



# Office of the State Comptroller

## PAYROLL BULLETIN

<b>Subject</b> Agency Reporting Requirements for CSEA and PEF Benefit Fund Coverage.	<b>Bulletin No.</b> P-393
	<b>Date</b> May 9, 1984

The agency reporting requirements for the CSEA and PEF Benefit Funds have been changed.

An employee is eligible for full coverage in the CSEA or PEF Benefit Funds if he or she is eligible for health insurance coverage with the State and employment is expected to exceed six months. An employee whose employment is not expected to exceed six months or who is ineligible for health insurance is not eligible for Benefit Fund coverage.

The Office of the State Comptroller will automatically enroll all full or part-time annual-salaried employees who have health insurance coverage unless the agency reports them as ineligible for coverage because employment will not last six months. The agency must continue to report eligibility for all other employees.

The chart below identifies reporting requirements for Benefit Fund coverage.

Full or Part-Time, Pay Basis Code = ANN, 8AN, 10M or CAL

<u>Health Ins. Status</u>	<u>Employment Status</u>	<u>Benefit Fund Eligibility</u>	<u>Agency Action Required</u>
Has Health Ins.	To exceed 6 months	Automatically enrolled by OSC	None
Eligible, but does not have Ins.	To exceed 6 months	Eligible for coverage	Code 430 With "1"
Has Health Ins.	Not to exceed 6 months	Not eligible	Code 430 With "2"
Eligible, but does not have Ins.	Not to exceed 6 months	Not eligible	None
Ineligible for Insurance		Not eligible	None

Pay Basis Code = HRY, DLY or BIW

<u>Health Ins. Status</u>	<u>Employment Status</u>	<u>Benefit Fund Eligibility</u>	<u>Agency Action Required</u>
Has Health Ins.	*	Automatically enrolled by OSC	None
Eligible, but does not have Ins.	*	Eligible for coverage	Code 430 With "1"
Ineligible for Health Ins.	*	Not eligible	None

NOTE: For HRY, DLY and BIW pay basis codes, employment must be expected to continue for a year in order for an employee to be eligible for health insurance. Therefore, all HRY, DLY and BIW employees who are eligible for health insurance are eligible for Benefit Fund coverage.

When agency action is required, enter code 430 in a "Code" Block and the appropriate entry - "1" or "2" in the "Amount" Block. When Code 430 has been reported, it will appear in the Miscellaneous Deduction Column of the payroll register, and the corresponding code will appear in the amount column as "1" or "2". Code 430 will not appear on the register for employees who are automatically enrolled for full Benefit Fund coverage by OSC.

If an employee's health insurance or employment status changes such that eligibility for Benefit Fund coverage is affected, an AC-1040 must be submitted to change eligibility status or cancel Code 430.

For example:

1. An employee in NU 05 had health insurance and employment was not expected to exceed six months - Code 430 with "2" was reported and is printed on the salary register in the Miscellaneous Deduction Column indicating the employee is ineligible. Employment is now expected to exceed six months. Submit an AC-1040 to cancel the Benefit Fund Code with 430 in "Code" Block and "0" in an "Amount" Block. OSC will then automatically enroll the employee for Benefit Fund coverage.
2. An hourly employee in NU 02 did not have health insurance, but was eligible. Code 430 with "1" was reported, and "1" is printed on the salary register in the Miscellaneous Deduction Column indicating the employee was eligible for full coverage. The employee now has health insurance. Submit an AC-1040 to cancel Code 430 as described above. OSC will automatically enroll the employee for full Benefit Fund coverage.

If the employee changes negotiating unit to one represented by another union, Code 430 will be dropped automatically and will be reported on the PAL-5 Payroll Production Control Listing.