



PERSonnel UPDATES

Newsletter for Authorized Agents

NDPERS Board of Trustees Changes

July 2017

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Adam M. Miller Elected to the Board



Adam Miller was elected to a five-year term on the NDPERS Board. His term is effective July 1, 2017, and ends June 30, 2022. Adam is currently an Environmental Scientist with the North Dakota Department of Health. The NDPERS Board and staff welcome Adam as the newest member.

To view current Board of Trustees, visit our website at <https://ndpers.nd.gov/about/board/ndpers-board-of-trustees/>. The following is a recap of the election results.

	Votes
Adam M. Miller	995
Deon Vilhauer	663
Invalid	9
Write-ins	9
Received after deadline	120
Total votes received	1,796

Thank you Mike!

Mike Sandal concluded his term on the NDPERS Board in June 2017. Mike served as an active representative for 10 years. The NDPERS Board and staff extend their appreciation to Mike for his contribution and dedication during his time on the Board.



Upcoming Events – Fargo, Dickinson, Bismarck

Employees – Financial Essentials Workshop (FEW)

Fargo	Tuesday, September 5, 2017	Registration is available.
Dickinson	Tuesday, October 10, 2017	Registration is available.
Bismarck	Wednesday, November 1, 2017	Registration is not available.

Employees – Pre-Retirement Education Program (PREP)

Fargo	Wednesday, September 6, 2017	Registration is available.
Dickinson	Wednesday, October 11, 2017	Registration is available.

Retirement Plan Updates

Law Enforcement Retirement Plan Rebranded as Public Safety Retirement Plan

Effective August 1, 2017, with the passing of House Bill (HB) 1148, firefighters employed by participating political subdivisions will now be eligible to enroll in the Public Safety Retirement Plan previously known as Law Enforcement (LE) Retirement Plan. This does not include firefighter employees of the North Dakota National Guard.

Each agency must complete certain steps to allow firefighters to enroll in this retirement program including submitting a Board Resolution with approved NDPERS language to our offices. After a Board Resolution is received at the NDPERS office, an Employer Participation Agreement will be provided. Agencies that are not participating in NDPERS plans will need to complete an [Eligibility Assessment Questionnaire](#) before enrollment process begins.

To access a **detailed description of the steps to enroll**, visit the [Public Safety Retirement Plan](#) information under the Employer/Join NDPERS Plans section.

For Your Employees

Any members currently enrolled in the *Law Enforcement Retirement Plan* will now see *Public Safety Retirement Plan* under NDPERS Plan in PERSLink Member Self Service (MSS) as part of this rebrand.

NDPERS Retirement Benefit Options Factors

Employer: *This is informational only. No action is required.*

NDPERS members with a retirement effective date of October 1, 2017 or later will be subject to updated factors when determining their monthly retirement benefit. These updated retirement benefit option factors do not apply to future NDPERS retirees who elect the Single Life option (referred to as the Normal Retirement option for those in the Highway Patrol and Judges Retirement plans).

If the employee's retirement effective date is October 1, 2017 or later, you may direct your employee to view the percent change in their estimated monthly retirement benefit amount online, at <https://ndpers.nd.gov/retirement-benefit-changes>.

Note that the retirement benefit options your employees can choose at the time of retirement remain the same.

Main & Law Enforcement

- Single Life
- 50% Joint and Survivor *(if married)*
- 100% Joint and Survivor *(if married)*
- 10-year Term Certain
- 20-Year Term Certain

Highway Patrol & Judges

- Normal Retirement
- 100% Joint and Survivor *(if married)*
- 10-Year Term Certain
- 20-year Term Certain

Any one of these options is payable to the member for as long as the member lives. Depending on which option the member chooses, your beneficiary may also receive an ongoing monthly retirement benefit in the event of your death.

If your effective date of retirement is before October 1, 2017, this upcoming change does not apply to you.

Defined Contribution (DC) Changes to Eligibility Effective August 1, 2017

Effective August 1, 2017, the eligibility requirements to participate in the DC plan change as follows:

To be eligible to enroll in the DC plan an employee must be in a new permanent non-classified state permanent position that is regularly funded and not of limited duration, working a minimum of 20 hours per week for 20 or more weeks of the year, and is at least at 18 years of age.

Employees who do not meet the above eligibility requirements but enrolled in the DC plan during the special window (October 1, 2013 through June 30, 2017) are not impacted by this change.

