

JD Edwards EnterpriseOne Applications

Benefits Implementation Guide

9.2

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Preface

Welcome to the JD Edwards EnterpriseOne documentation.

Documentation Accessibility

For information about Oracle's commitment to accessibility, visit the Oracle Accessibility Program website at <http://www.oracle.com/pls/topic/lookup?ctx=acc&id=docacc>.

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Related Information

For additional information about JD Edwards EnterpriseOne applications, features, content, and training, visit the JD Edwards EnterpriseOne pages on the JD Edwards Resource Library located at:

<http://learnjde.com>

Conventions

The following text conventions are used in this document:

Convention	Meaning
Bold	Boldface type indicates graphical user interface elements associated with an action or terms defined in text or the glossary.
<i>Italics</i>	Italic type indicates book titles, emphasis, or placeholder variables for which you supply particular values.
Monospace	Monospace type indicates commands within a paragraph, URLs, code examples, text that appears on a screen, or text that you enter.
> Oracle by Example	Indicates a link to an Oracle by Example (OBE). OBEs provide hands-on, step-by-step instructions, including screen captures that guide you through a process using your own environment. Access to OBEs requires a valid Oracle account.

1 Introduction to JD Edwards EnterpriseOne Benefits

JD Edwards EnterpriseOne Benefits Overview

After a company has determined what standard, government-mandated, and supplemental benefits that it will incorporate into its benefit package, benefit professionals must administer the plans. This task can be time-consuming and require a lot of paperwork. It generally requires close interaction with health insurance companies, unemployment insurance offices, and pension plan administrators. Therefore, many companies hire a third-party administrator (TPA) to assist them in administering the plans, maintaining plan compliance, and submitting regulatory reports to the appropriate administrators.

In addition to maintaining the benefit plans, benefit administrators must enroll employees in these plans. Many factors affect how employee enrollment will be administered, such as eligibility requirements and enrollment periods. Most benefit plans have eligibility criteria, such as age, length of service, and employment status, that employees must meet before they are allowed to participate in the plan. For example, a pension plan might stipulate that for an employee to be eligible to participate in the plan, he or she must be at least 21 years old, work a minimum of 20 hours per week, and have been employed by the company for at least one year. Sometimes the company decides these eligibility requirements and sometimes the company works with the plan administrator to decide the requirements.

Some benefit plans contain open enrollment or re-enrollment periods. Open enrollment refers to a time during which employees can change their benefit coverage or begin enrollment in a plan in which they were not previously enrolled. If an employee makes such changes outside of the open enrollment period, waiting periods might be required before the changes take effect, or employees might be prohibited entirely from making changes outside the open enrollment period. Re-enrollment occurs when a plan is based on a specific time period, generally one year. Employees must re-enroll in that plan annually. During the re-enrollment period, employees can sign up for different coverage than they had previously.

Frequently, annual re-enrollment periods are associated with cafeteria plans or flexible spending account plans. Cafeteria plans, often referred to as flexible benefit plans, are an effective way of allowing employees to select benefits that are useful to them. Employees pick from a group of benefit options and pay only for those options that they choose. This method of selecting benefits represents a cost savings to both employee and employer because they both are paying only for benefits that the employee uses. Generally, employers grant employees a certain number of flex credits that they used to pay for the benefits that they select. Each benefit option has a flex cost, and that cost is deducted from the total number of flex credits granted to the employee.

When an employee does not have enough flex credits to pay for the benefits that the employee chose, the excess amount can be deducted from the employee's payment through payroll deductions.

When an employee has more than enough flex credits to pay for the benefits that the employee chose, some employers allow the employee to use the excess credits in one of these ways:

- Receive the excess amount in the form of a taxable addition to the employee's pay.
- Use the excess amount for other life needs, such as tuition expenses, weight-loss programs, smoking cessation programs, or financial planning expenses.

Some employers do not permit employees to use excess flex credits.

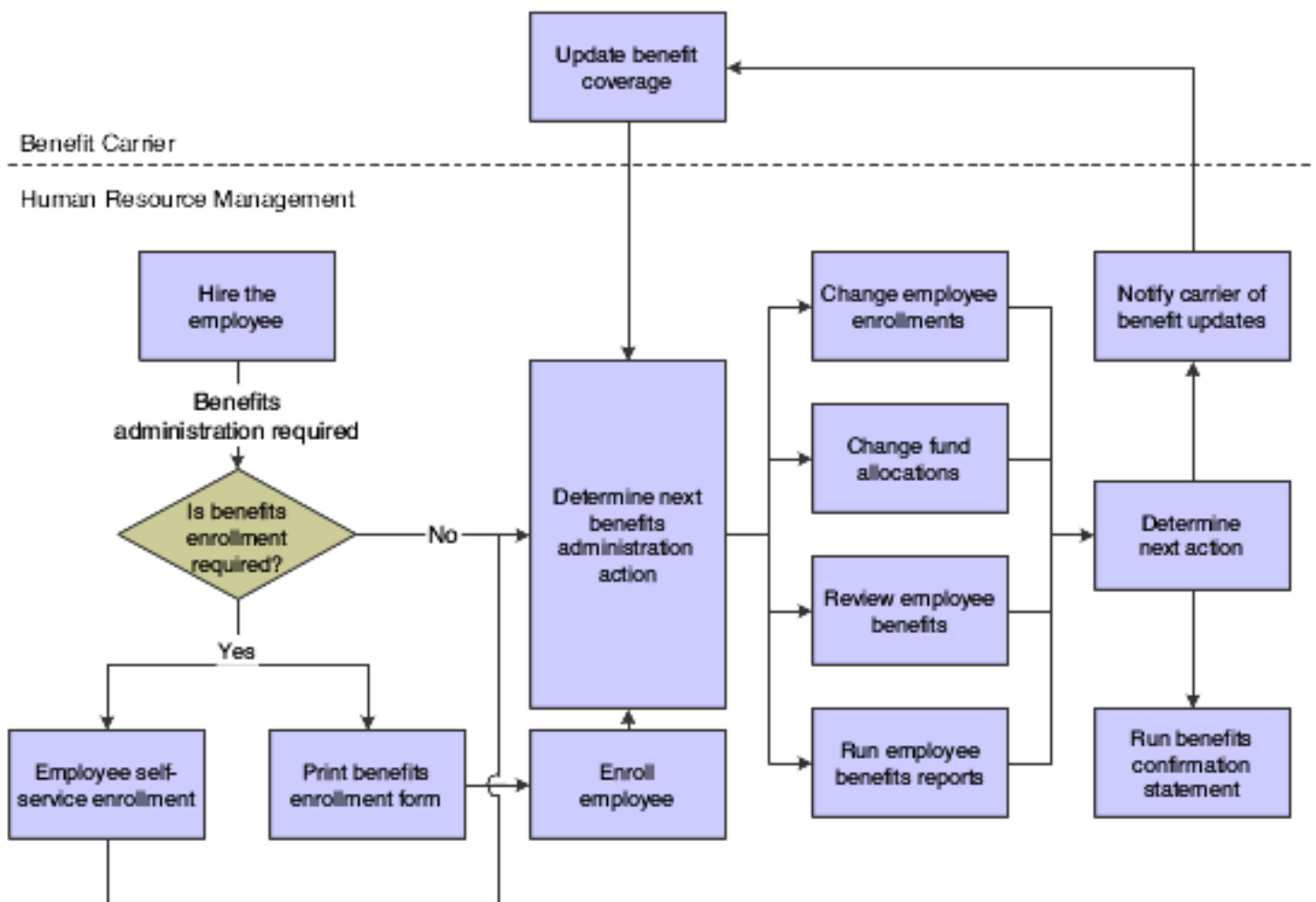
The JD Edwards EnterpriseOne Benefits system from Oracle provides the tools to manage an organization's benefit plans. The feature provides online integration with other human resources information and payroll processing. With the Benefits Administration feature, you can respond to employees' requests for information about their benefits.

The JD Edwards EnterpriseOne Benefits system has features that enable companies to perform these functions:

- Administer plans with varying amount or rate options.
- Separate employer and employee portions of the costs of plans and options.
- Administer both pre-tax and post-tax benefits.
- Track non-cash benefits, such as use of a company car or health club dues.
- Determine benefits eligibility based on system or user-defined criteria.
- Generate payroll deductions.

JD Edwards EnterpriseOne Benefits Business Processes

This process flow diagram illustrates the JD Edwards EnterpriseOne Benefits business processes:



We discuss these business processes in the business process chapters in this implementation guide.

