

September 2015

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PERSonnel UPDATES

The Newsletter for Authorized Agents & Personnel/Payroll

Editor: Sharmain Dschaak

Events & Mailings

Annual Enrollment - 2016 Plan Year

Annual Enrollment Season for 2016 plan year will run from Monday, October 19 through Friday, November 6, 2015. See "Group Insurance Plan Updates" section for details.

Special Enrollment for ACA Temporary Employees

NDPERS will be conducting a special enrollment window for temporary employees of a Large Employer that must be offered affordable coverage due to meeting the Affordable Care Act (ACA) requirements. The special enrollment window will be from November 23 through December 11, 2015.

See "Group Insurance Plan Updates" section for details.

Retirement Plan Updates

Defined Benefit (DB) "Main" Plan - Upcoming Legislation Changes

What's Old	What's New
New Hires – Prior to 12/31/2015 Rule of 85 Early retirement reduction factor is 6% per year or 0.50% per month	New Hires – 1/1/2016 and after Rule of 90 with minimum age of 60 Early retirement reduction factor is 8% per year or 0.6667% per month

Defined Contribution (DC) Plan – Upcoming Legislation Changes

DC plan members enrolled and actively participating in the DC plan on 7/1/2015 may elect to return to the DB Plan during a special 3 month election period:

- Member contribution rates include an additional 2% of gross earnings.
- Member must be enrolled on the date of the transfer of funds
- Exclusions: members with a Qualified Domestic Relations Order on account, deferred or retired members, or members with a previous distribution from the plan

Disability Benefits are Included in the Defined Benefit Hybrid Retirement Plan

Recently a member receiving Social Security Disability benefits for a number of months since leaving employment contacted NDPERS inquiring about disability benefits. The member was not aware of the NDPERS disability retirement provisions nor was he referred to NDPERS upon leaving employment. Please be sure to refer members who may be eligible for this benefit so they do not lose any benefits for which they may be entitled.

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Qualifications for NDPERS Disability Benefits:

- 6 (six) months of service credit in NDPERS
- disability occurred during a period of eligible employment
- member is unable to engage in any substantial gainful activity due to a medically determinable physical or mental impairment expected to result in death or which will or has lasted for a continuous period of not less than 12 (twelve) months
- **“Disability Retirement Forms”** are submitted to the NDPERS office within 12 (twelve) months of termination of employment due to disability
- determined to be disabled by the NDPERS’ medical advisor member or member qualifies for Social Security Disability benefits and submits a copy of the Social Security Notice of Award letter

If deemed eligible for NDPERS disability benefits, members receive 25 percent of final average salary each month for as long as they are disabled under the Single Life payment option. This payment will not be reduced by any other benefits received as a result of the disability.

GASB Financial Information

New Reporting Requirements

Important changes in financial reporting of pensions are occurring this year. The Government Accounting Standards Board (GASB) approved Statement 68 – Accounting and Financial Reporting for Pensions, which substantially changes financial reporting of public employee pensions by state and local governments. Statement 68 requires employers to report a proportionate share of the retirement plan’s net pension liability and pension expenses on the employer’s financial statements. NDPERS provided GASB implementation training last year for administrators, business managers, and auditors. The information that employers will need when preparing their 2015 financial statements can be found on the NDPERS website in the Employer Services – Program Administration section. <http://www.nd.gov/ndpers/employers/gasb-info.html> **Please share this information with your auditor and others who may be involved in the preparation of your annual financial statements.**

New Audit Procedures

With the implementation of the new GASB statements, NDPERS auditors are required to conduct additional testing of employee information provided to NDPERS by employers. Each year, a sample of employers will be selected who will be required to provide a master payroll file which our auditors will use to select a sample of employees for testing. Our auditors are requesting that the master payroll file include the following information: Employee ID, Name, last 4 SSN, Date of Birth, Date of Hire, and information related to their pay, gross wages, all deductions and net pay. For the employees selected for testing, the employer will need to provide supporting documentation to verify certain employee data, such as birth date, salary and years of service. It is possible that an employer may get selected for testing more than once. **Please share this information with your payroll administrator who may be required to retrieve this employee information for our auditors.**

Group Insurance Updates

New Hires – International Employees

NDPERS would like to clarify that if you are hiring a new employee whose spouse and/or child dependents reside out of the country, the employee should enroll them in the NDPERS group insurance coverage within 31 days of their hire date. If the spouse and child dependents are moving to the United States at a later date, this is NOT a qualifying event for them to join the NDPERS plan.

If they are not already enrolled in the plan at the time of the move, they will only be able to join during annual enrollment with coverage effective January 1 of the next year unless the spouse and child dependents are losing coverage under another plan and are able to provide the necessary documentation to validate that qualifying event.

Annual Enrollment Season – 2016 Plan Year

The Annual Enrollment Season for 2016 plan year will run from Monday, October 19 through Friday, November 6, 2015. Employees will receive a newsletter at their home address to announce Annual Enrollment. This newsletter is scheduled to be mailed the week of October 12th.