Group Health Insurance

Employer Based Wellness Program Deadlines

The Employer Based Wellness Program Year-End Program/Activity Confirmation SFN 58437 should be completed by wellness coordinators to report back to NDPERS regarding the recent plan year activities. The form should reflect completion of all wellness activities from July 1, 2016 to June 30, 2017. Coordinators should submit this form to NDPERS if not already done as soon as possible. If you have any questions on the employer based wellness program, please contact Rebecca Fricke at (701) 328-3978 or rfricke@nd.gov.

Required ACA Health Insurance Marketplace Notice Reminder

As a reminder, the Affordable Care Act (ACA) required employers to provide a Notice of Coverage Options to current employees (both permanent and temporary employees) by October 1, 2013. The Act also specified employers must provide this notice on an on-going basis to new hires within the first 2 weeks of employment. It is the employer's responsibility to distribute the notice.

The sample template prepared by NDPERS can be found on our website under Employer ACA information (<https://ndpers.nd.gov/image/cache/notice-of-coverage-options.pdf>).

Delta Dental Renewed

The NDPERS Board has renewed the dental contract with Delta Dental of Minnesota for the upcoming calendar year. The renewal is premium neutral for a 12-month period from January 1, 2018 through December 31, 2018. Rates through this period will remain as follows:

Emp Only \$ 38.64
Emp + Spouse \$ 74.58
Emp + Child(ren) \$ 86.58
Emp + Family \$123.30

Superior Vision Awarded Vision Contract

The NDPERS Board has awarded the vision contract with Superior Vision for the upcoming contract period. Superior Vision offered reduced premiums effective January 1, 2018 as part of this award. The new premiums as of this date will be:

Emp Only \$6.57
Emp + Spouse \$13.15
Emp + Child(ren) \$11.98
Emp + Family \$18.55

Enhanced Life Insurance Coverage

Effective August 1, 2017, the employer-paid basic life insurance coverage will be enhanced for all eligible members enrolled in the NDPERS Life Insurance plan through Voya Financial. The basic life coverage will increase from \$3,500 to \$7,000 at no additional cost.

For individuals who have elected to enroll in supplemental life insurance coverage, NDPERS will automatically adjust the first increment of employee supplemental coverage from \$1,500 to \$3,000. Therefore, the first total level of employee coverage when electing supplemental life coverage is \$10,000 (\$7,000 + \$3,000).

Deductions for supplemental life insurance coverage might change due to the increase in basic life insurance. Access the 2017 Life Insurance Memo under Employer Resources at <https://ndpers.nd.gov/image/cache/Life-insurance-rate-change-2017-Final.pdf>.

Employer Minimum Participation, Contribution Requirements and ACA Compliance Update for Participating Political Subdivisions

In order for a political subdivision to participate in the North Dakota Public Employees Retirement System (NDPERS) health plan, the group must meet the minimum participation and minimum contribution requirements.

The Underwriting Requirements for minimum participation require that a certain number of eligible employees participate in the plan based upon the size of the eligible employee population. The minimum contribution requirements have been in effect since May 1, 2004 and require all groups that enroll in the NDPERS health plan on or after that date to pay a minimum employer contribution, which is defined as at least 50% of the single premium. Employer groups participating prior to May 1, 2004 are not subject to these requirements. However, if you were in compliance at the time these guidelines went into effect, you are required to maintain your compliance and may not change your policy in the future to pay less than 50% of the single premium. The purpose for both of these requirements is to prevent adverse selection to the plan, which could increase the premiums for participants.

Additionally, to ensure compliance with the Affordable Care Act (ACA) and to monitor your ongoing eligibility as a grandfathered plan you must notify NDPERS 90 days prior to implementing any changes in your employer contribution rate. The ACA specifies that an employer will lose grandfathered status if they reduce the employer contribution rate by more than 5% of the contribution rate that was in effect on March 23, 2010. In addition, the ACA indicates that an employer must have at least 1 individual continuously covered on the employer plan since March 23, 2010. If it is determined that a reduction of the employer contribution or a lapse in coverage will result in the plan losing its grandfathered status, NDPERS will move your group to the non-grandfathered plan and your premiums will be adjusted accordingly.

If this occurs, written notification will be provided to the employer. **However, if you are a small employer group (as defined by the ACA), you will lose your eligibility to participate in the NDPERS health insurance plan.** Small employer groups that lose their grandfathered status will be transitioned off the NDPERS group health insurance plan and will be provided options by Sanford Health Plan for ACA compliant coverage as well.