JD Edwards EnterpriseOne Benefits Integrations

The JD Edwards EnterpriseOne Benefits system integrates with these JD Edwards EnterpriseOne systems:

- JD Edwards EnterpriseOne Address Book
- JD Edwards EnterpriseOne Human Capital Management Application Fundamentals
- JD Edwards EnterpriseOne Payroll

We discuss integration considerations in the implementation chapters in this implementation guide. Supplemental information about third-party application integrations is located on the <http://support.oracle.com>.

JD Edwards EnterpriseOne Address Book

The JD Edwards EnterpriseOne Address Book system from Oracle stores personal information for employees, dependents, and beneficiaries. Employees can view and change Address Book information through Benefits Self Service.

JD Edwards EnterpriseOne Human Capital Management Application Fundamentals

The JD Edwards EnterpriseOne Human Capital Management Application Fundamentals system from Oracle tracks and shares this information with the JD Edwards EnterpriseOne Human Resources system from Oracle:

- Complete employee information.
- Job information.
- Pay type, deduction, benefit, and accrual (PDBA) information.
- Time and labor information.

JD Edwards EnterpriseOne Payroll

The JD Edwards EnterpriseOne Payroll system from Oracle calculates benefit deductions, benefits, and accruals (DBAs). The system also deducts benefit costs from an employee's paycheck.

JD Edwards EnterpriseOne Benefits Implementation

This section provides an overview of the steps that are required to implement the JD Edwards EnterpriseOne Benefits system.

In the planning phase of the implementation, take advantage of all JD Edwards EnterpriseOne sources of information, including the installation guides and troubleshooting information.

When determining which electronic software updates (ESUs) to install for JD Edwards EnterpriseOne Benefits, use the EnterpriseOne and World Change Assistant. EnterpriseOne and World Change Assistant, a Java-based tool, reduces the time required to search and download ESUs by 75 percent or more and enables you to install multiple ESUs at one time.

See *JD Edwards EnterpriseOne Tools Software Updates Guide*

For information about the Oracle Business Accelerator solution for implementation of JD Edwards EnterpriseOne Benefits, review the documentation available.

http://docs.oracle.com/cd/E24705_01/index.htm

Global Implementation Steps

The global implementation steps for the JD Edwards EnterpriseOne Benefits system are:

- Set up fiscal date patterns, companies, and business units.
See *"Setting Up Organizations" in the JD Edwards EnterpriseOne Applications Financial Management Fundamentals Implementation Guide* .
- Set up accounts.
See *"Creating Chart of Accounts" in the JD Edwards EnterpriseOne Applications Financial Management Fundamentals Implementation Guide*
- Set up General Accounting constants.
See *"Setting Up the General Accounting System" in the JD Edwards EnterpriseOne Applications General Accounting Implementation Guide* .
- Set up ledger type rules.
See *"Setting Up Ledger Type Rules for General Accounting" in the JD Edwards EnterpriseOne Applications General Accounting Implementation Guide* .
- Enter Address Book records.
See *"Entering Address Book Records" in the JD Edwards EnterpriseOne Applications Address Book Implementation Guide* .
- Set up Human Capital Management fundamental information.
See *"Setting Up System Options" in the JD Edwards EnterpriseOne Applications Human Capital Management Fundamentals Implementation Guide* .

Implementation Steps

The core implementation steps for the JD Edwards EnterpriseOne Benefits system are:

- Set up common settings, group information, benefit plans, plan options, benefit categories, date codes, pay type tables, eligibility tables, enrollment parameters, and link allocation funds to plans.
See *Setting Up Benefits Administration*.

- (Optional) Set up DBA information for flexible benefits, a benefit group for flex, lump sum credit, employee flex deduction, and flex benefit plans.

See *Setting Up Flexible Benefits*.

- (Optional) Activate automated COBRA administration, set up COBRA general constants, qualifying event constants, qualifying event rules, and plan premium amounts.

See *(USA) Setting Up COBRA*.

- (Optional) (USA) Create a plan control group for Nondiscrimination testing.

See *(USA) Setting Up Nondiscrimination Testing*.

2 Setting Up Benefits Administration

Understanding Benefits Administration Setup

Before you can use the Benefits Administration feature of Human Resources, you must define the information that the system uses when it processes benefits administration functions.

When you set up the benefits administration information, you define all the benefit plans that the company uses. Benefit plans include medical coverage and retirement plans. Before you can enroll employees in benefit plans, you must set up benefit plan information.

When you set up a benefit plan, you include the associated deductions, benefits, and accruals (DBAs), and define:

- Effective dates.
- Provider or trustee.
- Payroll deduction and benefit information.
- Eligibility tables.

In some cases, the coverage for a plan can vary from employee to employee. For example, in a medical plan, employees might be allowed to choose between individual coverage (employee only) and family coverage (employee plus family). For these plans, you can either set up separate plans for each variation or create a single plan and set up plan options for each variation.

To simplify the process of enrolling employees in benefit plans, you can set up group information, which includes benefit groups and benefit categories. For example, you could set up a benefit group for all management personnel. Your organization might have several benefit categories that apply to the management group, such as medical, dental, and life insurance. You can also link the benefit categories to the benefit groups. After you set up the benefit plans, groups, and categories, you can link the benefit plans and options to the benefit categories.

Employees' eligibility for benefit plans might depend on various factors, such as length of service or age. After you set up a benefit plan, you must set up tables that define the eligibility rules for the benefit plan. Typically, eligibility rules are based on criteria such as:

- Age
- Length of service
- Number of hours worked

When you enroll an employee in a benefit plan, the system uses eligibility rules to verify that the employee meets the criteria required to participate in the plan. You can also use eligibility rules to verify that employees continue to meet the criteria after they are enrolled in a plan.

If you have set up any eligibility tables that are based on hours worked (method **H**), you must set up pay type tables. The system uses pay type tables to calculate the number of hours that an employee worked, and that number determines the employee's eligibility.

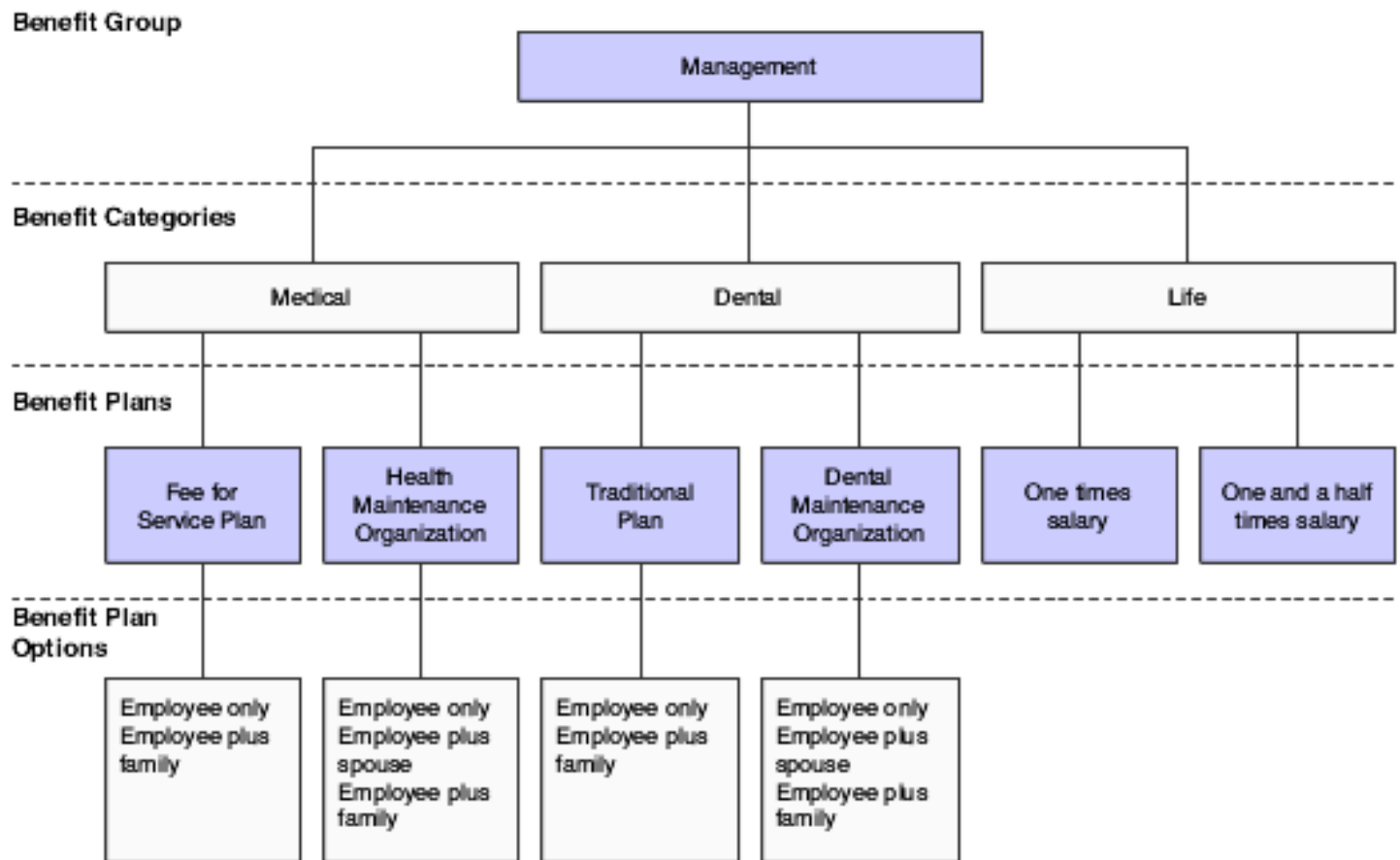
To define the dates on which employees can be enrolled in a benefit plan after they have passed or failed the eligibility tests, you set up date codes. You can set up date codes:

- By a specified day of the month.
- By amount of time after a specified date.

