table (F00192). You cannot access these tables from a user defined codes window or form.

Caution

In self-service benefits enrollment, employees can enroll in only one plan per category. Therefore, if you are using Employee Self-Service for benefits enrollment, set up a separate category for each type of plan. Do not set up a single category that will include more than one plan in which an employee is likely to enroll. For example, do not set up a single category for both employee life insurance and dependent life insurance plans because an employee is likely to enroll in both.

► To set up benefit categories

From the Benefits Administration Setup menu (G08BB4), choose Group Category Descriptions.

1. On Work With Generic Message/Rate Types, click Add.

PeopleSoft®

Code	Description
<input checked="" type="radio"/> 401K	401(k) Benefits
<input type="radio"/> DENTAL	Dental Benefits
<input type="radio"/> ERLUMPCRD	Employer Lump Sum Credits
<input type="radio"/> FLEXDEN	Flex Dental Benefits
<input type="radio"/> FLEXEEDED	Employee Flex Deductions
<input type="radio"/> FLEXMED	Flex Medical Benefits
<input type="radio"/> FLEXVIS	Flex Vision Benefits
<input type="radio"/> LIFE	Life Insurance Benefits
<input type="radio"/> LIFEADDTL	Life Insurance Additional
<input type="radio"/> LIFEBASIC	Life Insurance Basic

2. On Enter Generic Message/Rates, to set up a benefit category, complete the following fields in an empty row:
 - Code
 - Description
3. Choose the row that you just created, and then choose General Message from the Row menu.

4. On General Message, type the description for this benefit category that you want to appear on the Enter Generic Message/Rates form and on the employee's enrollment form.

This message will also appear on self-service benefits forms. See *Entering Benefits Information Using Employee Self-Service* in the *Workforce Management Foundation Guide*.

5. Click OK to return to Enter Generic Message/Rates.
6. Complete steps 2 through 5 for each benefit category that you need to set up.

After you finish setting up your benefit categories, complete the steps for linking categories to benefit groups. See *To link categories to benefit groups*.

Processing Options for Group Category Descriptions (P00191)

Defaults

1. Enter the desired System Code.

System Code

2. Enter the desired Record Type.

Tax Authority 5

Record Type

Display

1. Enter a '1' to display Rate Text or a '2' to display Message Text.

Text Type

2. Enter a '1' for 60 column display or a '2' for 80 column display.

Text Column Display

Linking Categories to Benefit Groups

After you set up benefit groups and benefit categories, you can link categories to each benefit group. For example, you can link the benefit categories for medical, dental, and life to the management benefit group. When you link a category to a benefit group, all of the employees in that group are eligible for all of the benefit plans in that category.

When you link categories to groups, you can also include the following information:

- Whether the benefit group has flex plans
- The sequence in which the benefit categories appear on the enrollment form
- The election criteria for a benefit category
- The benefit category type for special flex plans
- The benefit category classification
- An employee option to print a form for declining benefit coverage
- Whether employees must stay within the current benefit group options or within a current group of benefit plans

If a benefit group has flex plans, you must set up a benefit category for employee flex deductions (category type 2). This benefit category is the mechanism for deducting a negative flex balance from employee pay. If the employer is awarding members of the benefit group a lump sum of flex credits, you must set up a benefit category for those lump sum credits (category type 1).

► To link categories to benefit groups

From the Benefits Administration Setup menu (G08BB4), choose Categories by Benefit Group.

1. On Work With Benefit Groups, complete the following field and then click Find:
 - Benefit Group
2. Choose the benefit group record and then click Select.

Group Category	Description	Short Category Description	Seq. Num.	C R	Group Category Rule Description	Category Type	Category
<input checked="" type="checkbox"/> FLEXMED	Flex Medical Benefits	MED	1.00		No rules apply-select any item	0	Not Used
<input type="checkbox"/> FLEXDEN	Flex Dental Benefits	DENT	2.00		No rules apply-select any item	0	Not Used
<input type="checkbox"/> FLEXVIS	Flex Vision Benefits	VIS	3.00		No rules apply-select any item	0	Not Used
<input type="checkbox"/> FLEXEEDED	Employee Flex Deductions		4.00		No rules apply-select any item	2	Employee
<input type="checkbox"/> 401K	401(k) Benefits		5.00		No rules apply-select any item	0	Not Used
					No rules apply-select any item		

3. On Categories By Benefit Group, click an option under the Benefit Group Rule heading to indicate whether the benefit group offers flex plans, and if so, how it treats positive remaining credits.
4. Complete the following fields and click OK:
 - Group Category
 - Seq. Num.
 - C R
 - Category Type
 - Benefit Category Classification
 - Decline Coverage Notification
 - Stay In Group

Setting Up Benefit Plans

Before you can enroll employees in benefits, you must set up every benefit plan that your company offers. To deduct benefit payments from employees' pay, you must also assign the DBAs that integrate the benefit plan with the Payroll system. The system stores benefit plan information in the Benefits Plan Master table (F08320).

For some benefits, coverage can vary from employee to employee. For example, employees might be allowed to purchase medical insurance for their dependents, as well as for

themselves. Typically, the cost of insuring dependents is greater than the cost of insuring only the employee. In this case, you can do either of the following:

- Set up Employee Only, Employee Plus One, and Employee Plus Family as separate medical plans and link each of these plans to the medical category.
- Set up a medical plan, such as MED-HMO, that has options for Employee Only, Employee Plus One, and Employee Plus Family. When you link MED-HMO to the medical category, the system also links the options.

You can use either of the above methods to administer your benefit plans. The following table lists the main features of each method:

Separate plans	<ul style="list-style-type: none">• Allows you to apply mandatory or default rules• Must be used for a plan that has another plan as a prerequisite
Single plan with options	<ul style="list-style-type: none">• Provides flexibility in that you can add options or make an option invalid instead of ending an entire plan and creating a new one

When you set up a benefit plan, you assign one or more DBAs to the plan. You can assign a deduction-type DBA to automatically withhold the cost or a portion of the cost of a benefit plan from an employee's pay. You can use a benefit-type DBA to track the cost or portion of the cost incurred by the company to provide a particular benefit plan.

If you are providing flex benefit plans, you use an employee flex cost DBA to represent the value of the flex credits that an employee must use to enroll in the plan. Use an employer flex credits DBA to award employees with flex credits for selection of a particular plan. The flex DBAs are also used to calculate remaining credits when an employee enrolls in flex plans. If an employee has negative remaining credits, an employee flex deduction DBA subtracts the overspent amount from the employee's pay.

After you set up a benefit plan, you might need to periodically update the amounts or rates associated with the DBAs and options for the plan. For example, when a benefit carrier raises its rates, you typically need to increase the employee- and employer-paid deductions for the plan. When you need to update DBAs or plan options, you can access the forms that you need from the master record for the plan or plan options.

After you attach an employee record to a plan, you cannot delete the plan. Even when employees are not active, their records remain attached to the plan. Also, you cannot change the dependent or beneficiary status of a plan if dependents or beneficiaries are enrolled in the plan or if the plan has options with a conflicting dependent or beneficiary type.

Before You Begin

- ❑ Set up the pay types, deductions, benefits, and accruals (PDBAs) that you assign to the plan. See *PDBA Setup* in the *Workforce Management Foundation Guide*.
- ❑ In the Address Book system, set up the provider or trustee for the plan.
- ❑ Set up eligibility tables associated with the plan (optional). See *Setting Up Eligibility Tables*.

See Also

- ❑ *Setting Up Plan Options*

- ❑ *Setting Up Flex Benefit Plans* for more information about flex plans and benefit plan DBAs

Adding a New Benefit Plan

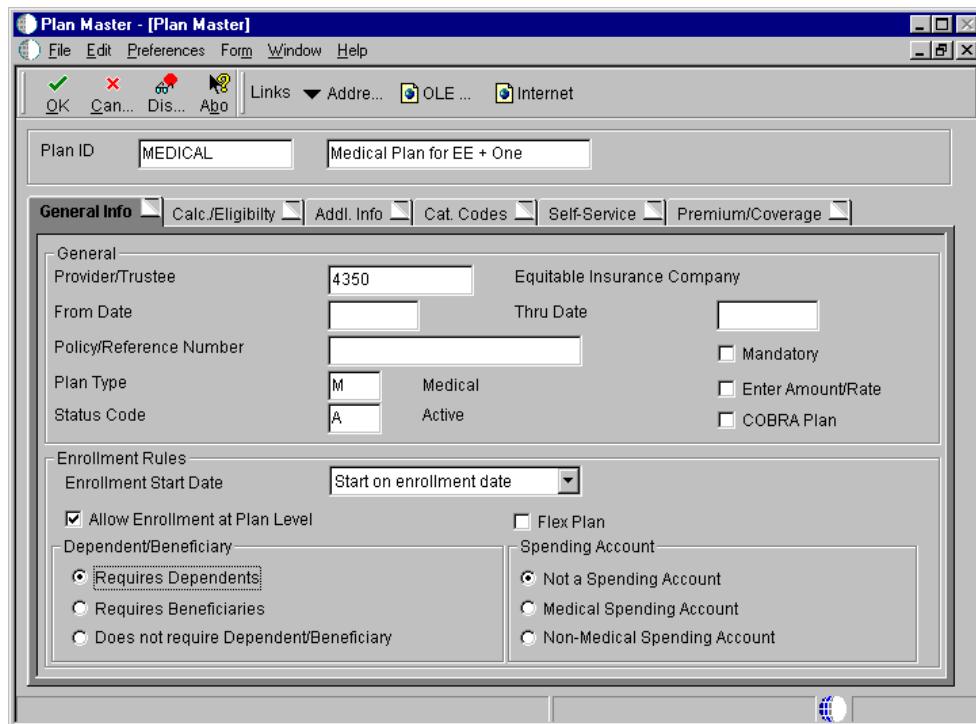
Before you can enroll employees in a benefit plan, you must set up the plan. You add a new benefit plan when you need to set up a unique plan or when you are setting up a plan for the first time. When you set up a plan, you define the following types of information

- Effective dates
- Provider or trustee
- Enrollment rules
- Eligibility tables

► To add a new benefit plan

From the Benefits Administration Setup menu (G08BB4), choose Plan Master.

1. On Work With Plan Master, click Add.



2. On Plan Master, complete the following field:

- Plan ID

3. In the unlabeled field to the right of the Plan ID field, type the name of the plan.
4. On the General Info tab, complete the following field:

- Provider/Trustee

5. Complete the following optional fields or accept the default values:

- From Date
- Thru Date
- Policy/Reference Number
- Plan Type

Note

You need to assign the same benefit plan type to every plan within a benefit category. For example, all health and welfare plans should be assigned to Medical, Dental, and so forth.

- Status Code

6. Click any of the following options:

- Mandatory
- Enter Amount/Rate
- COBRA Plan

7. In the Enrollment Rules area, click an option for the Enrollment Start Date.

8. Click one or both of the following options:

- Allow Enrollment at Plan Level
- Flex Plan

9. Click one of the following options in the Dependent/Beneficiary area:

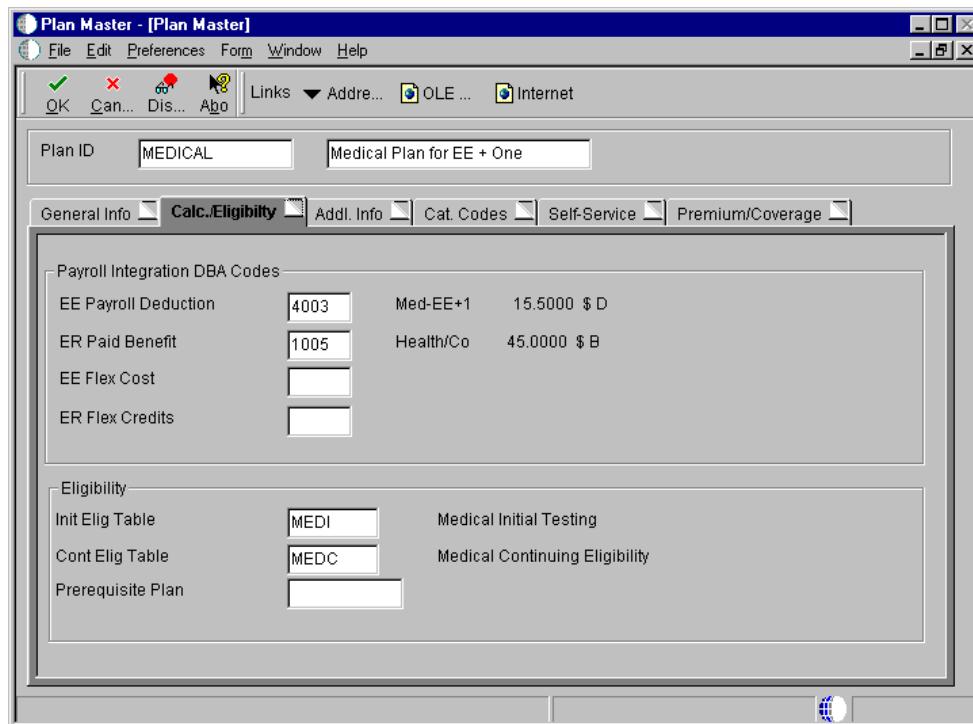
- Requires Dependent
- Requires Beneficiary
- Does Not Require Dependent/Beneficiary

The Dependent/Beneficiary options define whether a plan is designated as a dependent plan or a beneficiary plan.

10. Click one of the following options in the Spending Account area:

- Not a Spending Account
- Medical Spending Account
- Non-Medical Spending Account

You use the Spending Account options to associate the account with medical or other types of expenses.



11. Click the Calc./Eligibility tab and complete any of the following DBA fields:

- EE Payroll Deduction
- ER Paid Benefit
- EE Flex Cost
- ER Flex Credits

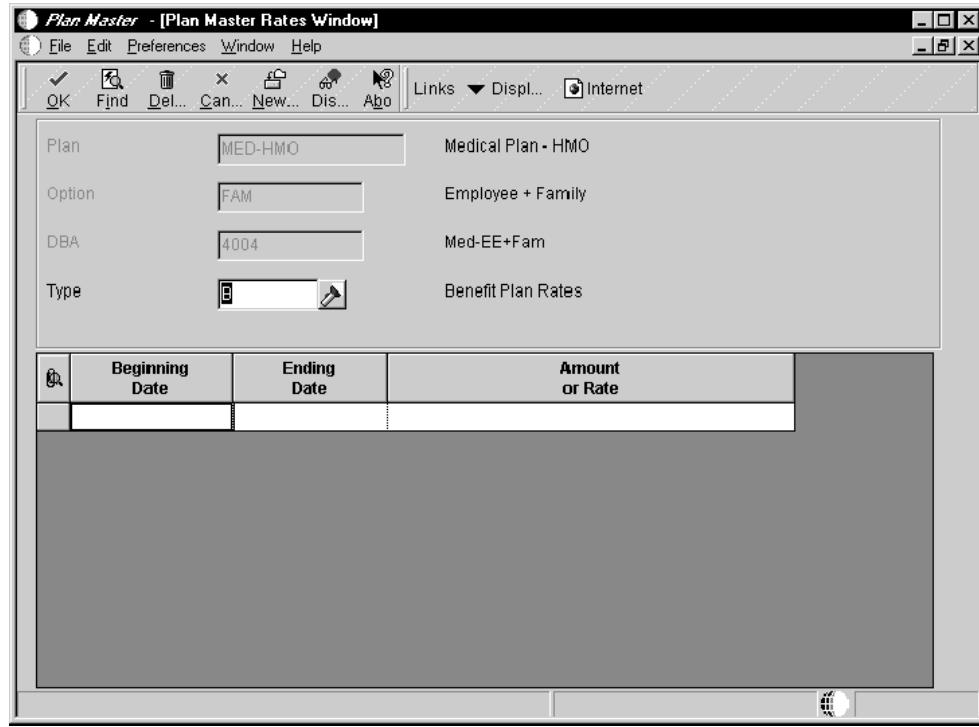
If the plan is a flex plan, you should complete either the EE Flex Cost or EE Flex Credits field.

12. To enter a date-sensitive override amount or rate for the employee contribution to one of the displayed items, click one of the DBA fields and then choose Plan Rates from the Form menu.

Note

A plan rate or amount that you enter on this form is a date-sensitive override to the rate that exists in the DBA. The DBA field must be completed prior to entering override amounts or rates. You cannot enter an amount or rate for a DBA field that is blank.

Entering new rates does not change existing benefit plan information for employees. To recalculate the new premium costs, the employee must re-enroll or a Workforce Management administrator must process batch enrollment.