To verify compliance with these policies, each fall the insurance carrier conducts an annual survey of participating political subdivision employers. Political subdivisions will be receiving information from Sanford Health Plan by mid-November each year. **Please respond to Sanford Health Plan by the requested date of December 1 each year.**

Please keep this information in mind should you be planning any time during the year to make changes to either your participation or employer contribution rates to the NDPERS group health insurance plan. Also, be sure to review your existing policies to ensure that your policy remains in compliance when there are premium increases.

If you have questions, please contact or Rebecca Fricke (NDPERS) at (701) 328-3978.



Annual Enrollment – 2018 Plan Year

The 2018 Plan Year Annual Enrollment will be from October 16 through November 3, 2017. More information will be provided later this fall.

Accounting/Payroll Updates

Payroll Reporting for Retirement

This is a list of processes to keep in mind regarding payroll reporting for Retirement:

- **Payroll must be reported for all employees according to the employer's regular pay period schedule.** Wages paid outside of the regular pay cycle (i.e. paying employees early because of an upcoming holiday, or because the next pay date falls on a weekend) must be **reported** to NDPERS according to the normal, regular pay cycle. An adjustment will need to be made to move the "early" wages to the appropriate Reporting month.
- **Your organization must have a consistent reporting method.** If not, inconsistencies can have an effect on an employee's payment of retirement benefits.
- **Posting a new employee's payroll requires two steps.**
 1. Employer must enter employee's new hire information into PERSLink ESS.
 2. Employee must enroll in the appropriate retirement plan.
- **All adjustments require comments.**
 1. What is the adjustment for?
 2. What is the appropriate month(s) it applies to?
- **Payroll details in review due to a 'salary variance'** require comments to explain the abnormally high (or low) wages before they can be approved.

For additional information on payroll reporting, review the following memo [Payroll Reporting - Avoid Common Mistakes that can affect your Employees Retirement](#) (available on the NDPERS website under Employer Resources/Memos and Webinars and as a resource in PERSLink ESS under the *Resource Library*).

- **Overtime is not reportable.** Refer to the following memos for further clarification on overtime and what is considered wages/salary:
 1. **Clarification: Overtime Earnings Excluded from Eligible Retirement Contributions**
<https://ndpers.nd.gov/image/cache/Overtime-Memo.pdf>
 2. **Appendix C – Definition of Wages & Salary**
 Located in the *Employer Guide* in PERSLink ESS
- **Deciding what wages to report for retirement contribution purposes? Use the NDPERS decision tree**
<https://ndpers.nd.gov/image/cache/Decision-Tree-Retirement-Contribution-Reporting.pdf>

Member & Employer Self Service Update

Active Annual Statements on PERSLink Member Self Service

Beginning this year, NDPERS will **discontinue the mailing of printed annual statements** to its active members. To access annual statements, your employees will have to follow these quick steps:

1. Access the NDPERS website at <https://npders.nd.gov>
2. Click on the orange *Member/Employer Login* button
3. Select the blue button named *Member Self Service (MSS)*
4. Log in to your PERSLink Member Self Service (MSS) with your username and password
5. On the home page, click on *View Your Annual Statement**



As an added benefit, members will have access to the annual statements for the last 3 years. Members may view only or download and print. The Annual Statement for Fiscal Year Ending June 30, 2017 will be made available in early September.*

This annual statement is informational only and does not require you to take action. The statement details your retirement account balance, retirement service credit, estimated monthly retirement benefit and retiree health insurance credit (RHIC) as well as a summary of your participation in other NDPERS plans.

*The *View Annual Statements* feature is not available in the mobile app.

Online Resources

Updated Forms Available Now

Effective October 1, 2017, forms with a revised date prior to 2017 will be returned to the sender. The updated forms are available on PERSLink Member Self Service (MSS), PERSLink Employer Self Service (ESS) and on the [NDPERS website](https://npders.nd.gov). Most forms are fillable and can be completed online or they may be downloaded, printed, signed, dated, and mailed or faxed to the NDPERS office.

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Look forward to your next edition of the PERSONnel Updates in September 2017.

This newsletter is intended to provide general information and may not be considered to be a legal interpretation of law. Statements contained in this newsletter do not supersede the North Dakota Century Code or Administrative Code or restrict the authority granted to the Retirement Board. This information is subject both to changes made by the legislature and rules and regulations established by the Board of the North Dakota Public Employees Retirement System.

Visit the NDPERS website
<https://ndpers.nd.gov>