- By a specified enrollment date.

When you set up the enrollment parameters, you define which action the system uses to determine eligibility when you enroll employees using the enrollment with eligibility feature.

This graphic illustrates the relationship between benefit groups, categories, plans, and plan options:



The system stores the information that you set up in various tables as indicated:

- Categories within Benefit Groups (F08350).
 - Generic Message/Rates (F00191).
 - General Message Detail (F00192).
- Plans within Benefit Categories (F08351).
 - Generic Message/Rates (F00191).
 - General Message Detail (F00192).
 - Benefits Plan Master (F08320).
 - Plan Additional Options (F083202).

See *"Employee Self-Service Benefits Setup"* in the *JD Edwards EnterpriseOne Applications Human Capital Management Self-Service Implementation Guide* .

Understanding UDCs for Benefits

The UDCs described here are specific to the Benefits Administration feature of Human Resources.

Data Items Based From (UDC 08/D1)

You use these codes to specify the date from which eligibility is calculated. For example, to have an employee be eligible for a benefit plan 30 days after the employee begins employment, you use code DST, which refers to the data item for the Date Started field.

Data Items for Dates to Follow (UDC 08/D2)

You use these codes to specify the date for the system to use in conjunction with either the Date of Month field or the End of Month field on the Define Date Codes form to enroll the employee in a benefit plan after he or she has passed eligibility testing. An asterisk (*) indicates the date on which the employee either passes or fails eligibility.

Dependent/Beneficiary Relationship (UDC 08/RL)

You use these codes to define the relationship of the dependent or beneficiary to the employee. Examples of these codes are spouse, parent, child, or other relationship.

Use the Special Handling field in this code to limit a relationship to:

D: Dependent only.

B: Beneficiary only.

A: Both a dependent and a beneficiary.

For example, using the special handling code, you can specify that a spouse relationship qualifies as both a dependent and a beneficiary, but that a friend relationship qualifies a friend as a beneficiary only.

Dependent/Beneficiary Type (UDC 08/DB)

You use dependent/beneficiary type codes in conjunction with dependent/beneficiary relationship codes to further define the relationship of the dependent or beneficiary to the employee. For example, when determining beneficiaries for life insurance, you might designate a primary beneficiary to collect the benefit. You might also designate a secondary beneficiary to collect the life insurance benefit in the event that the primary beneficiary is no longer living. Examples of dependent/beneficiary type codes are Primary and Secondary.

Employee Benefit Status (UDC 06/EA)

You use these codes to indicate an employee's status when you test for benefit eligibility. An * (asterisk) indicates that the guidelines refer to all employee actions that are not otherwise specified. Do not change the codes that are hard-coded, such as **A** (active) and **X** (terminated). These are required codes in the system.

Enrollment Status (UDC 08/ES)

You use enrollment status codes to indicate the status of an employee's enrollment in a plan. When you set up enrollment status codes, you must observe these restrictions for the definitions:

- All codes that indicate active participation in a plan must begin with the letter **A**.
- All codes that indicate an ending status that does not result in a new enrollment (such as a termination) must have the letter **X** in the first position of Description 2 field on the User-Defined Codes form.
- A code that begins with the letter **X**, when used as an ending status, represents a mistaken enrollment; no employee deduction, benefit, accrual (DBA) instructions are written.
- An asterisk (*) indicates all statuses not otherwise specified.

Event Codes (UDC 08/BE)

You use event codes to indicate events for which employees can change their benefit information using benefits self service. Examples of event codes include marriage, birth of a child, new hire, and open enrollment.

ACA Eligibility Status (08/SE)

You use ACA Eligibility Status codes to indicate an employee's eligibility, under Affordable Care Act provisions, to be considered a full-time employee and therefore eligible for an offer of health coverage.

The Special Handling column contains a numeric value that is designated as the equivalent of the UDC code value. If you use the Define Eligibility program (P08390) and you want to base eligibility on the ACA Eligibility Status, you need to enter the Special Handling value in the Min Amount or Status field.

The Special Handling column of the eligibility status code contains an equivalent numeric value for the code that is used when defining eligibility criteria in the Define Eligibility program (P08390).

You use the special handling values with the Method AE (ACA Eligibility) when you specify the value in the Min Amount or Status field.

Pay Type Table (UDC 08/TT)

You use pay type table codes to define groups of pay types. These pay type tables identify which pay types are used for calculating particular benefit eligibility information. For example, if employees must work 160 hours before they are

eligible for medical benefits, you must define which pay types count toward the 160 hours. To exclude vacation, leave, and sick time when calculating the employees' accumulated hours for the purposes of testing eligibility, you do not include vacation, leave, and sick time pay types in the pay type table that is associated with the eligibility table for the medical plan.

Plan Status (UDC 08/ST)

You use plan status codes to define the current state of a benefit plan. For example, you can use **A** to define the plan as active or **N** to define the plan as inactive. This code is used for informational purposes only and does not affect any system calculations or processes.

Plan Type (UDC 08/PT)

You use plan type codes to identify and group specific types of benefit plans. For example, you can use **L** to identify life insurance plans and **M** to identify medical plans.

Setting Up Common Settings for Benefits Enrollment

This section provides an overview of common settings for benefits enrollment and discusses how to set up common settings for benefits enrollment.

Understanding Common Settings for Benefits Enrollment

Setting up the common settings for benefits enrollment enables you to specify whether to link dependents and beneficiaries to benefit plans and whether to require date of birth and tax ID when adding a new dependent or beneficiary.

The following table describes the common settings for data items that appear on the Work With HRM Common Display Settings (Work With Human Resource Management common display settings) form. On the System Control - Revisions form, you can specify the current setting for each of these data items for enrolling dependents and beneficiaries in benefit plans.

Common Setting	Usage
Associate Beneficiaries to Plans?	This common setting indicates whether to associate beneficiaries with benefit plans. To require that beneficiaries be associated with a plan when you enroll beneficiaries in benefit plans, set this to Yes .
Associate Dependents To Benefit Plans?	This common setting indicates whether to associate dependents with benefit plans. To require that dependents be associated with a plan when you enroll dependents in benefit plans, set this to Yes .
Date of Birth Required for Dep/Ben? (Date of Birth Required for Dependent/ Beneficiary?)	This common setting indicates whether date of birth is required for dependents and beneficiaries. To require that you enter the date of birth when you add a new dependent or beneficiary, set this to Yes .

Common Setting	Usage
Tax ID Required for Dep/Ben?	This common setting indicates whether tax ID is required for dependents and beneficiaries. To require that you enter the tax ID when you add a new dependent or beneficiary, set this to Yes .

Note:

- *"Setting Up System Options" in the JD Edwards EnterpriseOne Applications Human Capital Management Fundamentals Implementation Guide*

Forms Used to Set Up Common Settings for Benefits Enrollment

Form Name	Form ID	Navigation	Usage
Work With HRM Common Display Settings	W05004A	Self Service Setup (G05BESS4), Common Settings for EE Self Service Appl. Compensation Mgmt System Setup (G08CM14), HRM Common Settings	Access System Control - Revisions form.
System Control - Revisions	W05004B	On the Work With HRM Common Display Settings form, select the record that contains the data item for which you want to change the setting, and then click Select.	Set up common settings for benefits enrollment. Note: You cannot delete these data items from the system.

Setting Up Common Settings for Benefits Enrollment

Access the System Control - Revisions form.