13. On the Plan Master Rates Window, complete the following override fields as necessary and click OK:

- Type
- Beginning Date
- Ending Date
- Amount or Rate

14. On the Plan Master, Calc./Eligibility tab, complete the following fields:

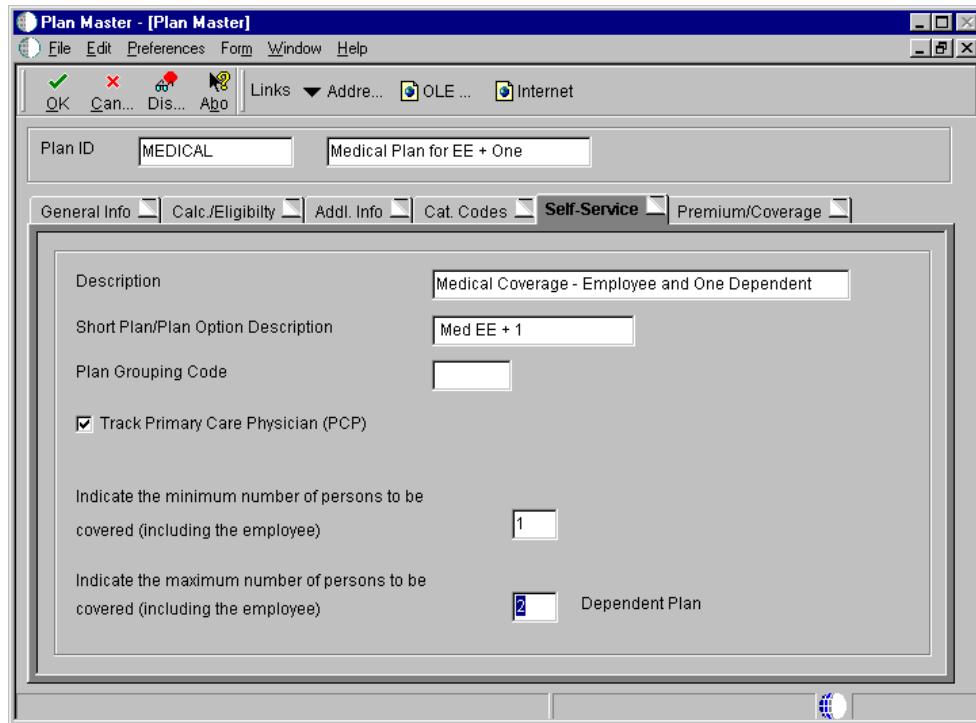
- Init Elig Table
- Cont Elig Table

15. Complete the following optional field:

- Prerequisite Plan

16. To enter information about the plan, click the Addl. Info tab.

17. To track additional data, click the Cat. Codes tab and complete the relevant information.



18. If you use Self-Service Benefits, click the Self-Service tab and complete the following field:

- Description

If you do not enter a description, the plan description will be used on self-service forms. This description field allows a long representation of the benefit plan.

- Short Plan/Plan Option Description

This description field allows only a short description that is used when benefit plans appear as column titles on self-service forms.

- Plan Grouping Code

J.D. Edwards recommends that you use the Plan Master Options program (P083202) instead of Plan Grouping.

You can use plan grouping to associate benefit plans if you do not use benefit plan options. For example, if you create separate benefit plans for employee only, employee plus 1, employee plus family, and employee opt out, you can set up a plan grouping code in UDC 08/PG. You can then assign the plan grouping code to each plan master record.

J.D. Edwards recommends that you set up a non-participating plan for each benefit category so that employees can elect this plan to choose no coverage.

19. If you want to track the primary care physician number and the item appears on the form, click the following option:

- Track Primary Care Physician (PCP)

20. If the purpose of the benefit plan is to indicate that an employee is declining coverage, click the following option:

- Non-Participating Plan Flag

The system displays this option only if the plan is set up as a non-participating plan.

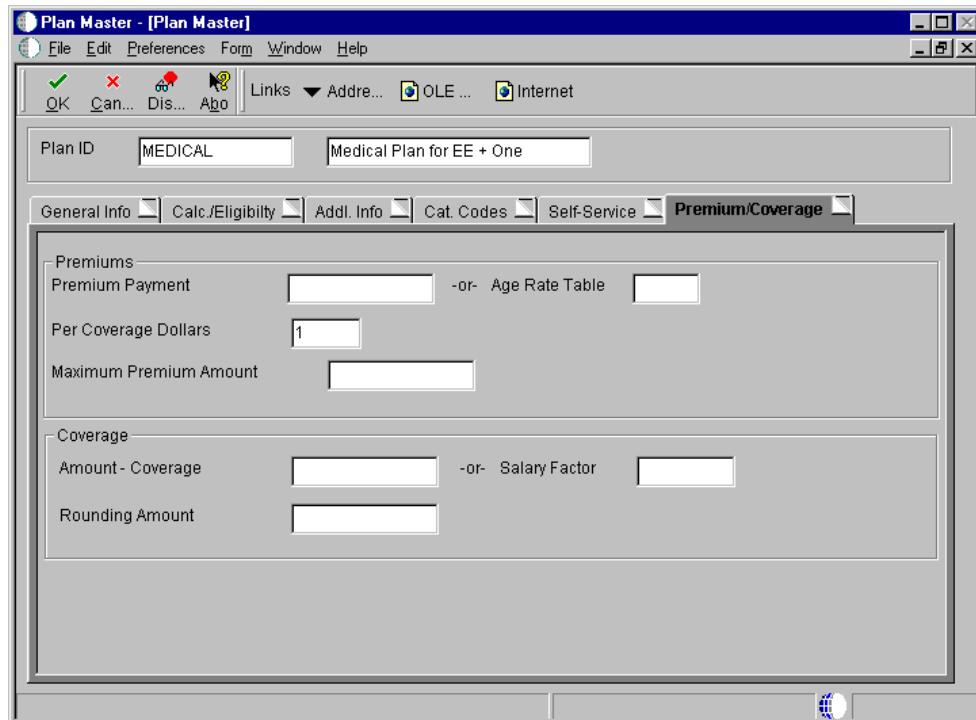
Note

J.D. Edwards recommends that you set up a non-participating benefit plan for every benefit category.

21. If the plan is a dependent plan, specify the range of persons to be covered (including the employee) by completing the following fields:

- Minimum Dependents
- Maximum Dependent

If the benefit plan is a dependent plan, the system displays two fields on the bottom of the form to allow you to enter the number of dependents who can enroll in the plan.



22. Click the Premium/Coverage tab and complete either of the following fields to specify premium information:
 - Premium Payment
 - Age Rate Table
23. Complete the following optional fields:
 - Per Coverage Dollars
 - Maximum Premium Amount
24. To enter coverage information, complete either of the following fields:
 - Amount - Coverage
 - Salary Factor
25. Complete the following optional field:
 - Rounding Amount
26. Click OK to save the record.

Processing Options for Plan Master (P08320)

Display

1. EE Flex Cost PDBA and the ER Flex Credits PDBA fields.
0 = Do not display these fields.
1 = Display these fields.
-

Copying an Existing Benefit Plan

You can copy an existing benefit plan when you need to set up a plan that is very similar to a plan that you have already set up. For example, you have a dental plan already set up that has an effective date of January 1 and an ending date of December 31 of this year. The dental plan that your organization will offer for next year will be basically the same as this current plan, with only a few minor changes. To save time and reduce data entry errors when you set up the dental plan for next year, you can copy the current dental plan and then enter only the appropriate changes.

► To copy an existing benefit plan

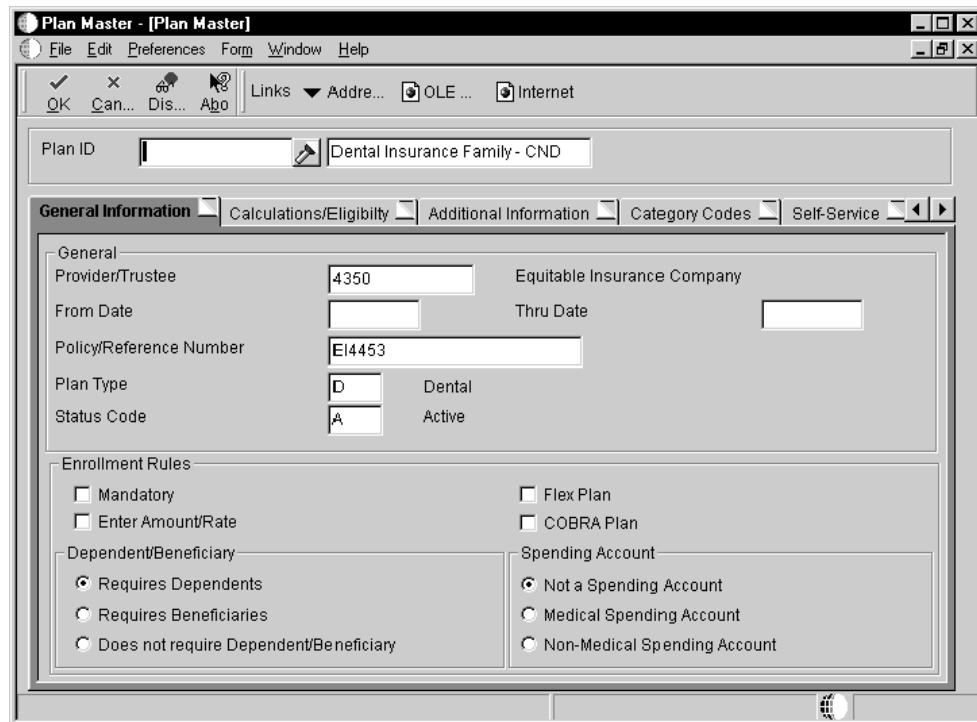
From the Benefits Administration Setup menu (G08BB4), choose Plan Master.

1. On Work With Plan Master, complete the following optional fields:
 - Plan ID
 - From Date
2. To specify whether to display only active plans or all plans, click one of the options in the Plans area.

3. Click Find.
4. In the detail area, choose the plan that you want to copy and click Copy.

Note

If the plan that you chose to copy has associated plan options, the system displays the Plan Option Copy Confirmation message. To copy both the chosen plan and its associated plan options, click OK. To copy only the plan, click Cancel.



5. On Plan Master, complete the following field:
 - Plan ID
6. Review and change, if necessary, the name of the plan in the unlabeled field to the right of the Plan ID field.
To complete any of the fields or change the default values, see *Adding a New Benefit Plan*.
7. On the General Information tab, review and, if necessary, change the fields that were copied from the original plan.
8. Click the Calc./Eligibility tab.
9. Review and, if necessary, change the fields that were copied from the original plan.
10. Click the Self-Service tab.
11. Review and, if necessary, change the fields that were copied from the original plan.
12. Click the Premium/Coverage tab.

13. Review and, if necessary, change the fields that were copied from the original plan.
14. Click OK.

Setting Up Plan Options

When the coverage for a plan can vary from employee to employee, you can either set up a separate plan for each variation or set up a plan with several options. For example, your organization might offer a dental plan to employees. The cost for this plan might vary depending on whether employees elect coverage for themselves only or for themselves plus their dependents. You can set up this dental plan in either of the following ways:

- Set up Employee Only, Employee Plus One, and Employee Plus Family as separate dental plans and link each of these plans to the dental category.
- Set up a dental plan, such as DEN-01, for an employee and include options such as DEN-01 Plus One and DEN-01 Plus Family. When you link DEN-01 to the dental category, the system also links the options.

When you set up benefit plan options, you can enter different coverage costs for each option. For example, the Employee Only option might cost 20.00, the Employee Plus One option 40.00, and the Employee Plus Family option 80.00. You can indicate the cost of an option in either of the following ways:

- Assign a separate DBA that has an associated amount or rate to the option.
- Assign the DBA associated with the plan to the option. You can enter an override amount or rate for the option in the Plan Master Rates Window.
- Use the benefit plan DBA and the benefit plan options DBA. The DBAs must be separate in this case.

In either case, the amount or rate that you enter for the option overrides the amount or rate entered for the DBA associated with the plan. Therefore, this amount or rate must include the full cost of the option plus the cost of the plan, if any.

When the employee enrolls in a benefit plan option, the system updates the employee's DBA instructions with the amount or rate that you entered for the option.

When you set up options for a single benefit plan, use the option rule to determine how the system calculates additional coverage costs. You can include one or more of the following in the calculation:

- DBA for the benefit plan
- DBA for the option
- Additional amount

When the employee enrolls in a benefit plan option, the system uses the option rule to either add the additional cost or replace the amount in the DBA identified in the Plan Master table. For example, the plan DBA identifies the amount that the employee pays for coverage when enrolled in DEN-01 only. If the employee enrolls in DEN-01 Plus One, you can add an amount to deduct for the additional coverage. If the employee enrolls in the DEN-01 Plus Family option, you can set up an even greater amount to deduct for the coverage for an entire family.

You can use one of three option rules for a single plan with options. Depending on the value that you select for the option rule, you can include additional factors that the system uses in the calculation, such as DBAs and additional amounts or rates.

The following table illustrates the DBA and additional amounts or rates allowed with each rule:

Option Rule	DBA for Plan ID	DBA for Option	Additional Amount
1	X		X
2	X	X	X
3		X	X

You use the rules for any of the DBA codes used for the plan, including the employee payroll deduction and the employer-paid deduction.

After you set up a plan with options, you might need to periodically update the amounts or rates associated with those options periodically. For example, if you have set up a medical plan with three options (employee only, employee plus spouse, and employee plus family) and you have entered an amount for each of those options, you must update those amounts whenever the benefit carrier raises its rates.

When you enter plan options, the system stores the information in the Plan Additional Options table (F083202).

You cannot delete a benefit-plan or plan option if an employee is enrolled in that option. Even when employees are not active, their records are considered to be attached to the plan option. Also, you cannot change the dependent or beneficiary status of the plan option while dependents or beneficiaries are enrolled in the plan option.

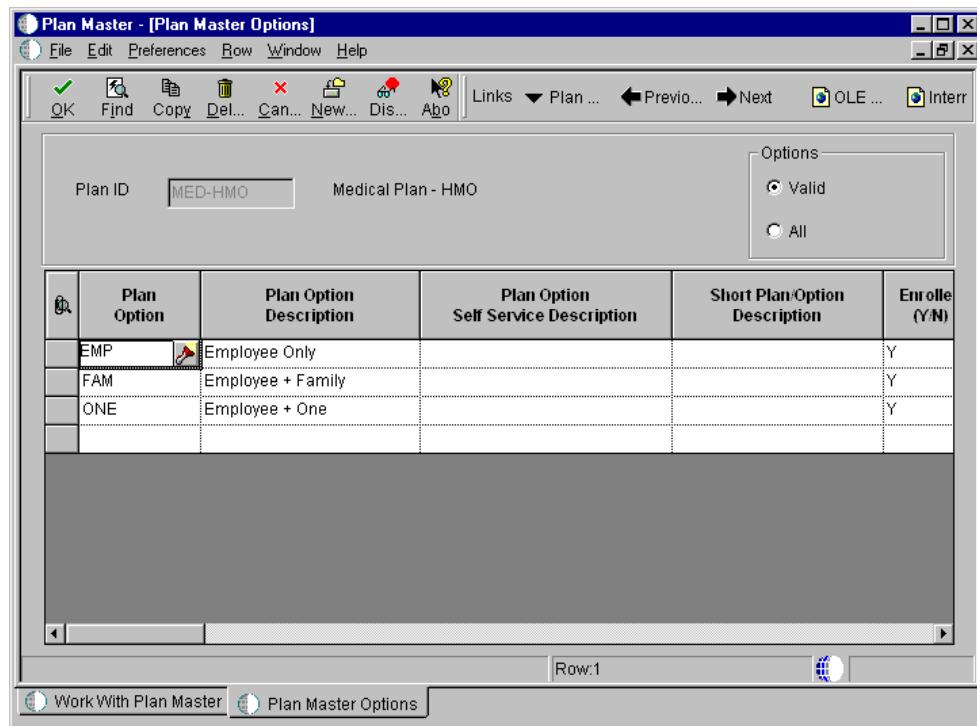
See Also

- *Setting Up Benefit Plans* for information that can help you decide whether to set up benefit plans with options

► **To set up plan options**

From the Benefits Administration Setup menu (G08BB4), choose Plan Master.

1. On Work With Plan Master, complete the following field and click Find:
 - Plan ID
2. Choose a plan.
3. Choose Plan Options from the Row menu.



