



Office of the State Comptroller
PAYROLL BULLETIN

Subject WC DIS LV - Health Insurance Adjustments	Bulletin No. P-739
	Date August 21, 1992

Effective July 1, 1992 the Workers' Compensation Statutory Program was negotiated for State/CSEA and State/DC-37 employees (Negotiating Units 02, 03, 04, 47 and 67). Under this program (Workers' Compensation Disability Leave Without Pay), affected employees remain covered by State Health Insurance for a period of time not to exceed twelve months. They remain responsible for payment of the employee share of the health insurance premium, although payment is deferred until they are either reinstated to the payroll or separated from service.

The Department of Civil Service, Employee Benefits Division will initiate recovery of any outstanding health insurance adjustment for employees returning to the payroll. However, if an employee does not return to the payroll from the Workers' Compensation Disability Leave and instead separates from State service, Civil Service is unable to recover the adjustment. OSC has agreed to assist Civil Service in monitoring employees on WC DIS LV so that all or part of the adjustment may be recovered from any lump sum or SALARY LSP which may be due.

Agencies will be required to notify the Employee Benefits Division in the Department of Civil Service as soon as they become aware that any employee who is retaining health insurance coverage while on WC DIS LV will be separated (see Civil Service Memorandum NY92-93). Employee Benefits will calculate the retroactive payment due. They will provide the agency with the appropriate Plan Code, normal deduction amount and adjustment amount. (The normal deduction amount plus the adjustment should equal the total amount due.) The agency will be required to complete an AC-1040 using the information provided by Civil Service and forward it to OSC as an addition (under separate cover) in the same period in which the lump sum and/or SALARY LSP is submitted. The information should be entered in Section 3 - Insurances on the AC-1040.

Code 317 should be entered in a "Code" Block with the 8-digit Plan Code in a corresponding "Amount" Block.

The appropriate Code 301 (Taxable Health Insurance normal) or 320 (Non-Taxable Health Insurance normal) should be entered in a "Code" Block with the normal deduction amount in the corresponding "Amount" Block.

The adjustment should be reported by entering the appropriate Code 302 (Taxable Health Insurance adjustment) or Code 322 (Non-Taxable Health Insurance adjustment) in a "Code" Block with the adjustment amount in a corresponding "Amount" Block. (The normal deduction amount plus this adjustment amount should equal the total amount due.)

To designate the number of periods in which the adjustment will be recovered enter Code 303 in a "Code" Block. In a corresponding "Amount" Block enter "1", since the total adjustment is to be liquidated in one period. (See Payroll Manual - Chapter D, Section 4, page 18-19.) OSC will assign a reference number.

Any questions regarding Health Insurance adjustments for employees on WC DIS LV should be directed to the Department of Civil Service, Employee Benefits Division at (518) 457-6331.