To set up common settings for benefits enrollment:

1. Select Yes or No to specify the current setting, and then click OK.
2. To add another data item, on the Work With HRM Common Display Settings form, click Add.
3. On the System Control - Revisions form, complete the Data Item field.
4. Select Yes or No, and then click OK.
5. If you need to delete a data item that you have added, on the Work With HRM Common Display Settings form, select the data item and click Delete.

You cannot delete system-supplied data items.

Setting Up Benefit Group Information

This section provides an overview of benefit group information and discusses how to:

- Set processing options for the Benefit Group Descriptions program (P00191).
- Set up benefit groups.
- Set processing options for the Group Category Descriptions program (P00191).
- Set up benefit categories.
- Link categories to benefit groups.

Understanding Benefit Group Information

A benefit group identifies a set of benefits available to a particular group of employees. For example, you might have a benefit group for executives, another for salaried employees, and another for hourly employees.

Within each benefit group are benefit categories. Benefit categories identify a type of benefit that is available to the members of the benefit group to which the benefit category belongs. For example, you can have a medical category that contains a variety of medical plans from which an individual in the Executive group can elect coverage. You can have another medical category for the Salaried group that offers different medical plans.

Setting Up Benefit Groups

To save time and reduce data entry errors when you assign benefit plans to employees, you can set up benefit groups and benefit categories. You set up benefit groups to assign the same benefit plans to a group of employees, such as executives, hourly employees, or part-time employees. A benefit group identifies the type of employee who is eligible for a particular set of benefits that you define.

Setting Up Benefit Categories

After you set up a benefit group, you can create benefit categories to organize the plans within the group. Benefit categories group types of benefit plans. For example, an organization might offer two medical plans, a traditional-style plan and a health maintenance organization (HMO). You can define a benefit category called medical and link those two medical plans to that category.

Use benefit categories to associate the different categories of benefits that the company offers to a benefit group. Examples of benefit categories include medical, dental, life, and disability insurance, as well as flexible spending accounts.

When you set up a benefit group or benefit category, the system stores the information in the Generic Message/Rates table (F00191). Any additional or detail information that you include is stored in the General Message Detail table (F00192).

Linking Categories to Benefit Groups

After you set up benefit groups and benefit categories, you can link categories to each benefit group. For example, you can link the benefit categories for medical, dental, and life insurance to the management benefit group. When you link a category to a benefit group, all of the employees in that group are eligible for all of the benefit plans in that category.

When you link categories to groups, you can also indicate:

- The availability of flex plans for the benefit group.
- The sequence in which the benefit categories appear on the enrollment form.
- The election criteria for a benefit category.
- The benefit category type for special flex plans.
- The benefit category classification.
- An employee option to print a form for declining benefit coverage.
- Requirements for employees to stay within the current benefit group options or within a current group of benefit plans.

If a benefit group has flex plans, you must set up a benefit category for employee flex deductions (category type 2). This benefit category controls deduction of a negative flex balance from employee pay. If the employer awards members of the benefit group a lump sum of flex credits, you must set up a benefit category for those lump sum credits (category type 1).

Forms Used to Set Up Benefit Group Information

Form Name	Form ID	Navigation	Usage
Work With Generic Message/Rate Types	W00191A	Benefits Administration Setup (G08BB4), Benefit Group Descriptions Benefits Administration Setup (G08BB4), Group Category Descriptions	Access the Enter Generic Message/Rates form.
Enter Generic Message/Rates	W00191D	On the Work With Generic Message/Rate Types form, click Add.	Set up benefit groups. Set up benefit categories.
Categories By Benefit Group	W08350B	Benefits Administration Setup (G08BB4), Categories by Benefit Group On the Work With Benefit Groups form, complete the Benefit Group field and then click Find. Select the benefit group record and then click Select.	Link categories to benefit groups.

Setting Processing Options for the Benefit Group Descriptions Program (P00191)

Processing options enable you to specify the default processing for programs and reports.

Defaults

1. System Code

Specify the UDC 98/SY that identifies a system.

2. Record Type

Specify the record type of the UDC table where you set up the benefit group descriptions.

Display

1. Text Type

Specify the type of text to display. Values are:

1: Display rate text

2: Display message text

2. Text Column Display

Specify the limit on the text column display. Values are:

1: 60 column display

2: 80 column display

Setting Up Benefit Groups

Access the Enter Generic Message/Rates form.

To set up benefit groups:

1. Complete the Code and Description fields in a blank row.
2. Select the record that you just created, and then select General Message from the Row menu.
3. On the General Message form, enter the benefit group description that you want to appear on the Enter Generic Message/Rates form and on the employee's enrollment form.
4. Click OK to return to the Enter Generic Message/Rates form.
5. Repeat the preceding steps for each benefit group that you need to set up.

After you finish setting up the benefit groups, complete the steps for setting up benefit categories.

Setting Processing Options for the Group Category Descriptions Program (P00191)

Processing options enable you to specify the default processing for programs and reports.

Defaults

1. System Code

Specify the UDC 98/SY that identifies a system.

2. Record Type

Specify the record type of the UDC table where you set up the group category descriptions.

Display

Text Type

Specify the type of text to display. Values are:

1: Display rate text

2: Display message text

Text Column Display

Specify the limit on the text column display. Values are:

1: 60 column display

2: 80 column display

Setting Up Benefit Categories

Access the General Message form.

To set up benefit categories:

1. Complete the Code and Description fields in a blank row.
2. Select the record that you just created, and then select General Message from the Row menu.
3. On the General Message form, enter the benefit category description that you want to appear on the Enter Generic Message/Rates form and on the employee's enrollment form.
4. Click OK to return to the Enter Generic Message/Rates form.
5. Repeat the preceding steps for each benefit category that you need to set up.

After you finish setting up the benefit categories, complete the steps for linking categories to benefit groups.

Linking Categories to Benefit Groups

Access the Categories By Benefit Group form.

To link categories to benefit groups:

1. Select one of the options in the Benefit Group Rule group box to indicate whether the benefit group offers flex plans, and if so, how it treats positive remaining credits.
 - o Flex plans not offered.
 - o Flex plans offered, positive remaining credits allowed.
 - o Flex plans offered, positive remaining credits not allowed.
2. Complete these fields and click OK:

- o Group Category
- o Seq. Num. (sequence number)
- o C R (category rule)
- o Category Type

Flex plans not offered

Select this option to indicate that flex plans are not offered.

Flex plans offered, positive remaining credits allowed

Select this option to indicate that flex plans are offered and the system tracks flex credits that remain after an employee has enrolled in benefit plans.

Flex plans offered, positive remaining credits not allowed

Select this option to indicate that flex plans are offered and the system does not track flex credits that remain after an employee has enrolled in benefit plans.

C R (category rule)

Enter a code for a rule that defines the election criteria for a benefit category. Options are:

Blank: No rule applies. The enrollee can select any items.

O: Optional. The enrollee can select one.

R: Required. The enrollee must select one.

Category Type

Enter a code that identifies categories for DBAs that use special flex calculation plans, such as lump sum employer flex credits and employee flex deductions when remaining flex credits are negative.

Setting Up Benefit Plans

This section provides an overview of benefit plan setup, lists prerequisites, and discusses how to:

- Set processing options for the Plan Master program (P08320).
- Add a new benefit plan.
- Copy an existing benefit plan.

Understanding Benefit Plan Setup

Before you can enroll employees in benefits, you must set up every benefit plan that the company offers. To deduct benefit payments from employees' pay, you must also assign the DBAs that integrate the benefit plan with the JD Edwards EnterpriseOne Payroll system. The system stores benefit plan information in the Benefits Plan Master table (F08320).

For some benefits, coverage can vary from employee to employee. For example, employees might have the option to purchase medical insurance for their dependents, as well as for themselves. Typically, the cost of insuring dependents is greater than the cost of insuring only the employee. In this case, you can:

- Set up separate medical plans called Employee Only, Employee Plus One, and Employee Plus Family and link each of these plans to the medical category.

- Set up a single medical plan, such as MED-HMO, that has options called Employee Only, Employee Plus One, and Employee Plus Family.

When you link MED-HMO to the medical category, the system also links the options.

You can use either of these methods to administer benefit plans. This table lists the main features of each method:

Administration Method	Features
Separate plans	<ul style="list-style-type: none"> • Enables you to apply mandatory or default rules. • Must be used for a plan that has another plan as a prerequisite.
Single plan with options	Enables you to add or remove options (instead of having to end an entire plan and create a new one).