4. On Plan Master Options, complete the following fields:

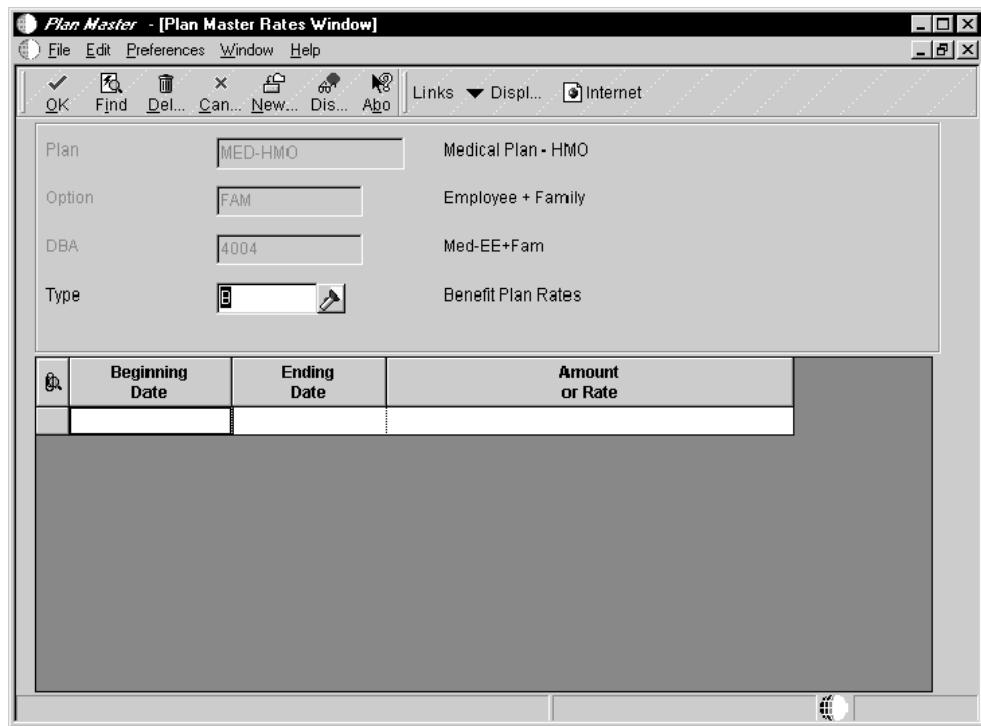
- Plan Option
- Plan Option Description
- Trans. Code Ben. Flag
- Additional Premium Payment
- V O

5. If you are using self-service benefits, you need to set up the plan option for self-service. Complete the following fields:

- Plan Option Self Service Description
- Short Plan/Option Description
 - Minimum Dependents
 - Maximum Dependent
 - PCP Flag
- Non-Participating Flag

If you do not enter a self-service description, the system uses the benefit plan option description on self-service forms.

6. To set up the employee contribution information, complete the following fields:
 - Payroll Ded -Option Rule
 - Payroll Ded DBA
 - Payroll Ded - Add'l or Override Rate
7. To set up the employer-paid information, complete the following fields:
 - Paid Benefit -Option Rule
 - Paid Benefit DBA
 - Paid Benefit - Add'l or Override Rate
8. To set up the employee flex cost information, complete the following fields:
 - Flex Cost -Option Rule
 - Flex Cost DBA
 - Flex Cost - Add'l or Override Rate
9. To set up the flex credits information, complete the following fields:
 - Flex Credit -Option Rule
 - Flex Credit DBA
 - Flex Credit - Add'l or Override Rate
10. To enter a date-effective override amount or rate for the employee contribution to the DBA item, click one of the DBA fields and choose Plan Rates from the Row menu.
You must first select an employee DBA in order to enter amounts or rates.



11. On Plan Master Rates Window, complete the following fields:

- Beginning Date
- Ending Date
- Amount or Rate

12. Click OK to save the amount or rate record. Then click Cancel to return to Plan Master Options.

13. Click OK to save the plan record.

Linking Plans to Benefit Categories

To streamline data entry when you enter benefit information for employees, you can link plans to categories within a benefit group. Benefit categories are descriptions of groups of related types of benefit plans. For example, your organization might offer two medical plans, a traditional-style plan and an HMO. You can define a benefit category called medical and link those two medical plans to that category.

You can link specific plans for each benefit, or you can link a plan with attached options. For example, you can set up a benefit category for medical and link the following three plans to it:

- MED for the employee only
- MED+ONE for the employee plus one other person

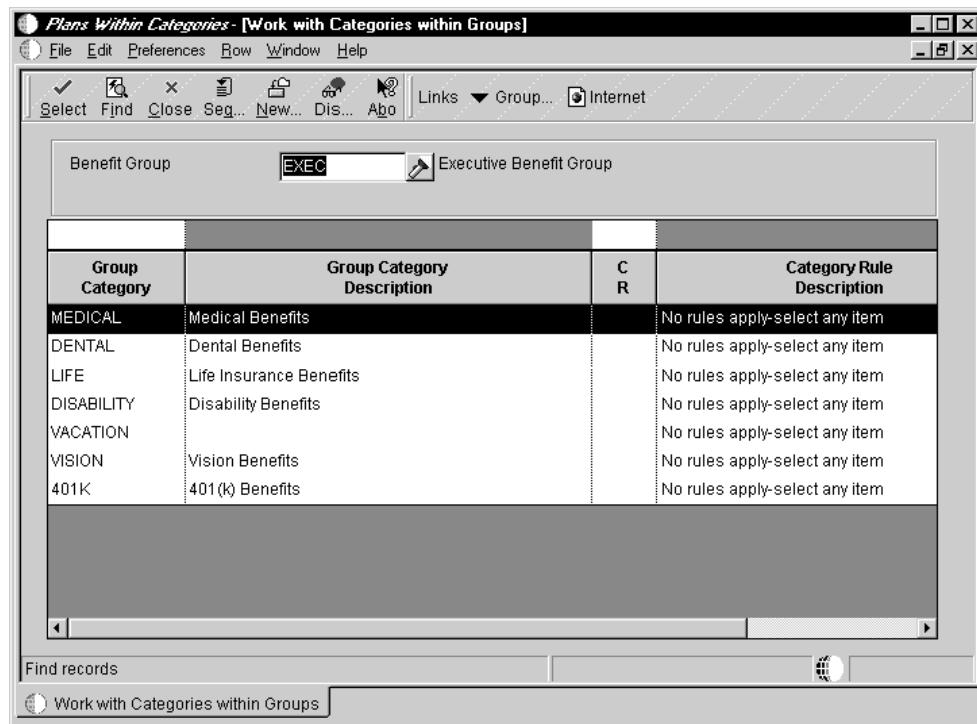
- MED+FAM for the employee and the employee's family

Alternatively, you can set up a benefit category called medical and link to it a single medical plan with options for the Plus One and Family coverages.

When you link plans to categories, you can also enter effective beginning and ending dates. These dates are supplied as defaults to the employees' records when you enroll employees in the specific plan.

► To link plans to benefit categories

From the Benefits Administration Setup menu (G08BB4), choose Plans Within Categories.



1. On Work with Categories within Groups, complete the following field and click Find:
 - Benefit Group
2. Choose a record and click Select.

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Plan ID	Plan ID Description	Sequence Number	Mnd Prt	Dft Pln	Effective Begin	Effective End
<input checked="" type="checkbox"/> MED	Medical Plan - EE Only	1.00	N	Y		
<input type="radio"/> MED+FAM	Medical Plan - EE + Family	3.00	N			
<input type="radio"/> MED+ONE	Medical Plan - EE + One	2.00	N			
Customize Grid						

3. On Plans Within Categories, complete the following fields:

- Plan ID
- Sequence Number

The sequence number field determines the order that the plans are listed in the self-service applications. It does not affect the order of plans in Plans within Categories.

- Mnd Prt
- Dft Pln

4. Complete the following optional fields:

- Effective Begin
- Effective End

5. Click OK to save the record.

Setting Up Date Codes

To determine eligible and ineligible enrollment dates for a benefit plan, you set up date codes. You must set up the date codes that you need to include on the eligibility table for the benefit plan.

Eligibility tables and date codes work together. For example, an eligibility table can test for 30 days from the date of hire, and the date code can assign the enrollment date to the first of the month following eligibility.

Setting Up for a Specific Date Following a Particular Date of the Month

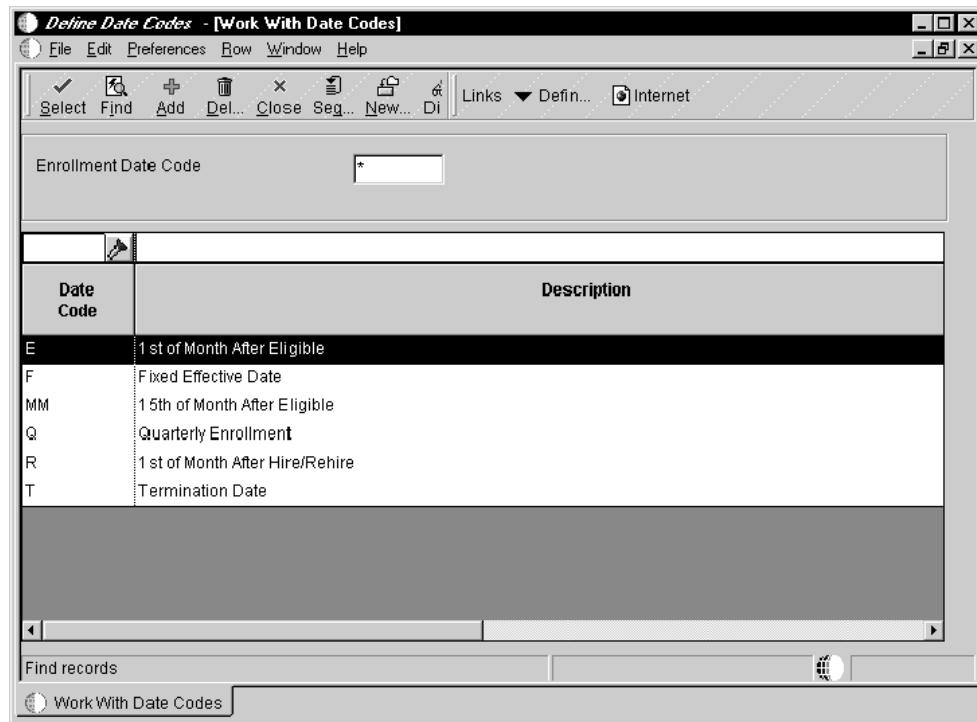
Use this method to set up a date code when you want enrollment to occur on a specific date that immediately follows a particular date within the month.

For example, when you want enrollment to occur on the 15th of any month after date of hire, enter 15 as the day of the month and the code for hire date as the date to follow. If an employee begins work on May 30th, eligibility for enrollment in the benefit plan begins on June 15th (the first 15th of a month after the employee's hire date).

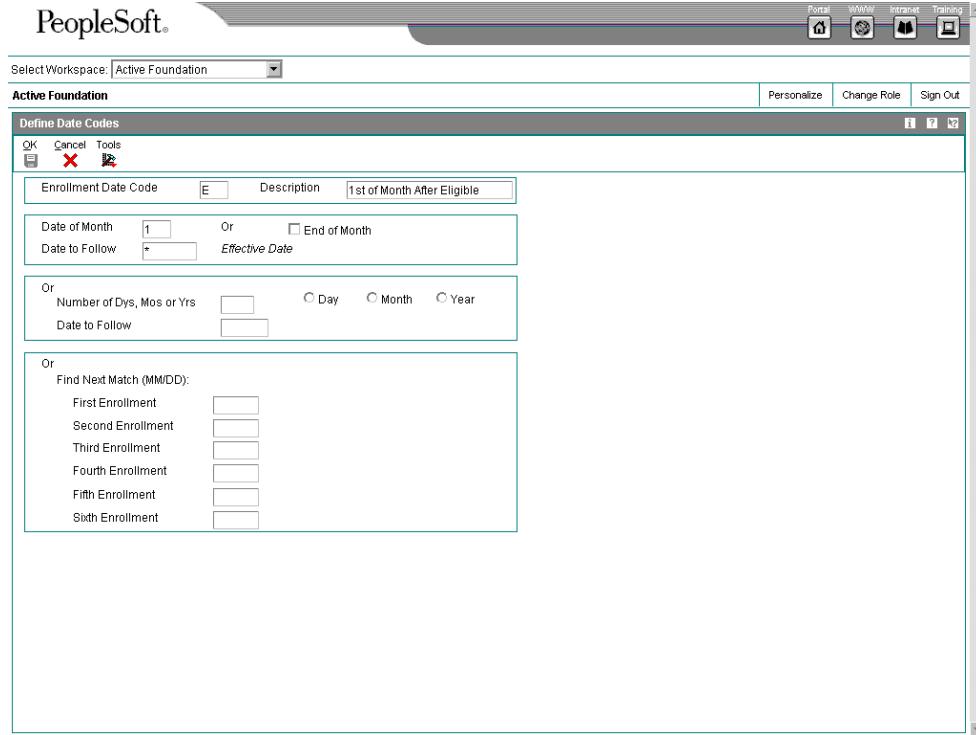
In another example, if you want enrollment to occur on the 1st of the month after passing eligibility, enter 1 in the Date of Month field and * as the date to follow. When an employee passes eligibility on June 1st, enrollment in the plan occurs on June 1st. If the employee passes eligibility on June 2nd, enrollment in the plan occurs on July 1st.

► To set up for a specific date following a particular date of the month

From the Benefits Administration Setup menu (G08BB4), choose Define Date Codes.



1. On Work With Date Codes, click Add.



2. On Define Date Codes, complete the following fields and click OK:

- Enrollment Date Code
- Description
- Date of Month
- Date to Follow

Setting Up for the Last Day of the Month Following a Particular Date

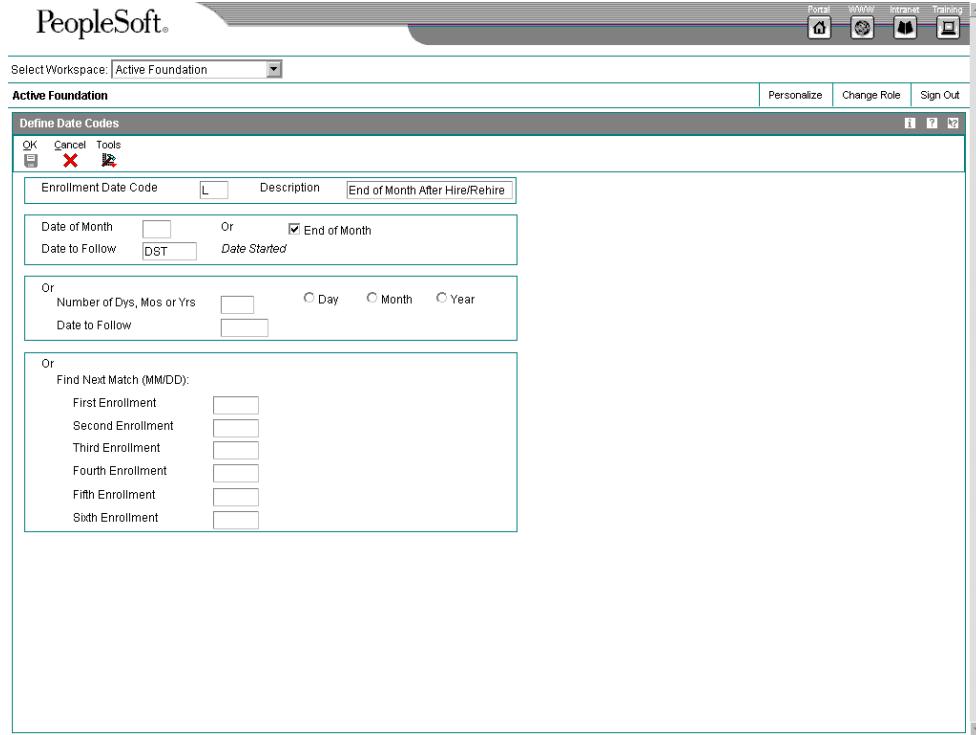
Use this method to set up a date code when you want enrollment to occur on the last day of the month immediately following a particular date.

For example, when you want enrollment to occur on the last day of the month of the date of hire, click the End of Month field and enter the code for the start date as the date to follow. In this case, an employee becomes eligible for enrollment on the last day of the month after being hired. If an employee begins work on May 30th, eligibility for enrollment in the benefit plan begins May 31st. If an employee is hired on the 31st, then enrollment begins on that day.

► To set up for the last day of the month following a particular date

From the Benefits Administration Setup menu (G08BB4), choose Define Date Codes.

