

## **Example V4a – ORPHE Plan Eligible Employee – Does not make a Decision within 60 Day Election Period-(Revised 3/12/2014 for Hybrid Plan)**

The employee in Example V1a does not choose a plan during the 60-day election period. During the 3/25-4/9/2014 pay period, the employee should automatically be set up for VRS Retirement. To collect the retro retirement payments, do the following:

1. Since the employee never submitted a VRS-65 Form, VRS will automatically enroll the employee into the appropriate VRS Plan.
2. After the 60 Day Election Period has passed review VNAV to find out what VRS Plan they are eligible for (Plan 1, Plan 2 or Hybrid). **DO NOT PROCEED TO STEP 3 UNTIL THE EMPLOYEE RECORD HAS BEEN ESTABLISHED IN VNAV!!!!!!** Premature or incorrect deductions for the Hybrid Plan cause IRS issues with the vendor. Funds will be returned to employer.
3. On screen HMCU1, enter the appropriate VRS Plan Code according to their plan eligibility as defined by VNAV. The correct plan code will come to CIPPS via the interface, however it could be delayed by at least the month after the 60 days has passed. It is best to collect the contributions as soon as possible.
4. Multiply the SP 099 CONTBASE amount shown on H10AS by the number of pay periods that the employee missed. In this example, the employee missed both pay periods in February and both pay periods in March.  $4 \times \$1500 = \$6000$ . Enter this amount for SP 99 on HUE01 with a “+” in the adjustment indicator. This will override all of the Retirement Plan deductions, Group Insurance, Retiree Credit and VSDP deductions due for the missed months.
5. ORPHE eligible employees that enter the VRS plan have 60 days from the date of employment to opt out of VSDP. If the employee opts out of VSDP,

fax form VSDP-2 to VRS and change the VSDP Participant Indicator on HMCU1 to a "Y".