When you set up a benefit plan, you assign one or more DBAs to the plan. You can assign a deduction-type DBA to automatically withhold the cost (or a portion of the cost) of a benefit plan from an employee's pay. You can use a benefit-type DBA to track the cost (or portion of the cost) that the company incurs when it provides a particular benefit plan.

Note: The system uses a hierarchy method within the categories by benefit group and plan master when calculating the DBAs associated with benefit plans. If a DBA within a plan is based on another DBA in another plan, the plan and category names must be considered. You need to make sure within the benefit group setup the category and plan names are put in alphabetical order. The system will then calculate the DBAs from top to bottom on the Calc/Eligibility tab. For example, if DBA 1001 is based on DBA 1000, DBA 1000 must be in a category and plan that comes alphanumerically before the category and plan that DBA 1001 is in, so they will process in alphanumeric order.

If you are providing flex benefit plans, you use an employee flex cost DBA to represent the value of the flex credits that an employee must use to enroll in the plan. Use an employer flex-credits DBA to award employees with flex credits for selecting a particular plan. You also use the flex DBAs to calculate remaining credits when an employee enrolls in flex plans. When an employee has negative remaining credits, you use an employee flex deduction DBA to subtract the overspent amount from the employee's pay.

After you set up a benefit plan, you might need to periodically update the amounts or rates that are associated with the DBAs and options for the plan. For example, when a benefit carrier raises its rates, you typically need to increase the employee- and employer-paid deductions for the plan. When you need to update DBAs or plan options, you can access the forms that you need from the master record for the plan or plan options.

After you attach an employee record to a plan, you cannot delete the plan. Even when employees are not active, their records remain attached to the plan. Also, you cannot change the dependent or beneficiary status of a plan if dependents or beneficiaries are enrolled in the plan or if the plan has options with a conflicting dependent or beneficiary type.

See [Setting Up Plan Options](#).

Adding a New Benefit Plan

Before you can enroll employees in a benefit plan, you must set up the plan. You add a new benefit plan when you need to set up a unique plan or when you are setting up a plan for the first time. When you set up a plan, you must define this information:

- Effective dates
- Provider or trustee

- Enrollment rules
- Eligibility tables

Copying an Existing Benefit Plan

You can copy an existing benefit plan when you need to set up a plan that is similar to a plan that you have already set up. For example, suppose that you have a dental plan already set up that has an effective date of January 1 and an ending date of December 31 of the current year. The dental plan that the organization offers for the following year might be basically the same as this current plan, with only a few minor changes. To save time and reduce data entry errors when you set up the dental plan for the following year, you can copy the current dental plan and then enter only the appropriate changes.

See *Adding a New Benefit Plan*.

Prerequisites

Before you complete the tasks in this section, you must:

- Set up the pay types, deductions, benefits, and accruals (PDBAs) that you assign to the plan.
See "*Setting Up Deductions, Benefits, and Accruals*" in the *JD Edwards EnterpriseOne Applications Human Capital Management Fundamentals Implementation Guide*.
- Set up the provider or trustee for the plan in the JD Edwards EnterpriseOne Address Book system.
- Set up eligibility tables associated with the plan. (Optional)

See *Setting Up Eligibility Tables*.

Forms Used to Set Up Benefit Plans

Form Name	Form ID	Navigation	Usage
Plan Master	W08320A	Benefits Administration Setup (G08BB4), Plan Master On the Work With Plan Master form, click Add.	Add a new benefit plan.
Plan Master Rates Window	W083203A	On the Plan Master form, select Plan Rates from the Form menu. On the PDBA Detail form, select the PDBA record for which you want to enter a rate, and then click Select.	Enter a date-sensitive override amount or rate for the employee contribution.
Work With Plan Master	W08320B	Benefits Administration Setup (G08BB4), Plan Master	Copy an existing benefit plan.

Form Name	Form ID	Navigation	Usage
		On the Work With Plan Master form, find and select the plan that you want to copy and click Copy.	

Setting Processing Options for the Plan Master Program (P08320)

Processing options enable you to specify the default processing for programs and reports.

Display

This processing option specifies whether particular fields appear on the Plan Master form.

1. EE Flex Cost PDBA and the ER Flex Credits PDBA fields (employee flexible cost and the employer flexible credits pay type, deduction, benefits, accrual fields)

Specify whether to display the Employee Flex Costs field and the Employer Flex Credits DBAs field. Values are:

0: Do not display these fields.

1: Display these fields.

Adding a New Benefit Plan

Access the Plan Master form.

To add a new benefit plan:

1. Complete the Plan ID field.
2. In the unlabeled field to the right of the Plan ID field, enter the name of the plan.
3. On the General Info tab, complete the Provider/Trustee field.
4. Complete these optional fields or accept the default values:
 - o From Date
 - o Thru Date
 - o Policy/Reference Number
 - o Plan Type
 - o Status Code

Note: You need to assign the same benefit plan type to every plan within a benefit category. For example, all medical plans should be assigned to the medical plan type.

5. Select any of these options, if necessary:
 - o Mandatory
 - o Enter Amount/Rate
 - o COBRA Plan (Consolidated Omnibus Budget Reconciliation Act)
6. In the Enrollment Rules group box, select an option for the enrollment start date.
7. Select one or both of these options:
 - o Allow Enrollment at Plan Level
 - o Flex Plan
8. Select one of these options in the Dependent/Beneficiary group box:
 - o Requires Dependent
 - o Requires Beneficiary
 - o Does Not Require Dependent/Beneficiary

The Dependent/Beneficiary options define whether a plan is designated as a dependent plan or a beneficiary plan.
9. Select one of these options in the Spending Account group box:
 - o Not a Spending Account
 - o Medical Spending Account
 - o Non-Medical Spending Account

You use the Spending Account options to associate the account with medical or other types of expenses.
10. Select the Calc./Eligibility (Calculation/Eligibility) tab and complete any of these DBA fields:
 - o EE Payroll Deduction (Employee Payroll Deduction)
 - o ER Paid Benefit (Employer Paid Benefit)
 - o EE Flex Cost (Employee Flex Cost)
 - o ER Flex Credits (Employer Flex Credits)

If the plan is a flex plan, complete either the EE Flex Cost field or the EE Flex Credits field.
11. To enter a date-sensitive override amount or rate for the employee contribution, select Plan Rates from the Form menu.
12. On the PDBA Detail form, select the PDBA record for which you want to enter a rate, and then click Select.

Note: The plan rate or amount that you enter on this form is a date-sensitive override to the rate that exists in the DBA field. You must complete the DBA field before you enter override amounts or rates. You cannot enter an amount or rate for a DBA field that is blank. Entering new rates does not change existing benefit plan information for employees. To recalculate the new premium costs, the employee must enroll in the plan again, or a human resources administrator must process batch enrollment.
13. On the Plan Master Rates Window form, complete any of these override fields, click OK, and then click Cancel.
 - o Type
 - o Beginning Date
 - o Ending Date

- o Amount or Rate

14. On the Calc./Eligibility tab of the Plan Master form, complete these fields:
 - o Init Elig Table (Initial Eligibility table)
 - o Cont Elig Table (Continuing Eligibility table)
15. Complete the optional Prerequisite Plan field.
16. To enter information about the plan, select the Addl. Info (additional information) tab, and then enter the information.
17. To track additional data, select the Cat. Codes (category codes) tab and complete the relevant information.
18. If you use Self Service Benefits, select the Self Service tab and complete the Description field.
If you do not enter a description, the plan description appears on self service forms. This description field enables you to enter a longer representation of the benefit plan.
19. Complete the Short Plan/Plan Option Description field.
This description field provides only a short description that is used when benefit plans appear as column titles on self service forms.
20. Complete the Plan Grouping Code field.
We recommend that you use the Plan Master Options program (P083202) instead of the plan grouping code. You can use plan grouping to associate benefit plans if you do not use benefit plan options. For example, if you create separate benefit plans for employee only, employee plus 1, employee plus family, and employee opt out, you can set up a plan grouping code in UDC 08/PG. You can then assign the plan grouping code to each plan master record.
We recommend that you set up a nonparticipating plan for each benefit category so that employees can elect this plan to select no coverage.
21. To track the primary care physician number, select the Track Primary Care Physician (PCP) option to activate it.
22. If the purpose of the benefit plan is to indicate that an employee is declining coverage, select the Non-Participating Plan Flag option.
The system displays this option only if the plan is set up as a nonparticipating plan.
Note: We recommend that you set up a nonparticipating benefit plan for every benefit category.
If the benefit plan is a dependent plan, the system displays a field at the bottom of the form where you can enter the number of dependents who can enroll in the plan.
23. If the plan is a dependent plan, specify the number of people to be covered (including the employee) by completing the Maximum Dependent field.
24. Select the Premium/Coverage tab and complete either of these fields to specify premium information:
 - o Premium Payment
 - o Age Rate Table
25. Complete these optional fields:
 - o Per Coverage Dollars
 - o Maximum Premium Amount
26. To enter coverage information, complete either of these fields:
 - o Amount - Coverage

- o Salary Factor

27. Complete the optional Rounding Amount field.
28. Click OK to save the record.

General Info

Select the General Info tab.