1. On Work With Date Codes, click Add.



2. On Define Date Codes, complete the following fields:

- Enrollment Date Code
- Description
- Date to Follow

3. Choose the following option and click OK:

- End of Month

Setting Up by an Amount of Time after a Specific Date

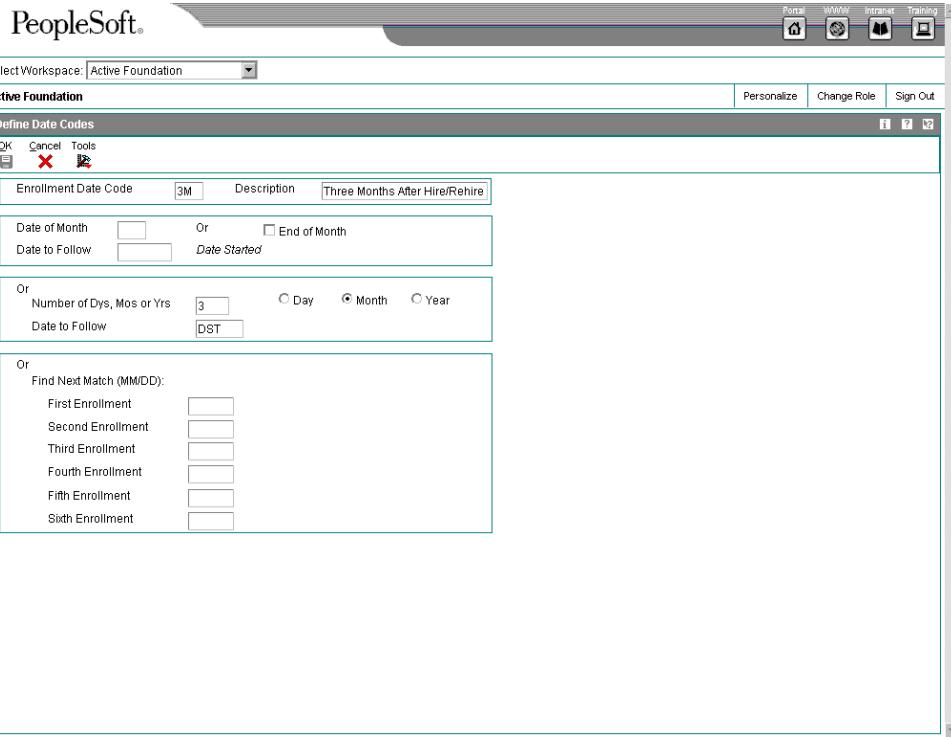
Use this method to set up a date code when you want enrollment to occur a certain number of days, months, or years after a particular date.

For example, you can define an enrollment date in a particular stock option plan as being two years after the employee's hire date.

► To set up by an amount of time after a specific date

From the Benefits Administration Setup menu (G08BB4), choose Define Date Codes.

1. On Work With Date Codes, click Add.



2. On Define Date Codes, complete the following fields:
 - Enrollment Date Code
 - Description
 - Number of Dys, Mos or Yrs
 - Date to Follow
3. Choose one of the following options in the Basis area, and then click OK:
 - Day
 - Month
 - Year

Setting Up by a Specific Enrollment Date

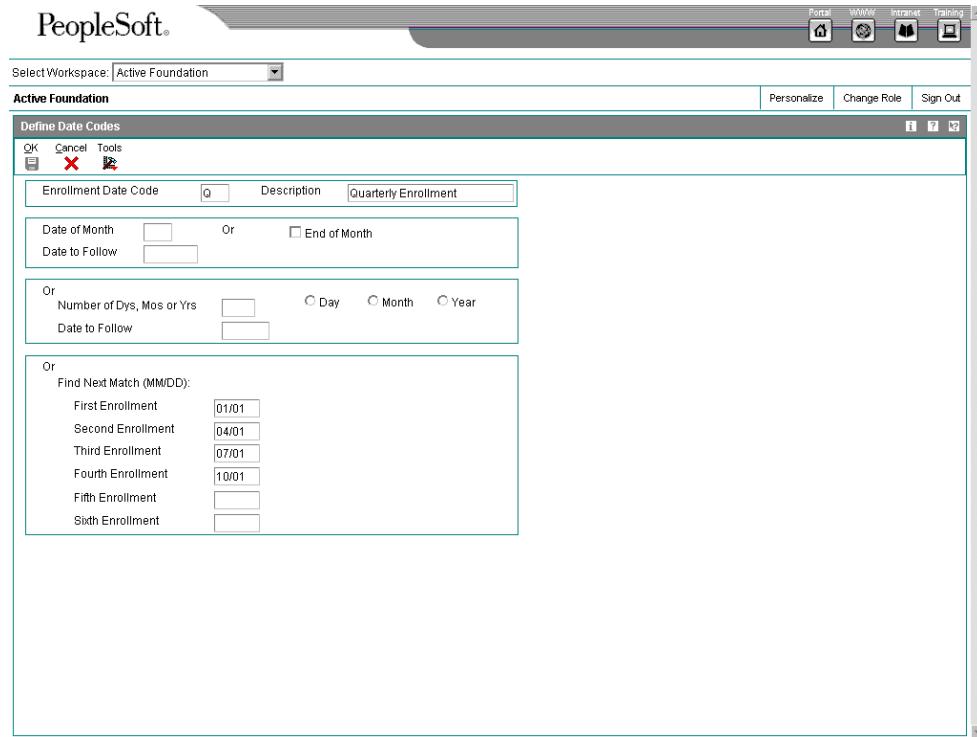
Use this method to set up date codes by an enrollment date. You can enter up to six different enrollment opportunities for a date code.

For example, you can enter the first day of each fiscal quarter as an enrollment date so that the system enrolls any employee who meets the other eligibility requirements on the first day of the next quarter. Conversely, if you want enrollment to occur on only one particular date each year, enter only that date.

► **To set up by a specific enrollment date**

From the Benefits Administration Setup menu (G08BB4), choose Define Date Codes.

1. On Work With Date Codes, click Add.



2. On Define Date Codes, complete the following fields:

- Enrollment Date Code
- Description

3. Enter a month and day in one or more of the following fields and then click OK:

- First Enrollment
- Second Enrollment
- Third Enrollment
- Fourth Enrollment
- Fifth Enrollment
- Sixth Enrollment

Setting Up Pay Type Tables

If you are going to set up any eligibility tables based on the hours worked (method H), you must set up a pay type table for each eligibility requirement that you will define for that eligibility table.

When you set up a pay type table, you enter a range of pay type numbers. The system uses this range to calculate the number of hours that an employee worked, which determines the employee's eligibility.

For example, if you want to include all pay types in the eligibility test, you could enter pay type 001 through 999. If you want to exclude certain pay types, you could set up a table with more than one range. For example, to exclude pay type 450 only, you could set up two ranges as follows:

- 001 through 449
- 451 through 999

On each table, you can set up as many ranges as necessary, but you cannot overlap any of the ranges within a table. For example, the system will *not* accept the following two ranges in one table:

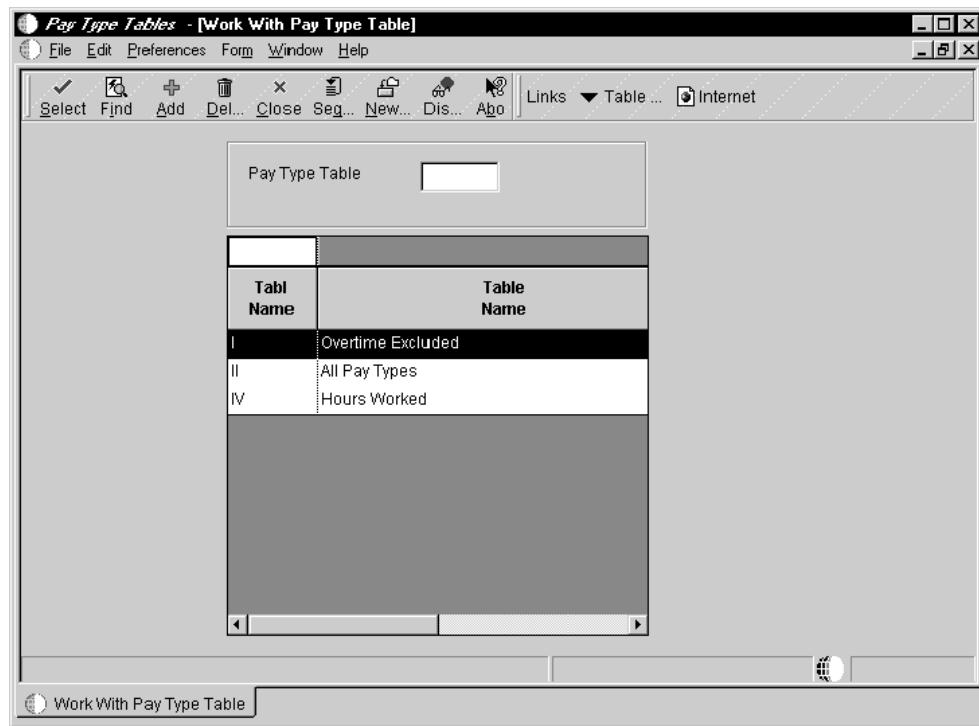
- 001 through 449
- 445 through 999

Before You Begin

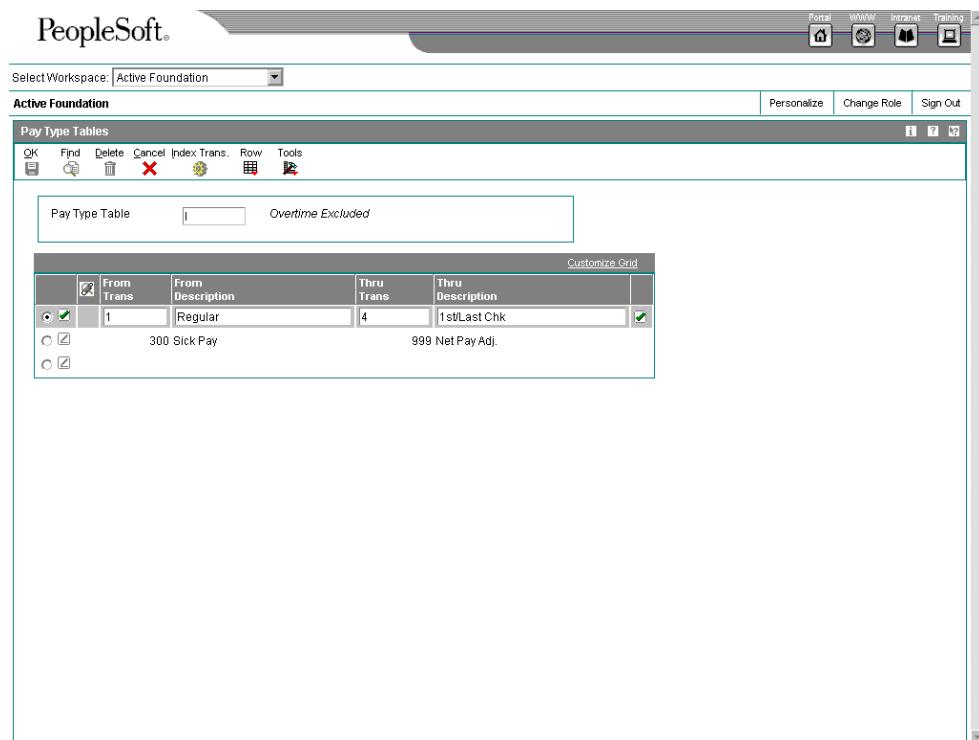
- Set up the user defined codes (08/TT) for the pay type tables. See *Understanding User Defined Codes for Workforce Management Systems* in the *Workforce Management Foundation Guide*.

► To set up pay type tables

From the Benefits Administration Setup menu (G08BB4), choose Pay Type Tables.



1. On Work With Pay Type Table, click Add.



2. On Pay Type Tables, complete the following fields:
 - Pay Type Table
 - From Trans
 - Thru Trans
3. To set up additional ranges, complete the following fields as many times as necessary:
 - From Trans
 - Thru Trans
4. Click OK to save the records.

Setting Up Eligibility Tables

Some benefit plans require that employees meet certain eligibility requirements before they qualify for or maintain enrollment in a benefit plan. If a benefit plan requires eligibility rules, you enter the name of the eligibility table on the master plan for the benefit.

You must set up an eligibility table to define each of the requirements that you use to determine eligibility. You can use the same table for more than one benefit plan if the eligibility requirements are the same for both. For example, your organization can require that employees be employed with your company full time for six months and have worked a minimum of 40 hours in the past week before they qualify for medical insurance and dental insurance. In this case, you could set up an eligibility table and associate that table with both plans.

You can also set up an eligibility table to verify employees' continuing eligibility in a plan. For example, your organization might require that employees continue to work at least 35 hours per week to participate in your organization's medical plan.

After you have set up an eligibility table and included it in the master plan for a benefit, the system can test an employee's eligibility for enrollment in a benefit plan. When the system tests for eligibility, one of the following occurs:

- When an employee passes the eligibility test, the system assigns an eligible status and a beginning enrollment status date based on the date code to the enrollment record. When the enrollment status begins with an A (for *active*), the system passes the DBA code to the Payroll system so that the system can make the necessary deductions or contributions. The system also assigns a participation date and an eligibility date.
- If an employee does not pass the eligibility test, the system assigns an ineligible enrollment status to the enrollment record and a beginning enrollment status date based on the date code. The system does not pass the DBA code to the Payroll system. In this case, the system does not assign eligibility and participation dates.

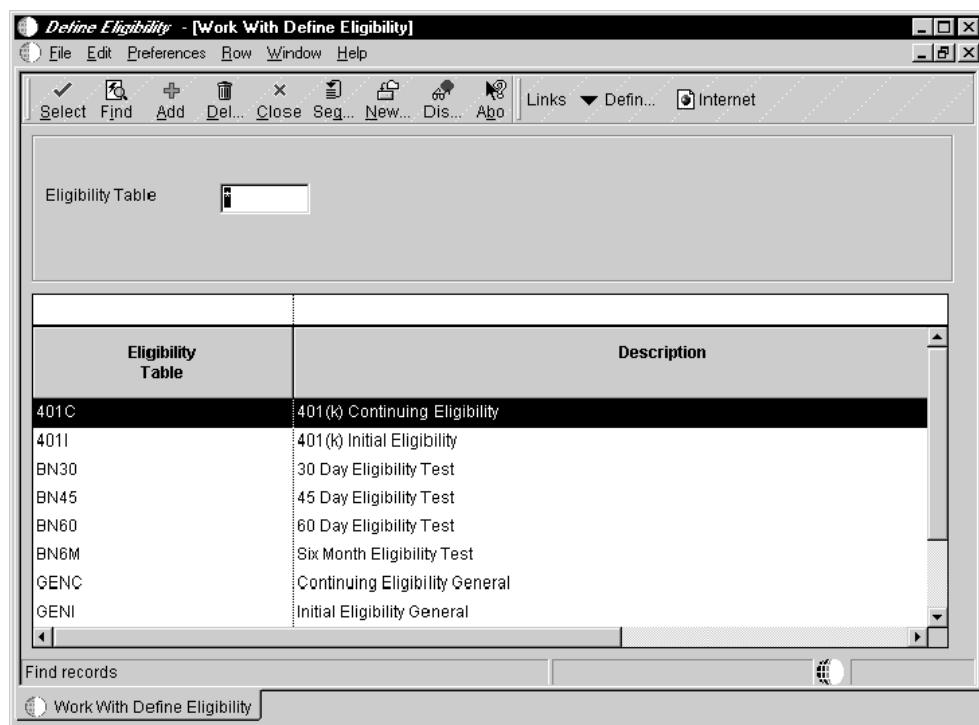
You should also set up an eligibility table that you use to indicate that a plan has no eligibility requirements. Use this eligibility table for all benefit plans that do not require employees to meet or maintain eligibility requirements to participate in the plan.

Before You Begin

- ❑ Set up the user defined codes (08/ES) to define the enrollment status. See *Understanding User Defined Codes for Workforce Management Systems* in the *Workforce Management Foundation Guide*.
- ❑ Set up pay type tables to include in any table based on hours worked. See *Setting Up Pay Type Tables*.
- ❑ Set up the date codes to define eligible and ineligible enrollment dates. See *Setting Up Date Codes*.

► To set up a typical eligibility table

From the Benefits Administration Setup menu (G08BB4), choose Define Eligibility.



1. On Work With Define Eligibility, click Add.

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2. On Define Eligibility, complete the following fields to name the table:
 - Eligibility Table
 - Description
3. To define the parameters or standards of the plan, complete the following fields:
 - And /Or
 - Min Amount
 - Method
 - Eligible Status
 - Date Code
 - Ineligible Status
 - Date Code
4. If eligibility is not based on hours worked, complete the following field:
 - Based From
5. If eligibility is based on hours worked, complete the following fields:

- Comp Period
- Number Periods
- Pay Type Table

6. Click OK to save the records.

► To set up an eligibility table for no eligibility requirements

From the Benefits Administration Setup menu (G08BB4), choose Define Eligibility.

