

Click here for the November 20 PPA Agenda: [PPA Agenda November 20, 2009](#)

Steve Nielson, OFM, opened the meeting. Thank you, Department of Agriculture, for collating the handouts.

1. **PEBB Employee Eligibility Project and Appeals Process**

Steve Norsen, Health Care Authority presented information on

- **Employee Eligibility Implementation**

With the new year will come the implementation of HB 2245, clarifying PEBB eligibility. The legislation changed the law, resulted in new WACs and policies, and inspired a new approach to support you in making accurate and consistent decisions regarding the eligibility of your employees.

Our new approach includes the development of tools and worksheets to help you in your day-to-day determination of eligibility. We will post the tools and worksheets on the web and alert you via listserv during the first week in December. Here's a preview.

The Pers/Pay website will prominently identify a link to the "*Eligibility Tools and Worksheets.*" Once you click on that, you'll get some help deciding which worksheet to use.

When you click on the appropriate worksheet, it'll be displayed. You may then fill it out on line or print it and fill it out by hand. Here's what the worksheet will do for you:

1. Draw you through the new criteria with "yes" and "no" answers taking you to an accurate decision regarding eligibility for the employer contribution for benefits.
2. Bring you into compliance with all of the other requirements of law and WAC related to eligibility decision making including:
 - a. Providing all of the required notice and information for the employee.
 - b. Acquiring the employee's signature confirming receipt of that notice and info.
3. Remind you and the employee about additional actions that must occur (e.g., automatically entered due dates for various enrollment forms).
4. Alert you and the employee to options that may exist (e.g., coverage options when on leave).

Once you have completed the worksheet, you can print it for signature and filing or save it electronically.

These changes may very well require coordination within your organization to ensure that workflow, paperwork, etc. all continue to function as desired. I encourage you to share this message with anyone in your organization that you believe could be impacted or who might want to begin developing plans for implementation.

Stand by for more information the first week of December.

· **PEBB Appeals Process Review**

1. PEBB initiated new procedures about a year ago for employee appeals of PEBB eligibility and enrollment decisions.
2. New rules require appeals to be heard first at the employer level and then sent to PEBB if the employee wishes to appeal further.
3. Appeal decisions are to be written up and copied to PEBB.
4. Two concerns have developed:
 - a. Some agencies feel that PEBB requires them to hear appeals for which they don't have the authority to make changes.
 - b. PEBB is concerned that they receive very few appeal write-ups.
5. PEBB offered the following reminders re: decisions and appeals:
 - a. All eligibility and enrollment decisions, including decisions at appeal, must comply with law, rule, and PEBB policy. None of us can give employees or dependents benefits for which they are not qualified – at the point of initial decisions or appeals.
 - b. Employer authority to make decisions on appeal is limited to situations where you have delayed an action in error or made an error of interpretation of law, WAC, or policy.
 - c. The PEBB appeal process is described in detail on the web at <http://www.perspay.hca.wa.gov/appeals.html>.
6. PEBB asked the group if they were aware of appeals occurring at the employer level and if the Employer Decision Notices (the appeal paperwork) was being completed.
7. PEBB also invited comments on the process to steve.norsen@hca.wa.gov.

2. 2009 Year End Payroll Processing

Steve Nielson and Steve Ketelsen (OFM), Shawn Myers (OST), and Kelly Welsh (DOP) presented information on 2009 Year-End Payroll Processing.

