

American Recovery and Reinvestment Act, *continued*

Cobra Subsidy Reporting

The American Recovery and Reinvestment Act of 2009 (ARRA) includes provisions for a COBRA/Extended Coverage premium subsidy for certain qualified beneficiaries who were involuntarily terminated on or after September 1, 2008, and no later than December 31, 2009. Under the new law, eligible former employees, enrolled in their employer's health plan at the time they lost their jobs, are required to pay only 35 percent of the cost of COBRA coverage; the Health Insurance Fund (HIF) will absorb the remaining 65 percent. The IRS has modified Form 941, Employer's Quarterly Federal Tax Return to include a credit for the 65 percent subsidy paid by the employer. DOA will handle reimbursement of the 65 percent subsidy to the HIF through the 941 filings and no action is required on the part of state agencies to arrange for this credit.

Number of Pays Accuracy

Audit CIPPS and BES

Many of the automated update and/or comparison programs used for CIPPS use the number of pays (Number of Pays in CIPPS; Pay-Schedule in PMIS) to calculate earnings or deduction amounts. It is imperative that this field(s) reflects the correct number of times an employee is paid across a 12-month time span.

Reports U053 and U077, PMIS to CIPPS Discrepancy Reports, identify differences between CIPPS and PMIS for those fields updated by the daily interface. You can request these reports to be generated by emailing either Diana Jones or Felecia Smith at Diana.jones@doa.virginia.gov and Felecia.smith@doa.virginia.gov respectively.

Contract Length and Number of Pays on H0BUO

Blanks and Zeroes No Longer Valid

The edit for Contract Length and Number of Pays on H0BUO has been enhanced to no longer allow blanks or zeroes. These fields are used to report to other entities and missing data can cause reporting problems with those entities.

Contract Length represents the number of months an employee is to be employed over the year. For regular, classified employees this value will be 12. Valid values are 09, 10, 11 or 12.

Number of Pays represents the number of times the employee will be paid during the year. For regular, classified employees this value will be 24. Valid values are 09, 10, 11, 12, 18, 20, 22, 24, 26 or 52.

Questions about Deferred Compensation Auto Enrollment

Inquire with VRS, not ING

If you have a question regarding a specific employee and Automatic Enrollment for the Deferred Compensation Plan, please do not contact ING. Contact one of the VRS staff identified below:

Bridgette Watkins at bwatkins@varetire.org

Jacqueline Gilliam at jgilliam@varetire.org

Steve Cerreto at scerreto@varetire.org

June Dennis at jdennis@varetire.org

CIPPS Wage Employee – Fulltime at Non-CIPPS Agency: DC

Contact VRS

If you receive a Deferred Compensation Update (Report U062) or Error (Report U063) Listing showing a Deferred Compensation Update transaction for a wage or faculty employee who you know is employed full-time at a non-CIPPS location (decentralized agency, political subdivision, or locality), please contact VRS. The system of record can only hold one employer identification code per participant. As separate files are sent to ING from each employer type, the employer ID number (agency number) of the last file processed will be the one used by ING when submitting a Deferred Compensation action.

Direct Deposit Stop Payment Form

New Form

The Direct Deposit Stop Payment form has been updated to include additional information needed by DOA for ARMICS reporting. Please discard previous versions and use the new form. The revised DD Stop Payment form is fillable and may be found on the website:

http://www.doa.virginia.gov/Payroll/Forms/Payroll_Forms_Main.cfm