1. On Work With Define Eligibility, click Add.
2. On Define Eligibility, complete the following fields to name the table:
 - Eligibility Table
 - Description
3. Type any valid value in the following field:
 - Method
4. Type a code that begins with the letter A in the following fields:
 - Eligible Status
 - Ineligible Status
5. Type a code that indicates a fixed effective date in the following fields and click OK:
 - Date Code
 - Date Code

In the Eligibility Table that is set up for no eligibility requirements, you must still set up an "and/or" criterion within the detail area. You cannot set up an Eligibility Table with no information in the grid.

Setting Up Enrollment Parameters

To define which eligibility test and date code that the system applies when you enroll employees using enrollment with eligibility or batch enrollment, you can set up enrollment parameters. Enrollment parameters define which action the system takes when it tests for eligibility. The system compares the employee enrollment information with each enrollment parameter to determine which eligibility test and date code to use. The system then uses the eligibility test and the date code to calculate when to enroll an employee in a benefit plan or whether to terminate the employee's participation.

You base each enrollment parameter on the following search items:

- Plan ID
- Benefit Status

- Enrollment Status
- Valid Plan

After you create enrollment parameters, the Batch Enrollment Parameters table (F08392) organizes the parameters based on level of detail. The least detailed parameter appears at the top of the table and the most detailed parameter is at the bottom of the table. When you enroll an employee in benefits or test for continuing eligibility, the system first compares the employee's enrollment information with the most detailed enrollment parameter (the parameter at the bottom of the table). When the employee's enrollment information does not match the criteria of this enrollment parameter, the system searches on the second most-detailed parameter. The system continues searching, from the most detailed parameter to the least detailed parameter, until it identifies the parameter to use.

When the system locates a parameter that matches the enrollment information for which it is searching, the system conducts the eligibility test or assigns the date code and status specified in that parameter.

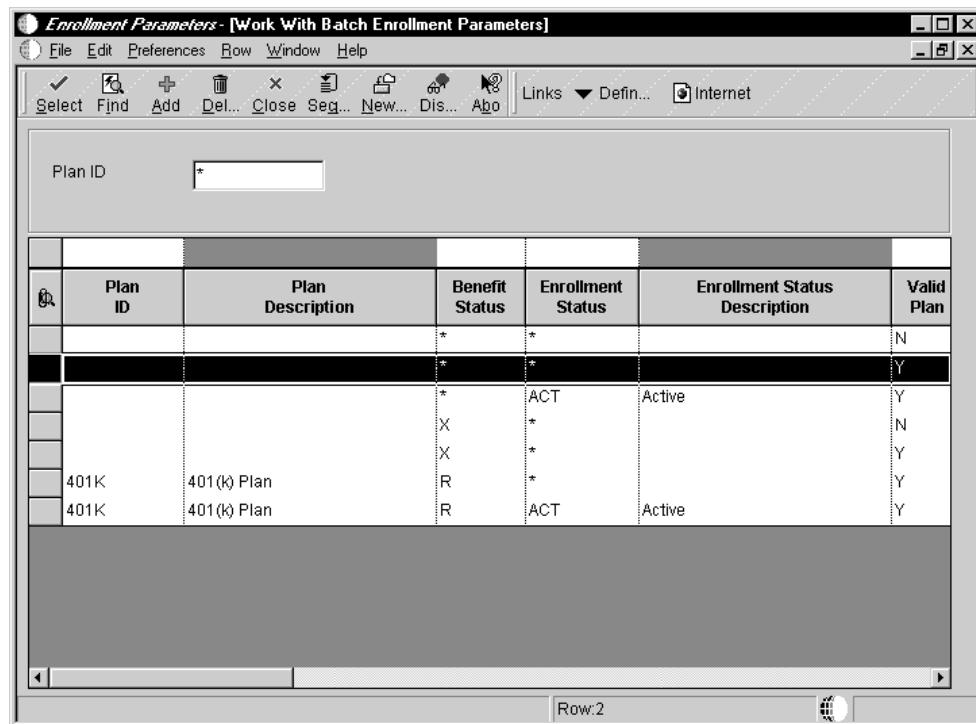
If you do not set up enrollment parameters, the system does the following:

- When an employee is enrolled in a benefit plan and has an eligible enrollment status as defined by the eligibility test, the system tests continuing eligibility in a plan.
- In all other cases, the system tests initial eligibility for employees.

If you set up parameters for a specific plan, you must also set up the basic parameters for initial and continuing eligibility.

Example: Search Hierarchy for Enrollment Parameters

The Work With Batch Enrollment Parameters form lists parameters in order of detail. Notice that the most restrictive (most detailed) parameter is at the bottom of the list.



The screenshot shows a Windows application window titled "Enrollment Parameters - [Work With Batch Enrollment Parameters]". The window has a menu bar with File, Edit, Preferences, Row, Window, and Help. Below the menu is a toolbar with icons for Select, Find, Add, Del..., Close, Seg..., New..., Dis..., and Abo. To the right of the toolbar are buttons for Links, Defin..., Internet, and a magnifying glass icon. The main area contains a table with the following data:

Plan ID	Plan Description	Benefit Status	Enrollment Status	Enrollment Status Description	Valid Plan
		*	*		N
		*	*		Y
		*	ACT	Active	Y
		X	*		N
		X	*		Y
401K	401(k) Plan	R	*		Y
401K	401(k) Plan	R	ACT	Active	Y

The following form illustrates sample enrollment parameters for a 401(k) plan.

The screenshot shows a PeopleSoft application window titled "Work With Batch Enrollment Parameters". The top navigation bar includes links for Portal, WWW, Intranet, and Training. The workspace is set to "Active Foundation". The main area displays a grid of enrollment parameters for a "401K" plan. The columns include Plan ID, Plan Description, Benefit Status, Enrollment Status, Enrollment Status Description, Valid Plan, Previous Eligibility, Eligibility Test, and Date Code. One row is selected, showing "401K" as the Plan ID, "401(k) Plan" as the Plan Description, "R" as the Benefit Status, "ACT" as the Enrollment Status, "Active" as the Enrollment Status Description, "Y" as the Valid Plan, "Y" as the Previous Eligibility, "C" as the Eligibility Test, and an empty field for Date Code. A "Customize Grid" link is visible at the top right of the grid area.

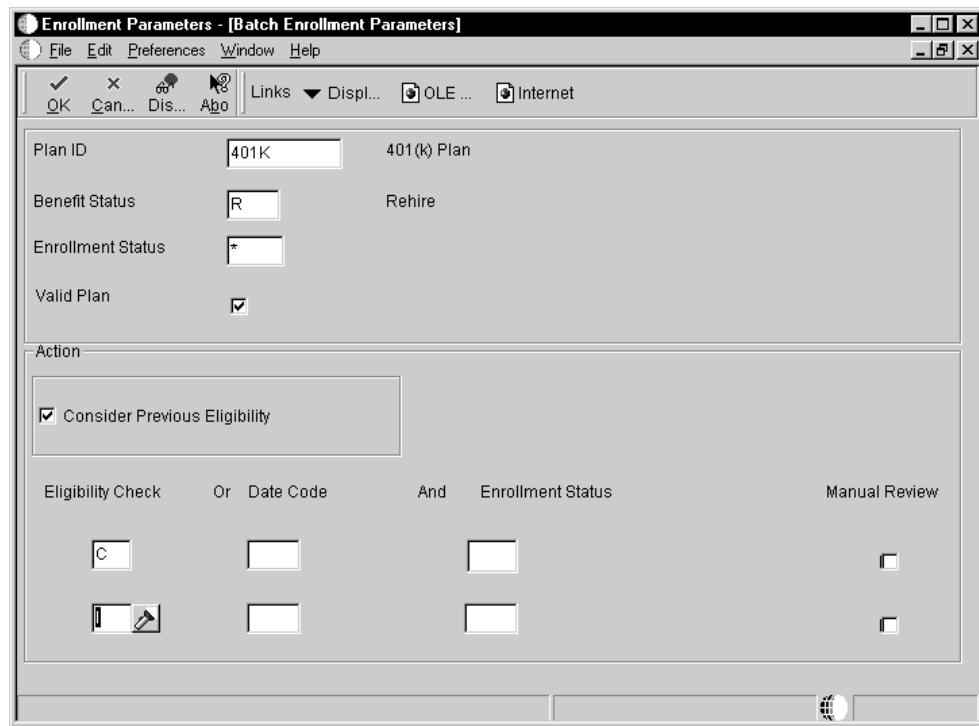
Plan ID	Plan Description	Benefit Status	Enrollment Status	Enrollment Status Description	Valid Plan	Previous Eligibility	Eligibility Test	Date Code
401K	401(k) Plan	R	ACT	Active	Y	Y	C	

Before You Begin

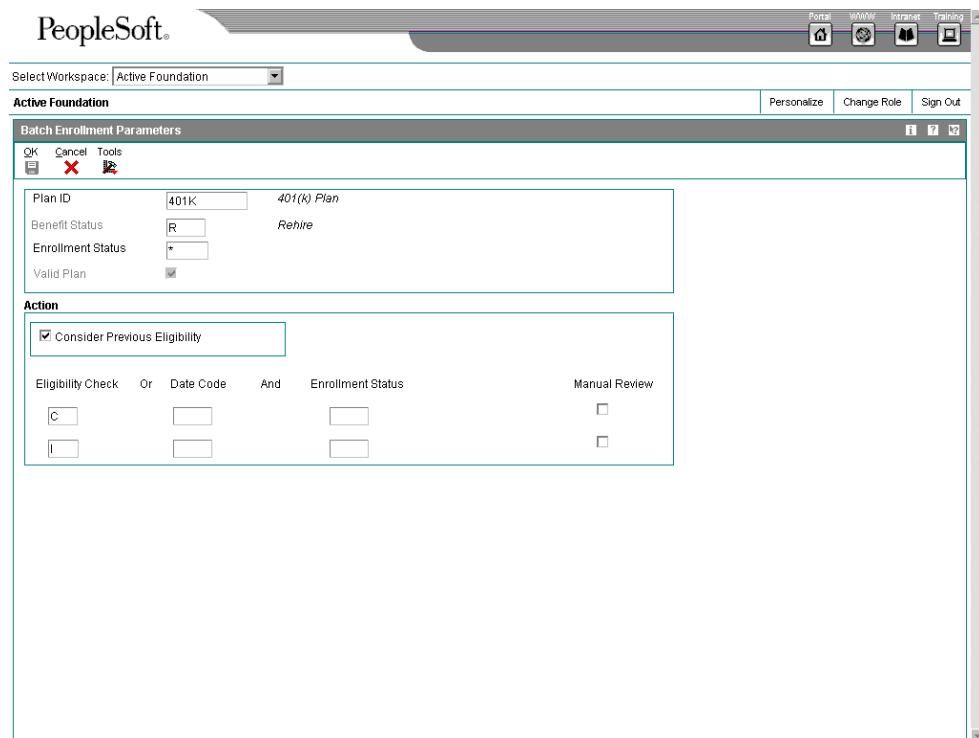
- ❑ Set up your benefit plans. See *Setting Up Benefit Plans*.
- ❑ Set up the eligibility tables. See *Setting Up Eligibility Tables*.
- ❑ Set up the date codes that control when an employee becomes eligible or ineligible for a benefit plan. See *Setting Up Date Codes*.

► To set up enrollment parameters

From the Benefits Administration Setup menu (G08BB4), choose Enrollment Parameters.



1. On Work With Batch Enrollment Parameters, click Add.



2. On Batch Enrollment Parameters, complete the following fields for the most detailed parameter:
 - Plan ID
 - Benefit Status
 - Enrollment Status
3. Choose the following option:
 - Valid Plan
4. Complete either of the following fields:
 - Eligibility Check
 - Date Code
5. To use a status that corresponds to a date code, complete the following field in the Action group box:
 - Enrollment Status
6. To specify that the enrollments in the plan be printed on a manual review request report and processed manually instead of being processed automatically by the system, click the following option to turn it on:
 - Manual Review (Y/N)
7. To specify that the system include an employee's previous eligibility information when it tests for eligibility, click the following option to turn it on:
 - Consider Previous Eligibility

When you click this option, a second row of eligibility fields appears on the form.
8. Repeat steps 3 through 5 for the second row of eligibility fields.

When you set up a parameter to consider previous eligibility, the first row of eligibility fields applies when previous eligibility is met. The second row applies when previous eligibility is not met.
9. Click OK.
10. For each additional enrollment parameter that you want to set up, repeat steps 1 through 9, completing only the relevant fields.

Linking Allocation Funds to Plans

If your organization offers a retirement or investment plan as a benefit to employees, you can link it to the investment programs, or funds, to which employees can allocate their deductions. You must set up all allocation funds as accrual DBAs that are a percentage of the employee and employer contributions. For example, if your 401(k) offers employees several

different investment programs from which they can choose for their 401(k) deduction, you can link each investment program to the plan.

Before You Begin

- ❑ Set up the funds as payees in the Address Book system. See *Working with Address Book Records* in the *Address Book Guide*.
- ❑ Set up the deduction DBA for the employee-paid deduction and the benefit DBA for the employer-paid contribution to the investment or retirement plan. See *Setting Up Deductions, Benefits, and Accruals* in the *Workforce Management Foundation Guide*.

► To link allocation funds to plans

From the Daily Processing menu (G08BB1), choose Fund Allocation Setup.

The screenshot shows the PeopleSoft Fund Allocation Setup window. At the top, there are buttons for OK, Find, Delete, Cancel, Row, and Tools. Below these are three input fields: Plan ID (401K), Employee DBA ID (7000), and Employer DBA ID (7001). A label next to the Plan ID field says "401(k) Plan". The Employee DBA ID field has "401(k)" and the Employer DBA ID field has "401(k) Co.". The main area is a grid titled "Customize Grid" with columns: PDBA Code, PDBA Code Description, Provider Trustee, and Provider Trustee Description. One row is visible, showing 8023, 401 GrowthFd, 4207, and Western Securities. There are also some empty rows below it.

1. On Fund Allocation Setup, to locate the retirement or investment plan, complete the following field and click Find:
 - Plan ID
2. Choose a blank row in the detail area, and then choose DBA Setup from the Row menu.
3. Click Accrual and then click Add.

The Basic DBA Information form appears.

The screenshot shows the 'Basic DBA Information' configuration window in PeopleSoft. The window has tabs for 'Basic DBA Information', 'Paystub Information', 'Calculation Rules Limits', and 'Scheduling the Calculation'. The 'Basic DBA Information' tab is active. It contains fields for 'DBA Code' (set to 8023), 'DBA Type' (set to A), 'Paystub Text' (set to 401 GrowthFd), 'Print Method' (set to N), and 'Print Method Category'. The 'Calculation Rules Limits' section includes fields for 'Source of Calculation' (set to G), 'Method of Calculation' (set to %), and various checkboxes for calculating during pre-payroll, even if no gross, or during specific periods. The 'Scheduling the Calculation' section includes fields for pay periods (1-5) and beginning/ending effective dates.

4. In the following field in the header area, type a number that is greater than both the employee-paid deduction DBA and the employer-paid benefit DBA:
 - DBA Code
5. Complete the following field:
 - Paystub Text
6. Type G in the following field:
 - Source of Calculation
7. Type % in the following field:
 - Method of Calculation
8. Make sure the following option is *not* turned on:
 - Calculate Even If No Gross
9. Type the same values that you entered for the DBA for the employee-paid retirement or investment deduction in the following fields:
 - Pay Period of the Month:
10. Choose one of the following options:

- Calculate Only During 1st Period Worked of Month
- Calculate Only Once Per Pay Period

11. Click OK.

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Select Workspace: Active Foundation

Active Foundation

General Accounting/Arrearage Information

OK Cancel Form Tools

DBA Code 8023 401 GrowthFd

General Accounting Information

Effect on GL N

Generate A/P Voucher

Payee 4207 Western Securities

Arrearage Information

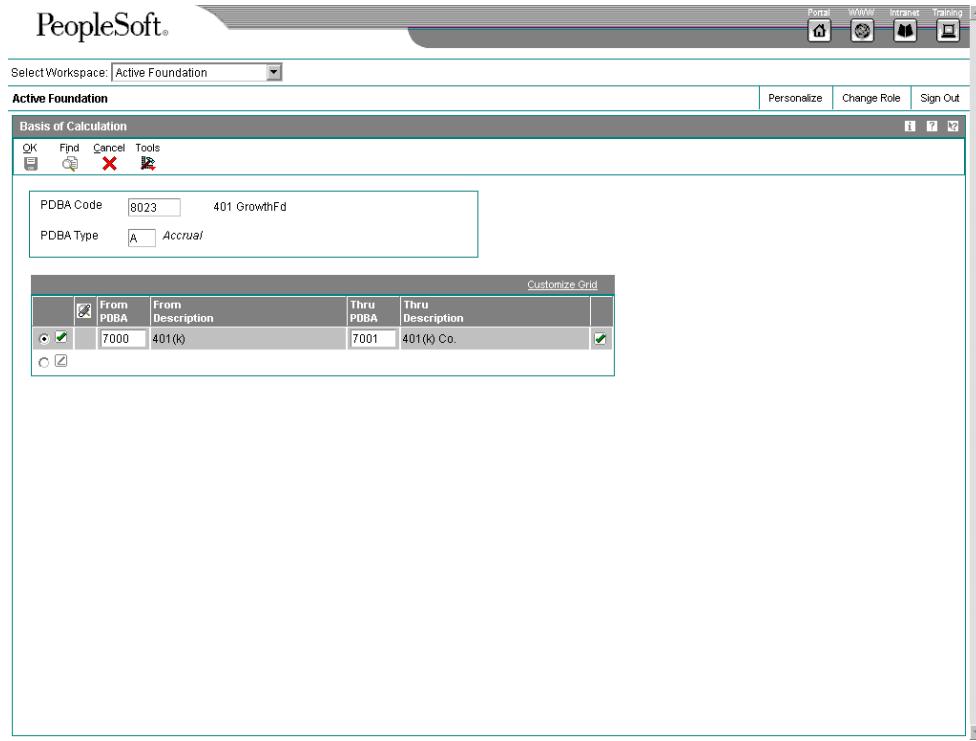
Arrearage Method N

When To Adjust Ded 0

Order To Adjust Ded

12. On General Accounting/Arrearage Information, complete the following fields and click OK:

- Effect on GL
- Payee



13. On Basis of Calculation, type the codes for the employee-paid and employer-paid DBAs in the following fields and click OK:
 - From PDBA
 - Thru PDBA
14. On Basic DBA Information, click Cancel.
15. On Work with PDBAs, click Close.
16. On Fund Allocation Setup, type the new PDBA code in the following field, and then press Tab:
 - PDBA Code

The new PDBA appears in the detail area.
17. Click OK to save the new PDBA.