From Date

Enter the date on which the benefit plan goes into effect.

This date determines whether the plan displays on the Benefit Group Selections form and on the employee's Personal Enrollment form. For example, if the plan has an effective date that is after the employee's effective date on the Benefit Group Selections form or in the batch enrollment, the employee cannot enroll in the plan.

Thru Date

Enter the date that the benefit plan ends.

If this date exists on the Plan Master Information form prior to an employee's enrollment, the effective through date becomes the employee's ending enrollment date when you enroll the employee.

Policy/Reference Number

Enter the certificate or policy number of the benefit plan.

Status Code

Enter a UDC (08/ ST) that defines the current state of the benefit plan. For example, you might use **A** to define the plan as active.

Mandatory

Enter a code that indicates whether the plan is required for all employees. Codes are:

Y: Yes, all employees must participate in this plan. You should not use this code unless all employees are required to participate in the plan.

N: No, all employees are not required to participate in this plan. The plan is optional.

Enter Amount/Rate

Enter a code that indicates whether you can enter an amount or rate when you enroll an employee in a benefit plan. Typically, you enter **Y** when the employee determines the amount of a deduction or a benefit. Examples include 401(k) percentages, dependent care, and health care reimbursements.

COBRA Plan

Specify whether a benefit is also a COBRA plan. Values are:

Y: Yes, The plan is a COBRA plan.

N: No, The plan is not a COBRA plan.

Note: If you enter **Y** in this processing option, you must define each DBA with the COBRA plan equivalent equal to 1. This field is found on DBA Additional Information.

If you specify that this plan is a COBRA plan, then you must also activate the Valid for COBRA option located on the US Leg/Reg (U.S. legislative/regulatory) form in the DBA setup.

Allow Enrollment at Plan Level

Specify whether an employee can enroll in the plan when plan options are available. Values include:

0: The employee cannot enroll.

1: The employee can enroll.

Flex Plan

Enter a code that identifies the plan as a flex plan. When the plan is defined as a flex plan, the system displays the EE Flex Cost (data item PDDP) and the ER Flex Credit (data item PDCP) PDBA fields on the Enrollment with Eligibility and the Employee Self Service benefit forms.

Requires Dependents, Requires Beneficiaries, and Does not require Dependent/Beneficiary

The options in the Dependent/Beneficiary group box define whether a plan is designated as a dependent plan or a beneficiary plan. You must select one of these options.

Calc./Eligibility

Select the Calc./Eligibility tab.

EE Payroll Deduction (employee payroll deduction)

Enter the DBA defined in the Payroll Transactions Constants table (F069116) that is used to calculate the dollar amount that the employee contributes by enrolling in the plan. In most cases, this DBA is defined to deduct pay from the enrolled employee's check.

ER Paid Benefit (employer paid benefit)

Enter the DBA defined in the Payroll Transactions Constants table (F069116) that the system uses to calculate the dollar amount that the employer contributes to the employee enrolled in the plan. In most cases, this DBA is defined as a benefit to add pay to the enrolled employee's check.

EE Flex Cost (employee flex cost)

Enter the DBA defined in the Payroll Transactions Constants table (F069116) that is used to calculate the points amount that the employee contributes by enrolling in the plan in a flexible spending environment.

DBAs used for points in a benefit plan or option must meet two requirements:

The DBA must have blank values in the specification for gross effect and net effect (see data items PAYG and PAYN) so that the use of non-dollar points does not add or subtract dollars from employee pay.

The DBA must have an **M** in the specification for journal entry (see data item NMTH) so that the use of non-dollar points does not affect the General Ledger system.

ER Flex Credits (employer flex credits)

Enter the DBA defined in the Payroll Transactions Constants table (F069116) that the system uses to calculate the points amount that the employer contributes to an employee enrolled in a flexible spending environment.

DBAs used for points in a benefit plan or option must meet two requirements:

The DBA must have blank values in the specification for gross effect and net effect (see data items PAYG and PAYN) so that the use of non-dollar points does not add or subtract dollars from employee pay.

The DBA must have an **M** in the specification for journal entry (see data item NMTH) so that the use of non-dollar points does not affect the General Ledger system.

Prerequisite Plan

Indicate the benefit plan, if any, in which the employee must be enrolled before the employee is eligible to participate in this plan.

Plan Master Rates Window

Access the Plan Master Rates Window form.

Type

Enter a code to indicate whether the rates are benefit plans or COBRA plans.

Amount or Rate

Enter the monetary amount, a percentage, or an hourly rate that the employee or the employer pays for the employee to participate in a benefit plan. Values are:

1: For a deduction, benefit, or accrual, the meaning of this value depends on the method of calculation. The method determines whether the deduction is a flat monetary amount, a percentage, or a multiplication rate. Table method DBAs, depending on which table method they use, can either use this amount in the calculation or not use it. If there are exceptions to the table calculation, you can override the table code in the detail area, set up a flat monetary DBA amount, or override the amount with a one time override for a timecard.

2: For a pay type, amounts entered in this field override the hourly rate.

Self-Service

Select the Self-Service tab.

Short Plan/Plan Option Description

Enter a short description (up to 15 characters) of the benefit plan or benefit plan option.

Plan Grouping Code

Enter a code to designate which benefit plans or benefit plan options are related, based on a provider or other criteria.

Track Primary Care Physician (PCP)

Select to specify whether the benefit plan or benefit plan option tracks primary care physician numbers. If you select this option, then the system displays a form during the enrollment process for an employee to enter the number for a primary care physician.

Select this check box for plans and plan options that track numbers for primary care physicians.

Non-Participating Plan Flag

Enter a code to specify whether an employee can elect to decline participation in the benefit plan.

Minimum Dependents

Enter the minimum number of people that can be covered under a particular plan or plan option. This number includes the employee. For example, if the plan allows an employee plus one dependent, then the minimum number is **2**.

Maximum Dependent

Enter the maximum number of dependents that can be enrolled in a benefit plan.

Premium/Coverage

Select the Premium/Coverage tab.

Premium Payment

Enter the premium payment amount that applies to this plan.

Age Rate Table

Indicate the table used if the calculation requires table values.

Per Coverage Dollars

Enter the amount of coverage that is paid for by the amount in the Monthly Premium field (data item PREP). For example, a premium charge can be defined as 30 USD for every 1000 USD of coverage. In this case, the monthly premium is **30**, and the value in the Per Coverage Dollars field is **1000**.

Maximum Premium Amount

Enter the maximum premium amount permitted.

Amount - Coverage

Enter the dollar amount of coverage that this plan provides to every employee enrolled in the plan.

Salary Factor

Enter a multiplier (factor) that the system uses to calculate the amount of coverage provided to an employee, based on the employee's salary.

For example, a salary factor of **2.0** indicates coverage for an employee in the amount of twice the employee's salary.

Rounding Amount

Enter the amount that the system uses to round the coverage dollars to the nearest whole number. For example, if the coverage dollars are 15,250 USD and you enter **1,000** in this field, the system rounds the coverage dollars to 16,000 USD.

Copying an Existing Benefit Plan

Access the Work With Plan Master form.

To copy an existing benefit plan:

1. Complete the Plan ID and From Date optional fields.
2. To specify whether to display only active plans or all plans, select one of the options in the Plans area.
3. Click Find.
4. In the detail area, select the plan that you want to copy and click Copy.

Note: If the plan that you copy has associated plan options, the system displays a confirmation message. To copy both the selected plan and its associated plan options, click OK. To copy only the plan, click Cancel.

5. On the Plan Master form, complete the Plan ID field.
6. Review and, if necessary, change the name of the plan in the unlabeled field to the right of the Plan ID field.
7. Review and, if necessary, change any of the remaining information on the form that the system copied from the original plan, and then click OK.

Setting Up Plan Options

This section provides an overview of plan option setup and discusses how to set up plan options.

