



March 12, 2010

**Payroll Letter 943**  
Supersedes Payroll Letter 938  
(Makeups, Rate Adjustments and Coverage Rules ONLY)

To: Agency HR Specialists, Payroll Specialists, Budget Specialists, Benefits Specialists, Labor Relations Specialists, and Regulatory Requirements Specialists of All Departments, Institutions, Boards and Commissions

From: Janet M. Wampler, HCM State Payroll Manager

Subject: Health Care Coverage Rules, Makeups and Rate Adjustments

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## HEALTH CARE DEDUCTIONS AND COVERAGE RULES

Effective PPE 07/04/09 (payday 07/11/09), employees began having the same deduction amount taken each pay period for health insurance premiums, based on health care plan (e.g. Ohio Med) and type of coverage (e.g. single). The annual deduction amount is divided equally over the number of pay periods during any given fiscal year (e.g. 26 or 27).

Also, as of PPE 07/04/09, employees began paying for current health care coverage, instead of paying in advance.

During F.Y. 2011 rates for Open Enrollment shall go into effect with the pay period PRIOR to the OAKS Benefits "Event Date" of July 1<sup>st</sup> (i.e. PPE 06/19/10, payday 07/02/10), in order to make the rate change effective for the entire Fiscal Year period.

The following explains the rules for determining the last date of coverage for an employee who separates (i.e. resigns, is terminated, retires, etc.) State service:

- Employees who were enrolled in active health care coverage **during June, 2009** and are enrolled at the time of the separation \* shall have health care coverage through the end of the month following their "effective date" of separation entered into OAKS.
  - \* If the employee chooses to voluntarily drop his/her State coverage prior to separation, he/she will forfeit the additional month of coverage and no refund will be made.
- Employees who were enrolled in health care coverage **effective July 1, 2009 or after**, and therefore were **NOT** enrolled in health care coverage during June, 2009, shall only have health care coverage through the end of the month of their "effective date" of separation entered into OAKS.

- Refunds will not be issued for any type of separation or for the voluntary dropping of coverage by an employee.

### HEALTH CARE END DATE OF COVERAGE UPON SEPARATION

Last Day Worked (e.g. "Termination Date" in OAKS Job Data)	Health Care Coverage End Date	
	EEs w/Active Coverage DURING June 2009	EEs w/Active Coverage July 1, 2009 or AFTER
July 01 - 31	August 31	July 31
August 01 - 31	September 30	August 31
September 01 - 30	October 31	September 30
October 01 - 31	November 30	October 31
November 01 - 30	December 31	November 30
December 01 - 31	January 31	December 31
January 01 - 31	February 28/29	January 31
February 01 - 28/29	March 31	February 28/29
March 01 - 31	April 30	March 31
April 01 - 30	May 31	April 30
May 01 - 31	June 30	May 31
June 01 - 30	July 31	June 30

### HEALTH CARE MAKE-UPS

The OAKS system will automatically calculate and apply make-ups. DAS Central Benefits will contact agencies regarding the need for manual makeups. The "Benefits Make-Up Form" will be utilized to process all health insurance manual make-ups that do not occur automatically.

### HEALTH CARE RATE ADJUSTMENTS

OAKS will automatically calculate and apply required adjustments to health care premiums (e.g. an employee was erroneously enrolled in a health care plan that was more expensive than the one they actually chose and therefore too much money was deducted).

### HEALTH CARE REFUNDS

Refunds, via check, will no longer be issued unless an extenuating circumstance exists, as determined by DAS Benefits Administration. If DAS Benefits Administration determines there is an extenuating circumstance, the Agency will be responsible for completing a "Benefits Refund Form."