Verifying the Setup of Benefits Administration

After you set up benefit information, you can review the benefit structure, which shows the relationship between benefit groups, categories, and plans. You can also print a report that gives more detail about benefit plans and plan options within benefit groups and categories. Both methods let you easily discern which plans are associated with a particular benefit group and which plans are associated with multiple benefit groups.

Reviewing the Benefit Structure

Use Benefit Structure Inquiry to review the organization of your benefit plans. Benefit Structure Inquiry shows benefit categories and plans within each benefit group.

► To review the benefit structure

From the Benefits Administration Setup menu (G08BB4), choose Benefit Structure Inquiry.

1. On Benefit Structure Inquiry, complete the following field and click Find:

- Plan ID

The system displays information about the benefit groups associated with the plan.

You can type * in the Plan ID field and click Find to list all plans in all benefit groups.

2. To review a list of the plans and plan options, click the + next to the benefit group that you want to review.
3. To review information about the plans and plan options within a benefit group, click any selection in the list.

Benefit Group	Group Category	Category Description	Effective Date	Ending Date	M P	Dft Plan	Plan ID	Plan Description	Effective Date	Ending Date	M P
CDNSAL											
EXEC											
FLEX											
401K	401K	401(k) Benefits	N	N		401K		401(k) Plan			
FLEXDEN	FLEXDEN	Flex Dental Benefits	N	N		FDENTEE		Dental Flex Ee Only			
FLEXDEN	FLEXDEN	Flex Dental Benefits	N	N		FDENTEE1		Dental Flex Ee + 1			
FLEXDEN	FLEXDEN	Flex Dental Benefits	N	N		FDENTEE2		Dental Flex Ee + 2 or More			
FLEXEDED	FLEXEDED	Employee Flex Deductions	Y	N		FLXEDED		Employee Flex Deduction	Y		
FLEXMED	FLEXMED	Flex Medical Benefits	N	N		FMEDEE		Medical Flex Ee Only			
FLEXMED	FLEXMED	Flex Medical Benefits	N	N		FMEDEE1		Medical Flex Ee + 1			
FLEXMED	FLEXMED	Flex Medical Benefits	N	N		FMEDEE2		Medical Flex Ee + 2 or More			
FLEXVIS	FLEXVIS	Flex Vision Benefits	N	N		FVISEE		Vision Flex Ee Only			
FLEXVIS	FLEXVIS	Flex Vision Benefits	N	N		FVISEE1		Vision Flex Ee + 1			
FLEXVIS	FLEXVIS	Flex Vision Benefits	N	N		FVISEE2		Vision Flex Ee + 2 or More			
FLXLMP											
HRLY											

4. Click the + sign next to another benefit group to display the information about the plan and plan options within that benefit group.
5. Click the – sign next to any benefit group to close all plan and option information.

Reviewing the Plans/Options By Group and Category Report

From the Periodic Processing menu (G08BB2), choose Plans/Options By Group and Category.

This report lists all benefit groups and benefit categories assigned to each group. It also lists the benefit plans and options assigned to each benefit category.

In addition, this report includes the plan ID and description for each benefit plan that you set up. It also includes information from the plan master, including the employee and employer DBA codes.

See Also

- R083494, *Benefit Plans/Options by Group and Category* in the *Reports Guide* for a report sample

Flexible Benefits Setup

Before you can use the flexible benefits features, you need to define the critical information that the system uses for processing. You set up this information to meet the specific needs of your organization.

Setting Up a Benefit Group for Flex

You enable flex benefits at the benefit group level by assigning a benefit group rule in the Categories by Benefit Group program. The benefit group rule lets you specify whether a benefit group offers flex plans and if so, whether you want to require the employee to use all of the available credits on flex plans.

When an employee uses more flex credits than he or she has available, the system automatically generates a pretax flex deduction for the amount of the negative remaining balance. An employee may have positive remaining credits if the benefit group rule allows it. The benefits administrator can manually allocate these remaining credits to other plans. The system will not automatically reallocate positive remaining credits.

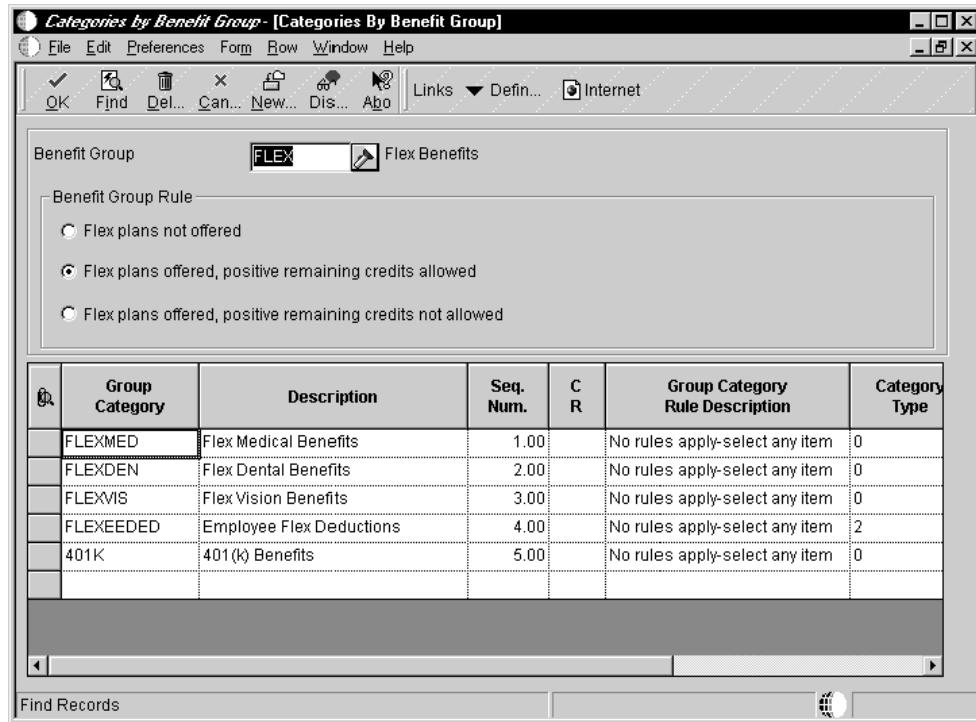
Within each benefit group that offers flex plans, you must set up a single category with a single plan for employee flex deductions. The system uses this category and plan to track any amounts that an employee spends on benefits in excess of what the employer allowed. This amount is deducted from the employee's pay. If you are offering employees an initial lump sum of flex credits, you must set up a single category with a single plan to hold the lump sum credits. You can also identify the credits for each category or plan, such as 100 credits to spend on medical, 50 credits to spend on dental, and so forth.

See Also

- Setting Up Group Information* for complete information about setting up benefit groups
- Setting Up an Employee Flex Deduction* for information about setting up special plans for flex benefits
- Setting Up a Lump Sum Credit* for information about setting up special plans for flex benefits

► To set up a benefit group for flex

From the Benefits Administration Setup menu (G08BB4), choose Categories by Benefit Group.



1. On Work With Benefit Groups, complete the following field and click Find:
 - Benefit Group
2. Choose a benefit group and click Select.
3. On Categories By Benefit Group, click one of the following options under the Benefit Group Rule heading and click OK:
 - Flex plans not offered
 - Flex plans offered, positive remaining credits allowed
 - Flex plans offered, positive remaining credits not allowed

Setting Up an Employee Flex Deduction

Each benefit group that offers flex plans must contain an employee flex deduction category and plan. The employee flex deduction plan is the mechanism for deducting a negative flex balance from an employee's pay.

You do not set up the employee flex deduction plan as a flex plan because it does not have a predetermined flex cost or credit. Instead, you set it up as a regular plan and assign it a

pretax deduction DBA that requires entry of a flat amount. The system calculates the flat amount by subtracting the flex costs of the plans that an employee selects from the employee's available credits. If the resulting amount is negative, that amount is deducted from the employee's pay on a pretax basis.

The employee flex deduction category and plan do not appear on self-service forms because employees cannot change their enrollment in this plan. Also, you cannot change the amount of the employee flex deduction on the Enrollment With Eligibility form because the system automatically updates the plan DBA with the employee's negative flex balance.

Before You Begin

- ❑ Set up a code and description for the flex deduction category. See *Setting Up Benefit Categories*.
- ❑ Set up a flex deduction DBA with a method of calculation of \$ (Flat Amount). See *Setting Up Essential DBA Information* in the *Workforce Management Foundation Guide*.

See Also

- *Setting Up Benefit Categories* for complete information about setting up benefit categories
- *Setting Up Benefit Plans* for complete information about setting up benefit plans

► To set up a flex deduction category

From the Benefits Administration Setup menu (G08BB4), choose Categories by Benefit Group.

The screenshot shows the 'Categories By Benefit Group' screen in the PeopleSoft interface. At the top, there is a toolbar with icons for Portal, WWW, Intranet, Training, and other navigation options. Below the toolbar, a sub-header reads 'Active Foundation'. The main area has a title 'Categories By Benefit Group' and a sub-section 'Benefit Group Rule' for 'FLEX'. Under 'Benefit Group Rule', there are three radio button options: 'Flex plans not offered' (unchecked), 'Flex plans offered, positive remaining credits allowed' (checked), and 'Flex plans offered, positive remaining credits not allowed' (unchecked). A large grid table below lists benefit categories. The columns include: Group Category, Description, Short Category Description, Seq. Num., C_R, Group Category Rule Description, Category Type, and Category. One row is selected, showing 'FLEXMED' as the Group Category, 'Flex Medical Benefits' as the Description, 'MED' as the Short Category Description, '1.00' as the Seq. Num., and 'No rules apply-select any item' as the Group Category Rule Description. The Category Type is listed as 'Not Use'.

Group Category	Description	Short Category Description	Seq. Num.	C_R	Group Category Rule Description	Category Type	Category
<input checked="" type="checkbox"/> FLEXMED	Flex Medical Benefits	MED	1.00		No rules apply-select any item	0	Not Use
<input type="checkbox"/> FLEXDEN	Flex Dental Benefits	DENT	2.00		No rules apply-select any item	0	Not Use
<input type="checkbox"/> FLEXVIS	Flex Vision Benefits	VIS	3.00		No rules apply-select any item	0	Not Use
<input type="checkbox"/> FLEXEEDED	Employee Flex Deductions		4.00		No rules apply-select any item	2	Employee
<input type="checkbox"/> 401K	401(k) Benefits		5.00		No rules apply-select any item	0	Not Use
					No rules apply-select any item		

1. On Work With Benefit Groups, complete the following field with the name of a benefit group that has been set up for flex and click Find:
 - Benefit Group
2. Choose the benefit group and click Select.
3. On Categories By Benefit Group, complete the following fields on a blank row in the detail area:
 - Group Category
 - Seq. Num.
4. Enter 2 for employee flex deduction in the following field and click OK:
 - Category Type

► To set up a flex deduction plan

From the Benefits Administration Setup menu (G08BB4), choose Plan Master.

1. On Work With Plan Master, click Add.

2. On Plan Master, complete the following field:
 - Plan ID
3. In the unlabeled field following the Plan ID field, type the title, or name, of the plan.

4. Type the address book number of your company in the following field:
 - Provider/Trustee
5. Complete the following field:
 - Status Code
6. If all employees are required to choose this plan, click the following option:
 - Mandatory
7. Click the following option:
 - Enter Amount/Rate

Do not select Flex Plan because the flex deduction plan does not have a predetermined flex cost or credit.
8. Turn on the following option:
 - Allow Enrollment at Plan Level

This option must be turned on in order for the flex deduction plan to be included in the self-service workfile build.
9. Click the Calc./Eligibility tab.

The screenshot shows the PeopleSoft Plan Master application window. At the top, there's a toolbar with icons for Portal, WWW, Intranet, Training, and a search bar. Below the toolbar, the workspace is set to "Active Foundation". The main area is titled "Plan Master" and contains several tabs: General Info, Calc.:Eligibility (which is selected), Addl. Info, Cat. Code, Self-Service, and Premium/Coverage. The "Calc.:Eligibility" tab is active, showing fields for Payroll Integration DBA Codes and Eligibility. Under Payroll Integration DBA Codes, there are four entries: EE Payroll Deduction (value: 7200, code: EeFlexDeduct.0000 \$ D), ER Paid Benefit (empty), EE Flex Cost (empty), and ER Flex Credits (empty). Under Eligibility, there are three entries: Init Elig Table (value: NONE, note: No Eligibility Testing), Cont Elig Table (value: NONE, note: No Eligibility Testing), and Prerequisite Plan (empty).

10. Type the flex deduction DBA in the following field:

- EE Payroll Deduction

11. Complete the following mandatory fields:

- Init Elig Table
- Cont Elig Table

12. Click OK.

After you set up the flex deduction category and plan, you must link the plan to the category. See *Linking Plans to Benefit Categories*.

Setting Up a Lump Sum Credit

You can provide employer credits in a lump sum amount that has been determined based on factors such as length of service, or a lump sum amount that is the same for all employees. You can also award credits at the plan level for selection of less costly benefit plans.

If you are providing a lump sum of employer credits, you must set up a lump sum credit category and plan within each benefit group that offers a lump sum credit. The lump sum credit plan is the mechanism for awarding the lump sum credit. The lump sum credit is awarded through either a benefit or accrual DBA.

The lump sum credit category and plan do not appear on self-service forms because employees cannot change their enrollment in this plan.

The lump sum credit plan must be set up as a mandatory plan so that all employees will automatically be enrolled in the plan.

Before You Begin

- ❑ Set up a code and description for the lump sum credit category. See *Setting Up Benefit Categories*.
- ❑ Set up a lump sum credit benefit or accrual DBA that has no effect on gross or net pay and that has a positive amount. See *Setting Up Essential DBA Information* in the *Workforce Management Foundation Guide*.

See Also

- ❑ *Setting Up Benefit Categories* for complete information about setting up benefit categories
- ❑ *Setting Up Benefit Plans* for complete information about setting up benefit plans
- ❑ *Setting Up Flex Benefit Plans* for information about awarding credits at the plan level

► To set up a lump sum credit category

From the Benefits Administration Setup menu (G08BB4), choose Categories by Benefit Group.

PeopleSoft®

Group Category	Description	Short Category Description	Seq. Num.	C R	Group Category Rule Description	Category Type	Category
<input checked="" type="checkbox"/> FLEXMED	Flex Medical Benefits	MED	1.00		No rules apply-select any item	0	Not Used
<input type="checkbox"/> FLEXDEN	Flex Dental Benefits	DENT	2.00		No rules apply-select any item	0	Not Used
<input type="checkbox"/> FLEXVIS	Flex Vision Benefits	VIS	3.00		No rules apply-select any item	0	Not Used
<input type="checkbox"/> ERLUMPCRD	Employer Lump Sum Credits		4.00		No rules apply-select any item	1	Employee
<input type="checkbox"/> FLEXEDED	Employee Flex Deductions		5.00		No rules apply-select any item	2	Employee
					No rules apply-select any item		

1. On Work With Benefit Groups, complete the following field with the name of a benefit group that has been set up for flex and click Find:
 - Benefit Group
2. Choose the benefit group and click Select.
3. On Categories By Benefit Group, complete the following fields on a blank row in the detail area:
 - Group Category
 - Seq. Num.
4. Type 1 for employer lump sum credits in the following field and click OK:
 - Category Type

► To set up a lump sum credit plan

From the Benefits Administration Setup menu (G08BB4), choose Plan Master.