Understanding Plan Option Setup

When the coverage of a plan varies from employee to employee, you can either set up a separate plan for each variation or set up a plan with several options. For example, an organization might offer a dental plan to employees, and the cost

for this plan might vary depending on whether employees elect coverage for themselves only or for themselves plus their dependents. There are two ways to set up this dental plan:

- Set up separate dental plans called Employee Only, Employee Plus One, and Employee Plus Family, and link each of these plans to the dental category.
- Set up a dental plan, such as DEN-01, for an employee and include options such as DEN-01 Plus One and DEN-01 Plus Family.

When you link DEN-01 to the dental category, the system also links the options.

When you set up benefit plan options, you can enter different coverage costs for each option. For example, the Employee Only option might cost 20.00 USD (United States Dollar), the Employee Plus One option 40.00 USD, and the Employee Plus Family option 80.00 USD. You can indicate the cost of an option by:

- Assigning it a separate DBA that has an associated amount or rate.
- Assigning it the DBA that is associated with the plan.
You can enter an override amount or rate for the option in the Plan Master Rates Window program (P083203).
- Using the benefit plan DBA and the benefit plan options DBA.

The DBAs must be separate in this case.

When the employee enrolls in a benefit plan option, the system updates the employee's DBA instructions with the amount or rate that you entered for the option.

When you set up options for a single benefit plan, use the option rule to determine how the system calculates additional coverage costs. You can include one or more of these options in the calculation:

- DBA for the benefit plan.
- DBA for the option.
- Additional amount.

When the employee enrolls in a benefit plan option, the system uses the option rule to either add the additional cost or replace the amount in the DBA that you identified in the Plan Master program (P08320). For example, suppose that the plan DBA identifies the amount that the employee pays for coverage when enrolled in DEN-01 only. If the employee enrolls in DEN-01 Plus One, you can add an amount to deduct for the additional coverage. If the employee enrolls in the DEN-01 Plus Family option, you can set up an even greater amount to deduct for the coverage for an entire family.

You can use one of three option rules for a single plan with options. Depending on the value that you select for the option rule, you can include additional factors that the system uses in the calculation, such as DBAs and additional amounts or rates. When you enter plan options, the system stores the information in the Plan Additional Options table (F083202).

This table illustrates the DBA and additional amounts or rates that are enabled with each rule:

Option Rule	DBA for Plan ID	DBA for Option	Additional Amount
1	X	Not Applicable	X
2	X	X	X
3	Not Applicable	X	X

You use the rules for any of the DBA codes that are used for the plan, including the employee payroll deduction and the employer-paid deduction.

Note: You cannot delete a benefit plan or plan option when employees are enrolled in that option. Even when employees are not active, their records remain attached to the plan option. Also, you cannot change the dependent or beneficiary status of the plan option when dependents or beneficiaries are enrolled in the plan option.

See *Setting Up Plan Options*.

Forms Used to Set Up Plan Options

Form Name	Form ID	Navigation	Usage
Plan Master Options	W083202A	Benefits Administration Setup (G08BB4), Plan Master On the Work With Plan Master form, complete the Plan ID field and click Find. Select a plan, and select Plan Options from the Row menu.	Set up plan options.

Setting Up Plan Options

Access the Plan Master Options form.

To set up plan options:

1. Complete these fields:
 - o Plan Option
 - o Plan Option Description
 - o Dep Ben (dependent beneficiary)
 - o Additional Premium Payment
 - o V O (valid option)

2. If you are using self service benefits, complete these fields to set up the plan option for self service:
 - o Plan Option Self Service Description
 - o Short Plan/Option Description
 - o Minimum Dependents
 - o Maximum Dependent
 - o PCP Flag (primary care physician flag)
 - o Non-Participating Plan

If you do not enter a self service description, the system uses the benefit plan option description on self service forms.
3. Complete these fields to set up the employee contribution information:
 - o Payroll Ded - Option Rule
 - o Payroll Ded DBA
 - o Payroll Ded - Add'l or Override Rate
4. Complete these fields to set up the employer-paid information:
 - o Paid Benefit - Option Rule
 - o Paid Benefit DBA
 - o Paid Benefit - Add'l or Override Rate
5. Complete these fields to set up the employee flex cost information:
 - o Flex Cost - Option Rule
 - o Flex Cost DBA
 - o Flex Cost - Add'l or Override Rate
6. Complete these fields to set up the flex credits information:
 - o Flex Credit - Option Rule
 - o Flex Credit DBA
 - o Flex Credit - Add'l or Override Rate
7. Select one of the DBA fields and select Plan Rates from the Row menu to enter a date-effective override amount or rate for the employee contribution to the DBA item.
8. On the PDDBA Detail form, select a record and then click Select.
9. On the Plan Master Rates Window form, complete these fields:
 - o Beginning Date
 - o Ending Date
 - o Amount or Rate
10. Click OK to save the amount or rate record, and then click Cancel to return to the Plan Master Options form.
11. Click OK to save the plan record.

Dep Ben (dependent/beneficiary)

Enter a code that indicates whether beneficiary information is required for employees participating in the plan or plan additional option. Codes are:

Blank: No dependent or beneficiary information is required.

D: Dependent information is required.

B: Beneficiary information is required.

Additional Premium Payment

Enter the premium payment amount that applies to this plan.

V O (valid option)

Enter a code to indicate whether an option is valid for the plan. This code enables you to cancel options when they are no longer valid. Values are:

Y: Yes, this is a valid plan option.

N: No, this is not a valid plan option.

When you make an option invalid, that option does not appear on any enrollment form, whether print or online, and no employee can enroll in that option.

Plan Option Self Service Description

Enter a descriptive statement of up to 50 characters in length.

Short Plan/Option Description

Enter a short description (up to 15 characters) of the benefit plan or benefit plan option.

Minimum Dependents

Enter the minimum number of people that can be covered under a specific plan or plan option. This number includes the employee. For example, if the plan allows an employee plus one dependent, then the minimum number is **2**.

Maximum Dependent

Enter the maximum number of dependents that can be enrolled in a benefit plan.

PCP Flag (primary care physician)

Select to specify whether the benefit plan or benefit plan option tracks primary care physician numbers. If you select this option, then the system displays a form during the enrollment process for an employee to enter the number for a primary care physician.

Non-Participating Plan

Enter a code that specifies whether an employee can elect to decline participation in the benefit plan.

Payroll Ded - Option Rule (payroll deduction - option rule)

Enter a code that specifies the rule that the system uses to determine the specific DBA to add to an employee's DBA instructions when the employee is enrolled in a plan. This rule also includes the amount or rate to use. Values are:

1: Plan DBA. Use the employee share from the DBA for the specified plan. You can also include an additional amount or rate that the system adds in the calculation. No DBA is allowed for the option.

2: Plan and Option DBAs. The system uses both the DBA for the plan and the DBA for the option. The two DBAs must have different code numbers.

3: Option DBA. Use the employee share from the option DBA. Use the additional amount from the option, if any.

Payroll Ded DBA (payroll deduction DBA)

Enter the DBA defined in the Payroll Transactions Constants table (F069116) that is used to calculate the dollar amount that the employee contributes by enrolling in the plan. In most cases, this DBA is defined to deduct pay from the enrolled employee's check.

Payroll Ded - Add'l or Override Rate (payroll deduction - additional or override rate)

Enter the employee's additional payroll deduction (employee share amount) for optional coverage.

Paid Benefit - Option Rule

Specify a rule that indicates the specific DBA to add to the employee's DBA instructions when an employee is enrolled in a plan. This rule also includes the amount or rate to use. Values are:

1: Plan DBA. The system uses the employee share DBA from the specified plan. It adds the additional amount from the option to the amount or rate from the plan employee share DBA. No DBA is allowed for the option.

2: Both DBAs. For the plan DBA, this is the default amount from DBA definition.

For the option DBA, the system uses the additional amount from the option.

The plan and option DBAs must be different.

3: Option DBA. The system uses the employee share DBA from the option. It uses the additional amount from the option, if any.

Paid Benefit DBA

Enter the DBA defined in the Payroll Transactions Constants table (F069116) that the system uses to calculate the dollar amount that the employer contributes to the employee enrolled in the plan. In most cases, this DBA is defined as a benefit to add pay to the enrolled employee's check.

Paid Benefit - Add'l or Override Rate (paid benefit- additional or override rate)

Enter an additional amount that the employer contributes toward the cost of a benefit option. For example, an employer might pay 100.00 USD toward the cost of the option for family medical coverage.

Flex Cost - Option Rule

Specify a rule that indicates the specific DBA to add to the employee's DBA instructions when an employee is enrolled in a plan. This rule also includes the amount or rate to use. Values are:

1: Plan DBA. The system uses the employee share DBA from the specified plan. Add the additional amount from the option to the amount or rate from the plan employee share DBA. No DBA is allowed for the option.

