



# PERSonnel UPDATES

The Newsletter for Authorized Agents & Personnel/Payroll

## Upcoming Education Events

### Employees – Financial Essentials Workshop (FEW)

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

### Employees – Pre-Retirement Education Program (PREP)

<b>Fargo</b>	Wednesday, September 6, 2017	Registration is not available.
<b>Dickinson</b>	Wednesday, October 11, 2017	Registration is not available.

### NDPERS Payroll Conference for Employers – Register Today!

This year, the NDPERS Payroll Conference will take place at the **Bismarck Event Center on Wednesday, June 21.**

All authorized agents can register through PERSLink Employer Self Service (ESS). Complete your registration by June 14, 2017.

*To register follow these quick steps:*

1. Click on the orange *Member/Employer Login* button on our website.
2. Access your [PERSLink Employer Self Service \(ESS\)](#). This is the purple button labeled Employer Self Service (ESS).

#### Employer Self Service (ESS)

3. On the left side you will find the [Links](#) section. Click on *Seminar Registration*.
4. Under [Seminar Type](#), select *Payroll Conference (NDPERS 2017 Payroll Conference)*. *The seminar date is 06/21/2017.*
5. Under [Seminar Details](#), click the *Register* button.
6. Do not select a Payment Method. There is no charge for this conference.
7. If there is more than one person from your agency attending, please enter the accurate number in the [Number of Guests Attending](#) field.
8. Click on *Save*.

After you've registered, a confirmation message will display on your dashboard "Your seminar registration for 6/21/2017 has been confirmed". If you do not receive an instant confirmation message on your dashboard, please email [LaurieEnzi@nd.gov](mailto:LaurieEnzi@nd.gov).

If you have any questions on the registration process, please contact NDPERS at 328-3900 or toll free at 800-803-7377.

May 2017

Volume 25, Issue 3

*In this issue, select*

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- Retirement Defined Contribution (DC) Eligibility Requirements Change Effective August 2017
- Retirement Benefit Options Factors Information
- Retirement Actuarial Investment Return Assumption Change – Impacts Interest Rate
- Voya Continues as Life Insurance Provided
- ADP Flex Acquisition by WageWorks
- Employee Assistance Program (EAP) Provider Selection Deadline
- Health Insurance Premium Rate & Plan Design Changes
- Reinstatement of \$250 Employee Wellness Benefit
- Updated NDPERS Forms
- Online Resources

**Editor:**

Aime Miller



## Retirement Plan Updates

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

During the 2013 Legislative Session a special ruling passed allowing all new permanent state employees to enroll in the DC plan. This special enrollment window terminates on July 31, 2017. Therefore, 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.

### Upcoming Change to the NDPERS Retirement Plan Actuarial Investment Return Assumption Impacts Interest Rate

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

At the April meeting, NDPERS Board members consulted with our actuaries from Gabriel Roeder Smith & Co (GRS) regarding the NDPERS retirement plans' actuarial assumptions. GRS recommended that NDPERS lower the actuarial investment return assumption from the current 8.00% to 7.50%.

In addition to the actuarial assumptions review summary provided by GRS, the Board reviewed information relating to return assumptions used by other public sector plans and NDPERS historical returns. Using this information, **the Board decided the current investment return assumption of 8.00% will be lowered to 7.75%.** The effective date has not yet been determined.

#### *What does this upcoming change mean?*

As set forth in statute, this actuarial investment return assumption impacts the interest rate NDPERS pays on members' retirement accounts and collects on service purchase contracts with payment plans.

#### *1. Member Retirement Account*

Under 71-02-01-01(e), the interest NDPERS pays on a member's retirement account is one-half of one percent less than the actuarial interest (*investment return*) assumption. This will lower the current interest NDPERS pays on member's retirement contributions from 7.50% to 7.25%.

- This impacts members or beneficiaries that choose to take a full refund or rollover of their account balance.
- This does not impact monthly retirement benefit payments.

#### *2. Service Purchase Contracts with Payment Plans*

Under 71-02-03-02.2, if a purchase payment installment method is used, simple interest at the actuarial rate of return must accrue monthly on the unpaid balance. This will lower the simple interest on all open active purchase accounts prospectively from 8.00% to 7.75%.

- Members who choose to set up an ongoing payment plan will pay less interest on the service purchase.

GRS will be at the June Board meeting to assist the NDPERS Board determine an effective date for the implementation of the new actuarial investment return assumption.



## NDPERS Retirement Benefit Options Factors

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

NDPERS is working with our actuarial consultant Gabriel Roeder Smith & Co (GRS) on updating the benefit option factors for calculating retirement benefits. These factors are used in determining retirement benefits for all benefit options with the exception of the single life option.

**Note that the five (5) retirement benefit options your employees can choose at the time of retirement remain the same.**

Each new retiree has the option of selecting one of five benefit options:

- Single Life
- 50% Joint and Survivor
- 100% Joint and Survivor
- 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.