1. On Work With Plan Master, click Add.

The screenshot shows the PeopleSoft Plan Master window for the Active Foundation workspace. The window title is "Plan Master". The "General Info" tab is selected. The "Plan ID" field contains "FXERLUMP". In the "General" section, the "Provider/Trustee" field is set to "1001" and "J.D. Edwards & Company". The "Mandatory" checkbox is checked. In the "Enrollment Rules" section, the "Allow Enrollment at Plan Level" checkbox is checked. In the "Spending Account" section, the "Not a Spending Account" radio button is selected.

2. On Plan Master, complete the following field:
 - Plan ID
3. In the unlabeled field following the Plan ID field, type the name of the plan.
4. Enter the address book number of your company in the following field:
 - Provider/Trustee
5. Turn on the following options:
 - Mandatory
 - Flex Plan
6. Turn on the following option:
 - Allow Enrollment at Plan Level

Allow Enrollment at Plan Level must be turned on in order for the flex deduction plan to be included in the self-service workfile build.
7. Click the Calc./Eligibility tab.

The screenshot shows the PeopleSoft Plan Master interface. At the top, there's a toolbar with buttons for OK, Cancel, Form, Tools, and a red X. Below the toolbar, the title bar says "Active Foundation". On the right side of the title bar are links for Personalize, Change Role, and Sign Out. The main area is titled "Plan Master" and has tabs for General Info, Calc.:Eligibility (which is selected), Addl. Info, Cat. Codes, Self-Service, and Premium/Coverage. Under the "Calc.:Eligibility" tab, there are two sections: "Payroll Integration DBA Codes" and "Eligibility". In the "Payroll Integration DBA Codes" section, there are four fields: EE Payroll Deduction (empty), ER Paid Benefit (empty), EE Flex Cost (empty), and ER Flex Credits (containing "7220 ErFlexCredit 40.0000 \$ B"). In the "Eligibility" section, there are three fields: Init Elig Table (containing "NONE No Eligibility Testing"), Cont Elig Table (containing "NONE No Eligibility Testing"), and Prerequisite Plan (empty).

8. Type the lump sum credit benefit or accrual DBA in the following field:
 - ER Flex Credits
9. Complete the following mandatory fields:
 - Init Elig Table
 - Cont Elig Table
10. Click OK

After you set up the lump sum credit category and plan, you must link the plan to the category. See *Linking Plans to Benefit Categories*.

Setting Up Flex Benefit Plans

Every benefit plan or plan option can have one or more of the following associated DBA values:

Employee payroll deduction	The employee payroll deduction DBA calculates the amount associated with selecting a particular benefit plan. If the plan is available at no cost to the employee, this DBA should be left blank. This DBA is normally associated with non-flex plans. The employee payroll deduction DBA is set up as a deduction type DBA.
Employer paid benefit	The employer paid benefit DBA is the cost (or portion of the cost) incurred by the company to provide a particular benefit plan. If the plan incurs no cost for the company, this DBA should be left blank. This DBA can be used for flex or non-flex plans. The employer paid benefit is not displayed on any interactive enrollment forms. It is simply the company cost that is recorded in the G/L and does not affect the enrollment process. The employer paid benefit DBA is set up as a benefit or accrual type DBA.
Employee flex cost	The employee flex cost DBA is the value of the flex credits that an employee must spend in order to select a particular benefit plan. When the benefit group rule indicates that flex plans are offered, the value generated by the employee flex cost DBAs is displayed on interactive enrollment forms and is used to calculate an employee's total flex cost. The employee flex cost DBA is a benefit or accrual type DBA.
Employer flex credits	The employer flex credits DBA is the value of the flex credits given to an employee as a result of selecting a particular benefit plan. Flex credits are sometimes assigned to less expensive benefit plans as an incentive for employees to select those plans. You can use this DBA to award lump sum credits or to award credits at the plan level. When the benefit group rule indicates that flex plans are offered, the value generated by the employer flex credit DBAs is displayed on interactive enrollment forms and is used to calculate an employee's available flex credits. The employer flex credit DBA is a benefit or accrual type DBA.

You set up flex benefit plans in the same way that you set up other benefit plans, except that you click an option on the Plan Master to specify that the plan is a flex plan. If you click this option, you should assign the plan either an employee flex cost DBA or an employer flex credits DBA.

Flex plans are normally set up to use the employee flex cost and employer flex credit DBAs. However, the system lets you enter an employee payroll deduction DBA for flex plans as well. You can also set up a plan to require entry of an amount or rate. When a plan requires an amount or rate entry, the system displays a column for amount or rate entries on self-service forms. How the system applies the amount or rate that is entered depends on which DBAs are assigned to the plan. The following rules apply to amount and rate entries for flex plans:

- For plans with both the employee flex cost DBA and the employee payroll deduction DBA, amount or rate entries are applied to the employee payroll deduction DBA.
- For plans with the employee flex cost DBA only, amount or rate entries are applied to that DBA.
- For non-flex plans, amount or rate entries only apply to the employee payroll deduction DBA.

Caution

On self-service forms, amount or rate entries can never apply to the employer flex credit DBA.

See Also

- ❑ [Setting Up Benefit Plans](#) for complete information about setting up benefit plans

Before You Begin

- ❑ Set up DBAs to represent the employee flex cost that is required in order to participate in the plans or the employer flex credits that are awarded for enrollment in the plans. See *Setting Up Deductions, Benefits, and Accruals* in the *Workforce Management Foundation Guide*.

► To set up a flex benefit plan

From the Benefits Administration Setup menu (G08BB4), choose Plan Master.

1. On Work With Plan Master, click Add.

The screenshot shows the PeopleSoft Plan Master dialog box. At the top, there are buttons for OK, Cancel, Form, and Tools. The Plan ID field contains "FMEDEE+2" and the unlabeled field contains "Medical Flex Ee + 2 or More". The General Info tab is selected. In the General section, the Provider/Trustee is listed as "1001 J.D. Edwards & Company". Under Enrollment Rules, the Enrollment Start Date is set to "Start in the beginning of next". There is a checkbox for "Allow Enrollment at Plan Level" which is checked. In the Dependent/Beneficiary section, there are three radio buttons: "Requires Dependents" (radio button is selected), "Requires Beneficiaries", and "Does not require Dependent/Beneficiary". To the right of these buttons, there are two checkboxes: "Flex Plan Spending Account" (checkbox is selected) and "Not a Spending Account", "Medical Spending Account", and "Non-Medical Spending Account" (radio buttons are unselected).

2. On Plan Master, complete the following field:

- Plan ID

3. In the unlabeled field following the Plan ID field, type the name of the plan.

4. On the General Info tab, complete the following field:

- Provider/Trustee

5. Complete the following optional fields:

- Policy/Reference Number
- Plan Type
- Status Code

6. Turn on the following option:

- Flex Plan

The screenshot shows the PeopleSoft Plan Master application interface. At the top, there's a toolbar with icons for Home, Help, Internet, Training, and a search bar. Below the toolbar, a menu bar has 'Active Foundation' selected. The main window title is 'Plan Master'. A toolbar below the title includes 'OK', 'Cancel', 'Form', 'Tools', and a red 'X' button. The 'Plan ID' field contains 'FMEDEE+2' and the 'Medical Flex Ee + 2 or More' field is empty. Below these fields is a tab bar with 'General Info' (selected), 'Calc./Eligibility' (highlighted in blue), 'Addl. Info', 'Cat. Code', 'Self-Service', and 'Premium/Coverage'. The 'Calc./Eligibility' tab is active, showing the 'Payroll Integration DBA Codes' section with fields for EE Payroll Deduction, ER Paid Benefit, EE Flex Cost (set to 4102), and ER Flex Credits. The 'EE Flex Cost' field has a tooltip 'MedFlexEe+2 25.0000 \$ B'. Below this is the 'Eligibility' section with fields for Init Elig Table (set to NONE) and Cont Elig Table (set to NONE), both with a tooltip 'No Eligibility Testing'. The Prerequisite Plan field is empty.

7. Click the Calc./Eligibility tab and complete any of the following fields:

- ER Paid Benefit
- EE Flex Cost
- ER Flex Credits

8. Complete the following mandatory fields and any other necessary fields, and then click OK:

- Init Elig Table
- Cont Elig Table

COBRA Setup

Before you can use any features of the COBRA administration system, you must verify that settings in the Plan Master program (P08320) are activated for COBRA. Verify that the plans available for COBRA coverage have been checked as COBRA plans on the Plan Master form (W08320A). See *Setting Up Benefit Plans in the Human Resources – Benefits Guide*. Then verify that all DBAs that are used for COBRA administration are checked as Valid for COBRA on the U.S. Legislative/Regulatory form (W059116UB).

When setting up COBRA, you need to define critical information that the system uses for processing. In the COBRA system, you need to set up the following types of information:

- COBRA general constants
- COBRA qualifying event constants
- COBRA qualifying event rules

COBRA legislation allows state, county, and local (city) tax authorities to overrule federal provisions regarding COBRA benefits, as long as the changes represent an increase in the level of benefits that is offered. The COBRA administrative system uses Residential Tax Area information as the basis for benefits. The Residential Tax Area information is a code that identifies a geographical location and the tax authorities for the employee's residence. This code is synonymous with GeoCode.

A GeoCode is a nine-digit code that represents a taxing jurisdiction. All GeoCodes are defined and maintained by Vertex. Each GeoCode has the following format:

XXYYYZZZZ

where

XX = State

YYY = County

ZZZZ = City

When choosing the Residential Tax Area information to use as the basis of calculation for benefits, the system searches first for a match on the city, county, *and* state. If such a match is found, the search ends and the system uses the tax information associated with the designated city as the basis of calculation for benefits. If no match is found, the system then searches for a match on just the county and state, and so on.

After the system establishes a match within the hierarchy of the Residential Tax Area, it begins another search to determine whether the company has increased the level of benefits offered at the company level or the home business unit. The system searches first for a match on both the company and home business unit. If such a match is found, then the system uses the home business unit information to establish the level of benefits. If no match

is found, the system searches for information at the company level only. The system will use the highest level of benefits recorded by searching first through the qualifying event constants and then through the general constants information as a basis of calculation.

For current legislative information regarding COBRA administration, contact your regional or district office of the Pension and Welfare Benefits Administration for the U.S. Department of Labor.

See Also

- Setting Up Tax Information* in the *Workforce Management Foundation Guide* for complete instructions on setting up tax area information
- Assigning GeoCodes to Address Book Records* in the *Procurement Guide* for complete information about the formatting of Vertex GeoCodes

Before You Begin

- If you are an Xe client that has installed Xe Update 6 and implemented the Xe version of COBRA, you will need to run Post Install table conversions to complete the Xe to Xe Version 2 upgrade process for COBRA. See *Post Upgrade for COBRA* in the *Platform Upgrade Guide*, where platform can be AS/400, UNIX, or Windows NT.

Activating Automated COBRA Administration

Before you use the features of the COBRA system, you activate the Use Automated COBRA Administration function. When this function is activated, the system uses information from updated fields in the Employee Master Information table (F060116) to automate behind-the-scenes functions for COBRA administration.

When the Automated COBRA Administration function is activated and changes are made to any of the employee master applications, a test is completed behind the scenes to determine whether the employee or the employee's dependents have qualified for COBRA. If an individual has qualified for COBRA, records are written to the COBRA Qualified Beneficiary File table (F08910) and COBRA Coverage table (F08920). If a subsequent qualifying event is triggered, records are written to the COBRA Subsequent Qualified Event Info. table (F089101).

► To activate automated COBRA administration

From the Compensation Mgmt System Setup menu (G08CM14), choose HRM Common Settings.

1. On Work With HRM Common Display Settings, click Add.
2. On OneWorld System Control - Revisions, type UCR in the Data Item field.
3. Turn on the Yes option to use automated COBRA administration, and click OK.
4. Verify that the Workforce Management options are set up to track employee history. See *Setting Up System Options* in the *Workforce Management Foundation Guide*.

Using COBRA Workflow

When you activate automated COBRA administration, you initiate a workflow process that prompts the administrator to send the COBRA letter. See *Activating Automated COBRA Administration*. The workflow process starts when a qualifying event or subsequent qualifying event is entered and the Employee Master Information table (F060116) and Employee

Master Additional Information File table (F060120) are updated. These tables have table triggers that initiate the workflow process.

The workflow process first searches the COBRA Qualified Beneficiary File table (F08910) and the COBRA Subsequent Qualified Event Info. table (F089101) for a date in the Date Printed field. If the COBRA letter has not been printed, the system sends a workflow message to the COBRA administrator's work center in the Priority Mail queue.

After the COBRA notification message has been sent to the administrator, the workflow process sits idle for one day. When the process resumes, the system again searches the tables for a date in the Date Printed field. If the COBRA letter has not yet been printed, another workflow message is generated and sent to the administrator's supervisor and the workflow process sits idle for another day. This process repeats daily, sending a notification to the next higher supervisor until either the COBRA letter is printed or there are no more supervisors.

See Also

- Messages and Queues* in the *OneWorld Foundation Guide* for more information about workflow messages

Setting Up COBRA General Constants

You set up COBRA general constants to supply default information to fields related to COBRA compliance at the company level. You use COBRA general constants to maintain compliance information, as well as enrollment criteria for qualified participants.

► To set up COBRA general constants

From the Setup menu (G05BCOB1), choose General Constants.

1. On Work With COBRA General Constants, click Add.

PeopleSoft®

Select Workspace: Active Foundation

Active Foundation

General Constants - COBRA General Constants

OK Cancel Form Tools

Company: 00000 J.D. Edwards & Company

Home Business Unit:

Tax Area (Residential):

Effective From: 01/01/02 Effective Thru: 12/31/10

Coverage Information

Regular Employee

Coverage Period: 18 Months

Administrative Fee: 2.00 Admin Fee Method: % Percent

Disabled Employee

Coverage Period: 28 Months

Administrative Fee: 2.00 Admin Fee Method: % Percent

Dependent

Coverage Period: 36 Months

Administrative Fee: 2.00 Admin Fee Method: % Percent

Construct COBRA Coverage: 3 Use both.

2. On COBRA General Constants, complete the following required field:
 - Effective From
3. Complete the following field on the Coverage Information tab for Regular employee coverage information:
 - Admin Fee Method
4. Complete the following fields for Disabled employee coverage information:
 - Coverage Period
 - Administrative Fee
 - Admin Fee Method
5. Complete the following fields for Dependent coverage information:
 - Coverage Period
 - Administrative Fee
 - Admin Fee Method
6. Complete the following required field to specify where the system retrieves information in order to construct COBRA coverage:

- Construct COBRA Coverage

J.D. Edwards recommends using both benefits administration and group plan records to construct COBRA coverage.

The screenshot shows the 'General Constants - COBRA General Constants' dialog box in PeopleSoft. The 'Grace Periods' tab is selected. The dialog contains the following information:

Setting	Value	Unit
Election Period	60	Days
Initial Payment Due	45	Days
Additional Payment Due	30	Days
Mail Notice to Convert	180	Days

- To record constant information relating to the grace period for payment of COBRA premiums, complete the following fields on the Grace Periods tab:

- Election Period
- Initial Payment Due
- Additional Payment Due
- Mail Notice to Convert

PeopleSoft®

Select Workspace: Active Foundation

Active Foundation

General Constants - COBRA General Constants

Company	00000	J.D. Edwards & Company	
Home Business Unit			
Tax Area (Residential)			
Effective From	01/01/02	Effective Thru	12/31/10

Coverage Information | Grace Periods | Other Information

COBRA Document Name	COBRA	COBRA Self-Administration Ltr
HIPAA Document Name	HIPAA	HIPAA Certificate
COBRA Plan Admin. Address	2049	McLind, Rod
COBRA Telephone Number	303-334-4000	
COBRA Additional Information URL	http://www.dol.gov/dol/topic/health-plans/cobra.htm	
<input checked="" type="checkbox"/> Automatic Update after Qualifying Event		

8. To maintain the document name for the company's initial COBRA notification letter and HIPAA letter, complete the following required fields on the Other Information tab:
 - COBRA Document Name
 - HIPAA Document Name
9. Complete the following required fields to record COBRA contact information:
 - COBRA Plan Admin. Address
 - COBRA Telephone Number
 - COBRA Additional Information URL
10. If you want the system to automatically update the COBRA Qualified Beneficiary File table (F08910), the Subsequent Qualified Event Info table (F089101), or both after a qualifying event has occurred, click the following option to turn it on:
 - Automatic Update after Qualifying Event

Turn off this option if you do not want to automatically administer COBRA for a particular group.
11. Click OK.