The NDPERS Annual Enrollment Season gives eligible employees the opportunity to:

- Enroll in insurance plans for which they are eligible but not currently enrolled
- Add dependents
- Increase coverage levels
- Enroll in the NDPERS flexcomp plan for 2016 (required each year of participation)

The newsletter will direct the employee to the NDPERS website to obtain enrollment information regarding the NDPERS flexcomp, health, life, dental and vision plans. The newsletter will also announce that Annual Enrollment will be conducted through the use of the PERSLink Member Self Service (MSS). For those individuals that are unable to complete their enrollment through MSS, enrollment forms can be accessed from the NDPERS website.

Group Insurance Reminders:

Health Insurance:

Permanent employees of state agencies, university system and district health units will be eligible to enroll or discontinue participation in the High Deductible Health plan (HDHP/HSA). Information on this plan is available on the NDPERS website.

The HDHP/HSA is included as an option on the Plan Enrollment through MSS or if a paper application is completed, the [Health Insurance Application or Change SFN 60036](#).

Life Insurance:

Employees can increase their coverage by \$5,000 without evidence of insurability. Increases in excess of \$5,000 to the employee supplemental coverage will require Evidence of Insurability (EOI). Any increase in dependent or spouse supplemental will require EOI. EOIs must be submitted to the NDPERS office for processing.

In addition we have created an ***Annual Enrollment Employer Guide*** that contains ALL information regarding:

- Eligibility
- Enrollment forms
- Rates
- Filing Procedures
- PeopleSoft Payroll
- NDPERS FlexComp
- Late Filing policy
- Information regarding the ESS Benefit Enrollment Report – this is a new feature added to assist employers with their employee enrollments made through MSS

If a paper application is used, all enrollment applications are to be mailed directly to NDPERS. Please do this **at least on a weekly basis** so that we can process these requests in a timely manner. Please make sure to use the most current applications and make sure all applications are completed with correct addresses. Any old applications that are completed will be rejected.

The ***Annual Enrollment Employer Guide*** is your one-stop shop! Annual Enrollment Season information will be available on the NDPERS website at www.nd.gov/ndpers on Monday, October 19, 2015.

Special Enrollment for ACA Temporary Employees

NDPERS will be having a special enrollment window for temporary employees of a Large Employer that must be offered affordable coverage due to meeting the Affordable Care Act (ACA) requirements. The special enrollment window will be from November 23 through December 11, 2015. If coverage is elected during this window opportunity, it will be effective January 1, 2016.

As a reminder, as of January 1, 2015, the definition of a temporary employee for determining eligibility to participate in the NDPERS group health plan will be changing to reflect the ACA definition, which is "an employee who works at least 30 hours per week or 130 hours per month."

The Health Insurance Application or Change SFN 60036 should be used to enroll a temporary employee during this special enrollment window. The form requires the employer to certify that the temporary employee is eligible due to the ACA requirements.

For those employees wishing to decline coverage, an Acknowledgement of or Decline Offer of Health Insurance Coverage SFN 60711 should be completed. This form should also be completed by any eligible (permanent or temporary) state employee who is not the policy holder as they are married to or covered as an adult child dependent of another state employee who carries the policy. It is up to you as the employer to either retain the form permanently in their personnel file or forward the form to NDPERS to retain.

More details will be provided as the special enrollment window gets closer. If you have questions, please contact Rebecca Fricke at (701) 328-3978 or rfricke@nd.gov.

Updated ACA Health Insurance Marketplace Notice Reminder

The ACA Health Insurance Marketplace Notice has been updated due to the recent Supreme Court Ruling regarding same gender marriage. 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 specifies that employers must provide this notice on an on-going basis to new hires within their first 2 weeks of employment. It is the employer's responsibility to distribute the notice.

The updated sample template prepared by NDPERS can be found at <http://www.nd.gov/ndpers/employers/docs/notice-of-coverage-options.pdf>

Member & Employer Self Service Updates

MEMBER SELF SERVICE (MSS)

Featured Topic:



NDPERS
PERSLink
Member Self Service

Annual Enrollment – 2016 Annual Enrollment

All of the 2016 Annual Enrollments will be done electronically using PERSLink MSS (with the exception of the Group Life Insurance Evidence of Insurability). The following is a link to MSS, which is also on NDPERS Home Page. If an employee is using a saved link, it is advisable to resave if they are getting an error.