[OFM Year-End Information 2009](#)
[Reconciliation of Federal Taxes Deposited via EFTPS](#)
[PAYROLL YEAR-END FORMS 941/941-X and W-2/W-2c BALANCING](#)
[Collecting a 2009 Overpayment in 2010](#)
[Collecting a 2009 \(or prior\) Overpayment in 2010](#)
[Wages Subject to FIT, OASI, Medicare](#)

[EFTPS \(Electronic Federal Tax Payment System\)](#) instructions for tax deposits not generated through HRMS

[EFT JV Sample](#)

[Year-End Payroll Processing - HRMS](#)

Questions and Answers for Year-End Processing:

<p>Q: What if an employee doesn't want to change their W-4? <i>(Regarding "Per the IRS, remind employees to file an amended W-4 if their filing status, allowances, or exempt status has changed since the last time they filed a W-4. Do this by December 1.")</i></p>
<p>A: It is not the agency's job to police this, and you can't force them. However, if their W-4 is invalid, you can either withhold at the single/zero rate or use an earlier valid form you might have for them.</p>
<p>Q: How far back can you use a 941-X?</p>
<p>A: 941-C is not to be used under any circumstance, no matter how far back the adjustment is made. Use the 941-X form from now on.</p>
<p>Q: An agency received a gender mismatch for an employee in the SSN Verification Report from DOP/ISD, but when they contacted the IRS, the IRS said they no longer care about gender mismatches. Does DOP know this?</p>
<p>A: (From the SSA): "We ask for date of birth and gender with the SSN verification request so that we get a higher confidence result. These are optional entries. However, since the date of birth and gender are not submitted on a W2, and the W2 is the only source of an IRS mismatch penalty, an employer would never see a W2 penalty for having an incorrect employee date of birth or gender recorded.</p> <p>At the same time, if the SSN verification response indicates that the date of birth or gender submitted disagree with SSA's records, it would be prudent to notify the employee so that they can correct the information with the employer or SSA. From the SSA side, this is an issue that would need to be resolved at the time the individual applied for a Social Security benefit and it is almost always easier to take care of the matter sooner, rather than later."</p> <p>Tim Beard Employer Services Liaison Officer Social Security Administration Seattle, WA 206 615-2125</p>
<p>Q: What is the limit for releasing payments owing to a deceased employee?</p>
<p>A: By law, agencies are allowed to release up to \$11,500 of payments for a deceased employee to a qualified recipient (spouse, child, or parent) without going through probate, unless the employee had a Community Property Agreement, in which case they could release all payments. There are other rules as well.</p>

Q: Is that gross or net?
A: Net. SAAM 25.30.70(c) discusses amounts owed to deceased employees. The entire gross amount is rarely due to the estate in any case, because of taxes and other deductions already authorized by the deceased. Amounts due to decedents' estates are derived from the liability created when the warrant is cancelled. Again, this is net pay.
Q: What if we need to pull a W-2 for an employee? <i>(Regarding distribution of W-2s to employees)</i>
A: If it is absolutely necessary to have a W-2 pulled (and not mailed directly to the employee by Consolidated Mail), contact Amy at CMS with a list by January 5, and they will pull them.
Q: What if the employee does not give us written certification that they will not claim EE OASI and Medicare on an overpayment?
A: We cannot collect. Only claim the ER portion. OFM is getting clarification from IRS on the process for a partial claim. <i>(Regarding recovery of employee portion of OASI and Medicare.)</i>
Q: We had something weird happen to an employee's taxes when the employee has reached the 2009 OASI cap of \$106,800. What do we do?
A: If you have an overpayment issue on a highly compensated employee, please contact OFM Statewide Accounting and the DOP Service Center to get assistance with the proper reporting. <i>(Regarding highly compensated employees and overpayments.)</i>

Additional information – *this information was **not** presented at the November PPA Meeting, but is provided by DSHS as a resource for any agency who might find it helpful. DSHS uses this "Calendar and Fiscal Year Close Schedule" as a tool and reminder to review/perform certain functions on or by certain dates. Shared with the permission of DSHS, you may choose to Save this document and insert or delete your own triggers based on your agency's business practices. Thank you, DSHS, for sharing this comprehensive resource!*

[DSHS Calendar and Fiscal Year Close Schedule](#)

There is no PPA meeting in December. The next PPA Meeting will be January 27, 2010.