Setting Up COBRA Qualifying Event Constants

You set up COBRA qualifying event constants to supply default information to fields related to COBRA compliance at the company level. You use the Cobra qualifying event constants to maintain qualifying event constant information for employees and beneficiaries enrolled in COBRA.

Before You Begin

- ❑ Verify that you have set up a qualifying event constant for dependent child in the Qualifying Event Constants program (P08991). The constant that you set up must define coverage periods, and the Send COBRA letter to Employee option should not be turned on.

► To set up COBRA qualifying event constants

From the Setup menu (G05BCOB1), choose Qualifying Event Constants.

1. On Work With Qualifying Event Constants, click Add:

The screenshot shows the PeopleSoft Qualifying Event Constants dialog box. At the top, there are buttons for OK, Cancel, Form, Tools, and a red X. Below these are fields for Qualifying Event (TM) and Company (00000), both labeled 'Termination of Employment'. There are also fields for Home Business Unit and Tax Area (Res.). The Effective From date is 01/01/02 and the Effective Through date is 12/31/10. The 'Coverage Information' tab is selected, showing three sections: Regular Employee, Disabled Employee, and Dependent. Each section has fields for Coverage Period (18 months), Administrative Fee (2.00), Admin Fee Method (%), and Percent.

2. On Qualifying Event Constants, complete the following fields on the Coverage Information tab for Regular Employees:

- Regular Coverage Period
- Regular Administrative Fee
- Regular Admin. Fee Method

3. Complete the following fields for Disabled Employees:

- Disabled Coverage Period
- Disabled Administration Fee
- Disabled Admin. Fee Method

4. Complete the following fields for Dependent coverage information:

- Coverage Period
- Dependent Administrative Fee
- Dependent Admin Fee Method

The screenshot shows a PeopleSoft application window titled "Qualifying Event Constants - Qualifying Event Constants". The window has a toolbar with "OK", "Cancel", "Form", "Tools", and a red "X" button. Below the toolbar, there are several input fields:

- Qualifying Event: TM (Termination of Employment)
- Company: 00000 (J.D. Edwards & Company)
- Home Business Unit: (empty)
- Tax Area (Res.): (empty)
- Effective From: 01/01/02
- Effective Through: 12/31/10

Below these fields, there are two tabs: "Coverage Information" and "Grace Periods". The "Grace Periods" tab is selected, showing:

- Election Period: 60 Days
- Initial Payment Due: 45 Days
- A checked checkbox labeled "Send COBRA Letter To Employee"

5. Complete the following fields on the Grace Periods tab:

- Election Period
- Initial Payment

You use this information to automatically calculate the due dates for the COBRA election period and initial payment.

6. If you want to send the COBRA letter to the employee after a qualifying event has occurred, click the following option to turn it on:

- Send COBRA Letter To Employee

You disable this option for some qualifying events. For example, in the event of the employee's death, you would not want to mail the COBRA letter to the employee. In the event of divorce, you would want to mail the COBRA letter to the employee's spouse rather than the employee. The Send COBRA Letter To Employee option is also turned off for Dependent Coming of Age and Medicare.

7. Click OK.
8. Repeat steps 2 through 7 for all Qualifying Event codes.

Setting Up COBRA Qualifying Event Rules

After you have set up constants, you set up COBRA qualifying event rules to link changes within an employee's personal data to COBRA qualifying events. The system reads the qualifying event rules to determine whether any changes in the employee record constitute a COBRA qualifying event. You need to set up qualifying event rules when using automated COBRA administration. The following COBRA qualifying events can be automated by setting up qualifying event rules:

- Death
- Divorce or legal separation
- Termination of employment
- Work hour reduction

When you make changes to related fields in the Employee Master Information table (F060116) and you have set up Qualifying Event Rules, the following tables are updated in the COBRA system:

- F08910 - COBRA Qualified Beneficiary File
- F08920 - COBRA Coverage
- F089101 - COBRA Subsequent Qualified Event Info

If you want to track employee eligibility for Medicare, you can set up an Employee Master category code to identify Medicare employees. You must then set up an event rule for that category code that triggers a qualified event if the employee goes on Medicare. When setting up the event constant for Medicare, the Send COBRA Letter To Employee option is turned off.

► **To set up COBRA qualifying event rules**

On the Setup menu (G05BCOB1), choose Qualifying Event Rules.

1. On Work With COBRA Qualifying Event Rules, click Add:

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2. On COBRA Qualifying Event Rules Revisions, complete the following required fields:
 - Qualifying Event
 - Type Of Information
 - Company
 - Effective From
3. Complete the following fields as desired:
 - Business Unit
 - Tax Area (Res.)
 - Effective Thru
4. To add or edit the qualifying event rule associated with a qualifying event, complete the following fields as necessary, and then click OK:
 - Line Number
 - And /Or
 - Based On Data Item
 - Evaluation Operator

- Value
5. Repeat steps 1 through 4 for each qualifying event code.

Note

For each qualifying event code except divorce, you complete the Type Of Information field with an E. The E specifies information that is used to create a rule that tests data item columns in the Employee Master Information table (F060116). For divorce, you complete the Type Of Information field with an O. The O specifies information that is used to create a rule that tests data item columns in the Employee Master Additional Information File table (F060120). Specifically, in the event of divorce, the type of information needed is marital status, which is stored in the Employee Master Additional Information File table.

UDC 06/MS does not have a value for divorce. You can set up a new UDC value for divorce in this table, or you can attach a new UDC table for marital status (data item MSA).

Setting Up COBRA Plan Premium Amounts

Before you can enroll employees in COBRA, you must set up the benefit plans that your company offers and assign the DBAs that integrate the benefit plan with the Payroll system. See *Setting Up Benefit Plans* in the *Human Resources – Benefits Guide*. You can set up COBRA plan premium amounts for benefit plans without options, benefit plans with options, or unions.

Before You Begin

- Set up the benefit plans that your company offers and assign the DBAs that integrate the benefit plan with the Payroll system. See *Setting Up Benefit Plans* in the *Human Resources – Benefits Guide*.

Calculating COBRA Plan Premium Amounts for Benefit Plans without Options

You set up COBRA plan premium amounts in the Plan Master program (P08320). The premium amounts that you set up on the Calc./Eligibility tab of form W08320A are used to calculate the COBRA plan premium displayed in the COBRA Coverage Review program (P08922) and the Coverage Selection program (P08921). COBRA plan premiums for benefit plans without options are calculated in one of the following three ways:

1. If a DBA is in the EE Payroll Deduction field, place your cursor in this field and choose Plan Rates from the Form menu. On Plan Master Rates Window, complete the Type field with a C (indicating COBRA), and then complete the amount and date fields in the detail area.

Note

When writing COBRA Coverage records, if the system finds a COBRA Plan Premium Amount for the EE Payroll Deduction field, that amount and only that amount is used in the calculation. If other COBRA amounts are set up for the remaining DBAs on the Plan Master form (W08320A), these amounts will be disregarded.

2. If the system does not find a COBRA amount for the EE Payroll Deduction field as described above, the system will look for COBRA amounts on the other DBAs. You can set up COBRA amounts for the ER Paid Benefit, EE Flex Cost, and ER Flex Credits. COBRA amounts are set up for these fields in the same manner that a COBRA amount is set up for the EE Payroll Deduction.
-

Note

The COBRA amounts for the ER Paid Benefit, EE Flex Cost, and EE Flex Credits fields are summed up. If no COBRA amount has been set up for a particular field, the system does not use that field in the calculation.

3. If no valid COBRA amounts exist for the EE Payroll Deduction, ER Paid Benefit, EE Flex Cost, and ER Flex Credits fields, the system sums up the regular benefit DBA calculations.

Calculating COBRA Plan Premium Amounts for Benefit Plans with Options

The calculations for benefit plans with options are similar to the calculations for benefit plans without options. A plan with options also uses the option rule fields in the Plan Master Options program (P083202). COBRA plan premiums for benefit plans with options are calculated in one of the following three ways:

1. If a DBA is in the EE Payroll Deduction field on the Plan Master form (W083203A), or a DBA in the Payroll Ded DBA column field on the Plan Master Options form (W083202A), you can place your cursor in the field and choose Plan Rates from the Row menu. On the Plan Master Rates Window, complete the Type field with a C (indicating COBRA), and then complete the amount and date fields in the detail area. The COBRA plan premium amount that is calculated is based on the Payroll Ded – Option Rule column and whether the user set up a COBRA amount.

For example, if the option rule is 1, the system looks for a COBRA amount set up for the plan in the EE Payroll Deduction field. If the option rule is 3, the system looks for a COBRA amount set up for the option in the Payroll Ded DBA column. If the option rule is 2, the system looks for a COBRA amount for either field. If a COBRA amount is found, the system sums up the amounts for the DBA fields.

Note

If the option rule is 2 and a COBRA amount is set up for only one of the DBAs, the system will add that COBRA amount to the regular benefit DBA calculations of the other DBA.

2. If the system does not find a COBRA amount for the EE Payroll Deduction field or the Payroll Ded DBA column field as described above, the system will look for COBRA amounts on the other DBAs.

Note

Option rules play an important role in calculating the COBRA amount. Based on the option rules and the corresponding DBA fields, valid COBRA amounts are summed. If no COBRA amount is found for a particular field and a particular option rule, the system will not use the field in the calculation.

3. If no COBRA amounts are found for any of the DBA fields, the system will sum the regular benefit DBA calculation for each set of DBAs.

► To set up COBRA plan premium amounts for unions

From the Pay/Deductions/Benefits Setup menu (6G05BD4), choose Group Plan DBA Setup.

1. On Work With Group Plan DBA Setup, click Find.
2. Choose the desired record and then choose COBRA Override Rate from the Row menu.
3. On COBRA Union DBA Override Rates, complete the following field and click OK:
 - Amount or Rate

Setting Up Nondiscrimination Testing

Before you can use the features of your Nondiscrimination Testing system, you need to define the critical information that the system uses for processing. You set up this information to meet the specific needs of your organization.

Setting Up Test Name Codes for Nondiscrimination Testing

You use test name codes (08/TN) to name the various nondiscrimination tests. Each test uses a different set of rules to segregate groupings of key and non-key employees.

See Also

- User Defined Codes* in the *OneWorld Foundation Guide* for complete instructions on setting up user defined codes

Setting Up Compensation/Contribution PDBA Tables

You set up compensation/contribution PDBA table names (08/TU - DBA Pay Type Tables) that use compensation/contribution PDBAs. The table names allow you to define ranges of pay types, deductions, benefits, and accruals that govern employee compensation and both employee and employer contributions. You use these tables and the associated PDBAs to determine employee compensation, ranking, and Average Contribution Percentage (ACP), as well as to determine the employer contribution, ranking, and Average Deferral Percentage (ADP).

See Also

- ❑ *User Defined Codes* in the *OneWorld Foundation Guide* for complete instructions on setting up user defined codes

Setting Up Test Category Codes for Nondiscrimination Testing

You use test category codes (08/EC - Nondiscrimination Test Codes) to review category codes from the Employee Master Information table (F060116) that relate to nondiscrimination testing. You can change the descriptions associated with the codes, but not the codes themselves.

See Also

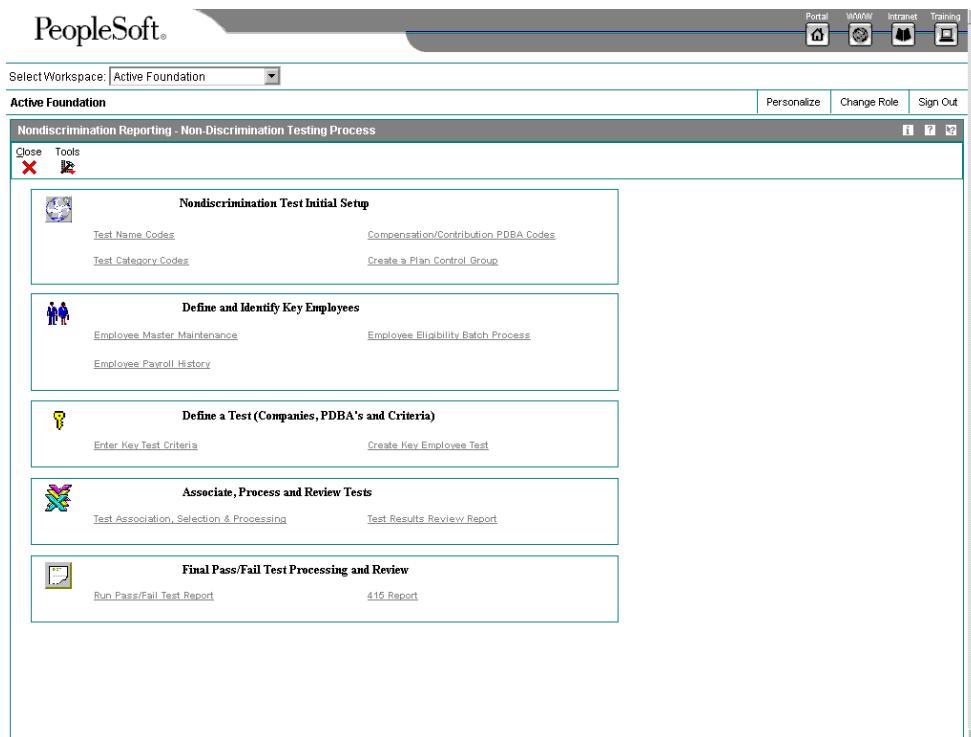
- ❑ *User Defined Codes* in the *OneWorld Foundation Guide* for complete instructions on setting up user defined codes

Creating a Plan Control Group

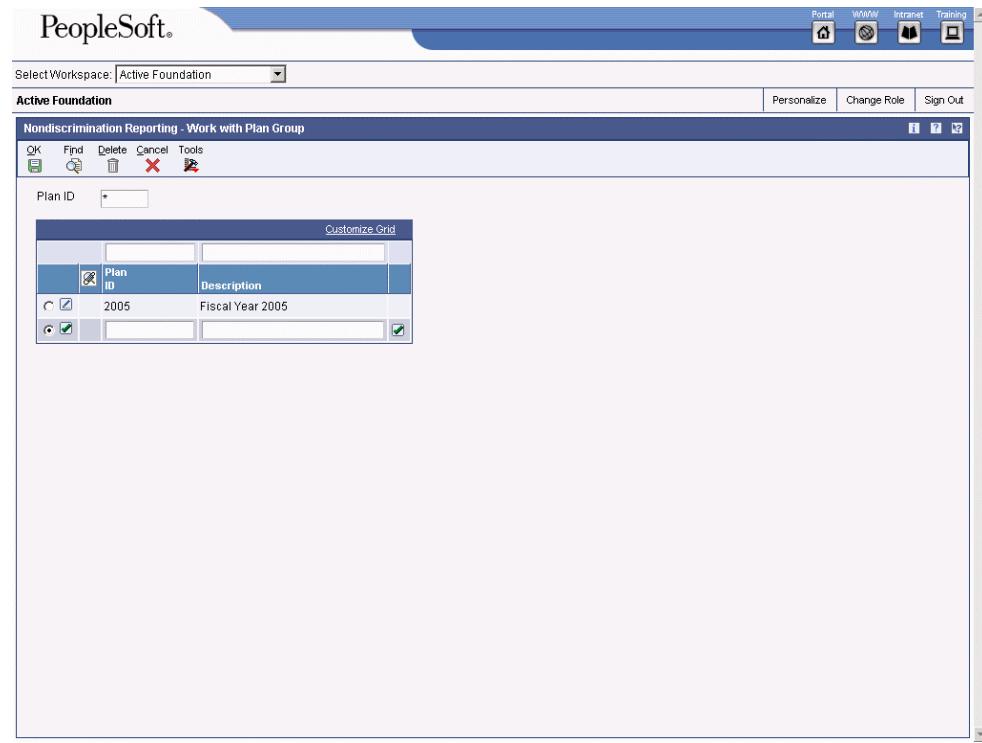
You create a plan control group to track the nondiscrimination tests that you complete as a group, typically by year. You can track the tests by calendar year or fiscal year.

► To create a plan control group

From the Government Reporting menu (G05BG), choose Nondiscrimination Reporting.



1. On Non-Discrimination Testing Process, choose Create a Plan Control Group from the Nondiscrimination Test Initial Setup section.



2. On Work with Plan Group, complete the following fields and click OK:

- Plan ID
- Description