[https://perslink.nd.gov/perslinkwss/\(S\(3yxcpfvpxolggeowr1u2tj\)\)/wfmLoginME.aspx](https://perslink.nd.gov/perslinkwss/(S(3yxcpfvpxolggeowr1u2tj))/wfmLoginME.aspx)

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MSS Annual Enrollment Steps:

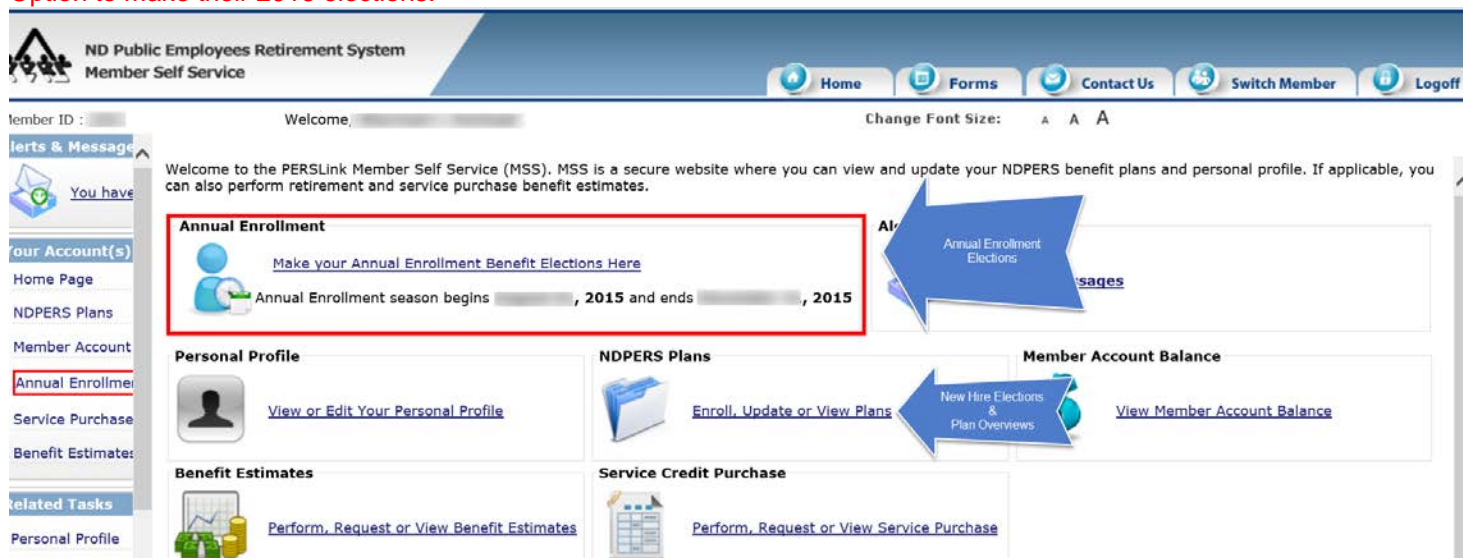
Employees should

Go to the Annual Enrollment menu option outlined in Red.

Click on "Make your Annual Enrollment Elections Here"

If you have a newly hired employee & wish to enroll in their benefits as a new employee, they must make their elections in the NDPERS Plan Menu Option> **NDPERS Plans**.

Once they have completed their benefit enrollments as a new employee, they can then go to the Annual Enrollment Menu Option to make their 2016 elections.



EMPLOYER SELF SERVICE (ESS)



Employer Self Service Benefit Enrollment Report

Generate your PERSLink Employer Self Service Benefit Enrollment Report:

1. Log into your PERSLink Employer Self Service
2. Navigate to the "Benefit Enrollment Report" menu option on your home page
3. Select "Benefit Enrollment Report" submenu item
4. Select the "Generate" button in the Generate Reports Panel
 - a. Print your generated report
 - b. Update your Payroll System based on the Report (State agencies on PeopleSoft see page 14)
 - c. Keep a copy of employee's individual benefit report in their personnel file

The Benefit Enrollment Report will sort as follows:

- 1st: New Temporary Employee Enrollment, alphabetically
- 2nd: New Permanent Employees Enrollments or New Enrollments based on a qualifying event, alphabetically
- 3rd: 2016 Annual Enrollments, alphabetically

Miscellaneous

NDPERS Separation of Employment Kits

An employee that terminates employment needs to complete a separation of employment kit. The kits include all necessary forms the employee is required to complete.

It is the employer's responsibility to direct the terminating employee to the appropriate Kit based on which option they choose. The kits can be found on the NDPERS web site at www.nd.gov/ndpers, under Forms & Publications. The forms can be completed online, printed and then mailed to NDPERS.

The employer or employee may obtain the following Kits:

- Refund/Rollover Kit
- Deferred Retirement Kit
- Disability Retirement Kit
- Retirement Kit
- Transfer Kit

NDPERS Website Resources

Home Page	NDPERS News	Employer Services Program Administrations
<ul style="list-style-type: none">• Sanford Health Plan Information• ASI Flex, RHIC Portability• The Starting Line Retirement Webinar	<ul style="list-style-type: none">• Register for TIAA-CREF Visits	<ul style="list-style-type: none">• Employer Guide• ACA Information• GASB 68

Look forward to receiving your next edition of the PERSonnel Updates in November 2015.

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.

We're **on** the Web!

See us at:

www.nd.gov/ndpers