GRS will complete its work on the benefit options factors and provide recommendations to the Board in June 2017. Once a determination has been made by the Board, we will notify employers of an implementation date.

## Group Health Insurance

### Employee Wellness Incentive

**Employer:** Action may be required at a future time.

The NDPERS Board has approved the reinstatement of the Dakota Wellness \$250 Benefit for employees and their covered spouses on the NDPERS group health insurance plan effective June 1, 2017. This benefit is taxable as clarified in the Internal Revenue Service (IRS) [memorandum # 201622031](#). More information will be provided to employers in upcoming communications.

Additional information for employees can be found at <https://ndpers.nd.gov/wellness-benefit/>.

### Employee Assistance Program Deadline

**Employer:** Action is required. Select a provider.

The July 2017 through June 2019 Request for Proposals for the NDPERS Employee Assistance Program (EAP) are under evaluation. NDPERS will select the qualified vendors and send a list to State agencies in May. The vendors will also be available at the June 21<sup>st</sup> NDPERS Payroll Conference for you to meet and discuss your EAP needs. Each State agency must select a provider for their EAP services for the upcoming biennium by June 23, 2017.

## Health Insurance Premium Rate Change & Plan Design Change Notices

The monthly health insurance premium rates for employees will change for the July 1, 2017-2019 biennium. In addition, the plan design for the NDPERS plan will also be changing effective July 1, 2017. Health insurance notices regarding these changes have been mailed and emailed to the Primary Authorized Agents. You also may obtain a copy of the rates on the NDPERS website at:

- State Agencies, Higher Educations, & Garrison Conservancy District  
<https://ndpers.nd.gov/image/cache/state-agency-rate-change-letter-2017.pdf>
- Political Subdivisions  
<https://ndpers.nd.gov/image/cache/political-sub-rate-change-letter-2017.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.



## Reminder - Employer Based Wellness Program Deadlines

The Employer Based Wellness Program Discount Application SFN 58436 is available on the website for employers to complete and submit to notify NDPERS of their activities for the new plan year July 1, 2017 to June 30, 2018. The deadline for coordinators to submit this application to NDPERS for review was February 28, 2017. However, if you inadvertently missed this deadline, please contact Rebecca at (701) 328-3978 as soon as possible to discuss options. NDPERS notified agency heads and coordinators in early April if their application was approved for the premium discount effective July 1, 2017.

***Employers that participate in the NDPERS group health insurance plan who do not have an approved wellness discount application will be billed for the full premium (without the 1% discount) effective July 1, 2017.***

In addition, the Employer Based Wellness Program Year-End Program/Activity Confirmation SFN 58437 should be completed by coordinators to report back to NDPERS regarding the current 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 for the current year by May 31, 2017.** If you are completing activities in June, please email Rebecca at [rfricke@nd.gov](mailto:rfricke@nd.gov) to notify her that you will submit the activity confirmation form after the May 31 deadline.

If you have any questions on the employer based wellness program, please contact Rebecca Fricke at (701) 328-3978 or [rfricke@nd.gov](mailto: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>).

## VOYA Financial Selected to Continue NDPERS Life Insurance

Following a competitive bidding process, the NDPERS Board has awarded the contract for life insurance coverage to Voya Financial, the current carrier. Voya Financial has enhanced features of the life insurance plan and also offered reduced rates. Information regarding the new features will be posted on the NDPERS website this summer. Mailings will be sent to employers regarding the new rates and the impact to their employee's premiums in the near future.



## ADP Flex Acquisition by Wage Works

On November 28, 2016, WageWorks finalized the acquisition of ADP's Consumer Health and Spending Account (CHSA) business. The acquisition includes the administration of Flexible Spending Accounts (FSAs) such as the NDPERS FlexComp account?



### *What does this mean for your employees?*

- Employees will see the **new** WageWorks branding on websites, communications, documents and forms.
- Employees will continue to have full account access and visibility through the [My Spending Account](#) website.
- At this time, there will be **no changes** in how you contact customer service, access your spending account information or submit claims and card substantiation, if applicable.
- We'll keep you informed as changes or updates occur.

### *Who is WageWorks?*

- Industry leader in administering consumer-directed benefits (CDBs).
- Solely dedicated to administering CDBs, including pre-tax spending accounts, such as FSAs for health and dependent care.
- Offices in major locations throughout the United States.

### *Questions?*

If you need additional assistance, contact your Participant Solution Center at 1-800-336-1881. A representative can assist you with any questions about online account information, website navigation, account balance(s), transaction history and more. Representatives are available Monday – Friday, 8:00 a.m. – 8:00 p.m., Eastern Time, excluding holidays.

## NDPERS Approval Required for the State of ND FlexComp Plan Change in Status

All qualified IRS Change in Status Events for Flexcomp Medical Spending Accounts, Dependent Care Accounts, and/or Premium Conversion must be reviewed and approved by NDPERS. No changes should be made to an employee's record without having NDPERS authorization that the change is permitted. Employers will be notified via email and/or the Benefit Enrollment Report if the change is approved. The notification indicates the new pledge amount and effective date of the change.

Unapproved IRS changes may result in a discrepancy between ADP, NDPERS, and Payroll. Unapproved changes may also impact the eligibility of the Flexcomp claim and violate IRS rules.

Qualified IRS Change in Status Events includes:

- Change in marital status
- Change in number of dependents
- Change in employment status
- Change in dependent's eligibility
- Certain Judgments, Decrees and Orders
- Medicare or Medicaid
- Change in cost of dependent care services or change in dependent care provider
- Unpaid Leave of Absence

These guidelines only apply to qualified Change in Status Events occurring throughout the plan year.

## Accounting/Payroll Updates

### Agencies That Pay By Check

#### Remittance Reports

Remittance Reports are **REQUIRED** whenever submitting payments by check. The information on the remittance report is needed in order to get the payment applied correctly.

The Remittance Report will show us the Organization Code, Benefit type, Report ID, and the amount billed. For Retirement and Group Insurance, the Remittance Report is available to be printed after the report has been posted. Deferred Compensation reports need to be in Valid Status in order to print the report.

If you are having problems printing the report, check the following:

- Payroll report is Posted (Retirement & Insurance) or Valid (Deferred Comp)
- Pop-ups are allowed on PERSLINK
- Report may be on your task bar

If you cannot provide a Remittance Report, please include your Organization Code, Benefit type, and Report ID. A screen shot of the Payroll Report would be acceptable. For Group Insurance payments it is important that we have a breakdown of what is being paid for each plan.

If the amount being paid does not match the report amount, please add an explanation for any differences.

### Combining Payments

We ask that you do not combine payments for different Benefit types into one check. Please make separate checks for Retirement, Deferred Compensation, and Group Insurance.

### Paying by ACH?

NDPERS offers employers the flexibility to make payments electronically in ESS. If your organization is interested in making payments electronically, please fill out the Organization Authorization for Electronic Payment (SFN 59511).



ND Public Employees Retirement System  
Employer Self Service

Home

Contact ID :

Welcome

Organization Name : ND Public Employees Retirement System 019200

#### General

- ▶ Dashboard
- ▶ Employees
- ▶ Upload Payroll Files
- ▶ Payroll Reporting
- ▶ Forms **1**

#### Other Tasks

- ▶ Organization Profile
- ▶ Reports
- ▶ Processed Payroll Files
- ▶ Payment History

## Forms

### Employer Forms

[Notice of Transfer \(SFN 53706\)](#)

[Transfer of Unused Sick Leave Verification \(SFN 53404\)](#)

[Notice of Appointment of Authorized Agent or Contact \(SFN 17029\)](#)

[Employer Payment Election \(SFN 52799\)](#)

[Organization Authorization for Electronic Payment \(SFN 59511\)](#) **2**

[Employer Service Purchase \(SFN 58880\)](#)

[Retirement Plan Memo of Understanding](#)

[Insurance Plan Memo of Understanding](#)

[Employer Based Wellness Program – Commitment Agreement \(SFN 58643\)](#)

[Employer Based Wellness Program Year –End Program/ Activity Confirmation \(SFN 58437\)](#)

[Employer Based Wellness Program Discount Application \(SFN 58436\) and Wellness Benefit Funding Program Application \(SFN Meeting Request and Registration \(SFN 53176\)\)](#)

## Overtime and Written Agreement Clarification

NDPERS hosted an online webinar and collected input through an online survey to clarify the current interpretation of Overtime and Written Agreement with employers. Additionally, NDPERS reviewed this information with the Board and determined it was necessary for NDPERS to provide specific guidance on how to report eligible retirement contributions when overtime and written agreements are present. More information will come during June 2017.

## Member & Employer Self Service Update



**PERSLink**  
NDPERS

FREE

### PERSLink Member Self Service (MSS) Mobile Application

NDPERS implemented the PERSLink Member Self Service Mobile App (MSS) during 2016. This FREE app is available to Android and Apple devices. It the easy, quick and convenient way for your employees to have access to their NDPERS benefits information at any time.

To start, instruct your employees to download the app onto a Android or Apple mobile device.



#### For Apple IOS 8 & 9

- Access App Store
- Search for PERSLink or NDPERS
- Download for free



#### For Android 5 & 6

- Access Play Store
- Search for PERSLink or NDPERS
- Download for free

This mobile app is not available for Windows mobile devices at this time. A [PERSLink Mobile App Quick Instruction Guide](#) is available on the NDPERS website.

## Online Resources

### Updated Forms Available Now

NDPERS recently updated numerous forms. The updated forms are available on our new website at <https://ndpers.nd.gov> and on PERSLink Employer Self Service (ESS). Most forms are fillable and can be completed and submitted online or they may be downloaded, printed, and mailed to the NDPERS office.

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Look forward to your next edition of the PERSonnel Updates in July 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.

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Visit the new NDPERS website

<https://ndpers.nd.gov>