2: Both DBAs. For the plan DBA, this is the default amount from the DBA definition.

For the option DBA, the system uses the additional amount from the option.

The plan and option DBAs must be different.

3: Option DBA. The system uses the employee share DBA from the option. It uses the additional amount from the option, if any.

Flex Cost DBA

Specify the DBA defined in the Payroll Transactions Constants table (F069116) that is used to calculate the points amount that the employee contributes by enrolling in the plan in a flexible spending environment.

DBAs used for points in a benefit plan or option must meet two requirements:

The DBA must have blanks in the specification for gross effect and net effect (see data items PAYG and PAYN) so that the use of non-dollar points does not add or subtract dollars from employee pay.

The DBA must have an **M** in the specification for journal entry (see data item NMTH) so that the use of non-dollar points does not affect the General Ledger system.

Flex Cost - Add'l or Override Rate (flex cost - additional or override rate)

Enter the additional points or credits that the employee contributed for optional coverage.

Flex Credit - Option Rule

Specify a rule that indicates the particular DBA to add to the employee's DBA instructions when an employee is enrolled in a plan. This rule also includes the amount or rate to use. Values are:

1: Plan DBA. The system uses the employee share DBA from the specified plan. Add the additional amount from the option to the amount or rate from the plan employee share DBA. No DBA is allowed for the option.

2: Both DBAs. For the plan DBA, this is the default amount from DBA definition.

For the option DBA, the system uses the additional amount from the option.

The plan and option DBAs must be different.

3: Option DBA. The system uses the employee share DBA from the option. It uses the additional amount from the option, if any.

Flex Credit DBA

Enter the DBA defined in the Payroll Transactions Constants table (F069116) that the system uses to calculate the points amount that the employer contributes to an employee enrolled in a flexible spending environment.

DBAs used for points in a benefit plan or option must meet two requirements:

The DBA must have blanks in the specification for gross effect and net effect (see data items PAYG and PAYN) so that the use of non-dollar points does not add or subtract dollars from employee pay.

The DBA must have an **M** in the specification for journal entry (see data item NMTH) so that the use of non-dollar points does not affect the General Ledger system.

Flex Credit - Add'l or Override Rate (flex credit - additional or override rate)

Enter the additional points or credits the employer contributed for optional coverage.

Amount or Rate

Enter the monetary amount, a percentage, or an hourly rate that the employee or the employer pays for the employee to participate in a benefit plan. Values are:

1: For a deduction, benefit, or accrual, the meaning of this value depends on the method of calculation. The method determines whether the deduction is a flat monetary amount, a percentage, or a multiplication rate. Table method DBAs, depending on which table method they use, can either use this amount in the calculation or not use it. If there are exceptions to the table calculation, you can override the table code in the detail area, set up a flat monetary DBA amount, or override the amount with a one time override for a timecard.

2: For a pay type, amounts entered in this field override the hourly rate.

Recalculating Plan Option Costs

This section provides an overview of plan option cost recalculations and discusses how to run the batch enrollment program to recalculate plan option costs.

Understanding Plan Option Cost Recalculations

After you set up a plan with options, you might need to update the amounts or rates that are associated with those options. For example, if a benefit carrier raises its rates for family medical coverage, you must update the cost of the family option of the medical benefit plan.

The system uses the Batch Enrollment program (R083800), and the Recalculate Option Costs program (R083810) to recalculate the option costs and update employee DBA instructions with the new costs. To update option costs, you must complete these steps:

1. Change the rate of the option using the Plan Master Options program (P083202).
2. Create a new version of the Batch Enrollment program.

Enter this information when you set up the version:

- o Enter the date on which the new option costs will take effect in the Effective Date processing option on the Date tab.
- o Initially, enter **0** in the Mode processing option on the Process tab. This enables you to process the report in proof mode.

Note: After you have processed this version in proof mode and verified that the information is correct, you can change this processing option to run the Batch Enrollment program in final mode. This updates employee DBA instructions with the new enrollment records for the updated option costs.

- o Enter the plan ID to which the option is attached in the Plan processing option on the Process tab.
- o Enter **TRT** in the Ending Enrollment Status processing options on the Process tab and on the Recalculation tab.
- o Verify that the data selection for this version selects employees whose benefit status is not equal to blank. You can use additional data selection to narrow the selection criteria.

3. Process the newly created version of the Batch Enrollment program in proof mode.

The system automatically generates the Recalculate Option Costs report (R083810).

4. Review the Recalculate Option Costs report and verify that the stop dates, start dates, and new rates are correct.
5. Process the Batch Enrollment program in final mode.
6. To verify that the updates were successful, review the DBA instructions of an employee who was included in the Batch Enrollment process.

In order to update option costs for an employee, you must ensure that:

- The benefit plan and benefit option are set up.
- The employee is enrolled in the plan and the option.
- The employee has history for the DBA that is associated with the plan option.
- The employee is not locked to a payroll ID at the time that you update plan option costs.

Note:

- *Setting Up Plan Options.*

Running the Batch Enrollment Program (R083800) to Recalculate Option Costs

Select Daily Processing (G08BB1), Batch Enrollment.

Linking Plans to Benefit Categories

This section provides an overview of links between plans and benefit categories and discusses how to link plans to benefit categories.

Understanding Links Between Plans and Benefit Categories

To streamline data entry when you enter benefit information for employees, you can link plans to categories within a benefit group. Benefit categories are groups of related types of benefit plans. For example, an organization might offer two medical plans, a traditional-style plan and an HMO. You can define a benefit category called Medical and link those two medical plans to that category.

You can link specific plans for each benefit, or you can link a plan with attached options. For example, you can set up a benefit category called Medical and link three plans to it:

- MED, for the employee only.
- MED+ONE, for the employee plus one other person.
- MED+FAM, for the employee and the employee's family.

Alternatively, you can set up a benefit category called Medical and link to it a single medical plan with options for the employee-plus-one and family coverages.

When you link plans to categories, you can also enter effective beginning and ending dates. The system supplies default dates to the employees' records when you enroll employees in a particular plan.

Forms Used to Link Plans to Benefit Categories

Form Name	Form ID	Navigation	Usage
Plans Within Categories	W08351B	Benefits Administration Setup (G08BB4), Plans Within Categories On the Work with Categories within Groups form, complete the Benefit Group field and click Find. Select a record and click Select.	Link plans to benefit categories.

Linking Plans to Benefit Categories

Access the Plans Within Categories form.

Sequence Number

Enter a number to sequence information for review purposes only.

The sequence number determines the order in which the plans are listed in the self service programs. It does not affect the order of plans on the Plans Within Categories form.

Mnd Prt (mandatory participation)

Enter a code to indicate whether the plan is required for all employees. Codes are:

Y: Yes, all employees must participate in this plan. You should not use this code unless all employees are required to participate in the plan.

N: No, all employees are not required to participate in this plan. The plan is optional.

Dft Pln (default plan)

Specify whether the plan is a default plan in the category. An employee is automatically enrolled in this plan if no other plans within the category are selected. Values are:

Y: Yes, this is a default plan.

N: No, this is not a default plan.

Effective Begin

Enter the date on which the benefit plan is included in the benefit category.

Effective End

Enter the last date on which the benefit plan is included in the benefit category.

Setting Up Date Codes

This section provides an overview of date code setup and discusses how to:

- Set up date codes for a specified day of the month that occurs after a particular date.
- Set up date codes for the last day of the month in which a particular date occurs.
- Set up date codes for a length of time after a specified date.
- Set up date codes for a specified enrollment date.

Understanding Date Code Setup

To determine eligible and ineligible enrollment dates for a benefit plan, you set up date codes. You must set up the date codes that you need to include on the eligibility table for the benefit plan.

Eligibility tables and date codes work together. For example, an eligibility table can test for 30 days from the date of hire, and the date code can assign the enrollment date to the first of the month following eligibility.

Date Codes for a Specified Day of the Month That Occurs After a Particular Date

Use this method to set up a date code when you want enrollment to occur on a specified day of the month that occurs after a particular date.

For example, suppose that you want enrollment always to occur on the 15th of the month, and it must occur after an employee's date of hire. In that case, you would enter **15** as the day of the month, and you would use the hire date as the

date to follow. Then, when an employee begins work on May 30, eligibility for enrollment in the benefit plan begins on June 15 (the first 15th after the employee's hire date).

Here is another example. Suppose that you want enrollment to occur on the 1st of the month, and it must occur after an employee passes eligibility. You would enter **1** in the Date of Month field and an asterisk (*) as the date to follow. When an employee passes eligibility on June 1, enrollment in the plan occurs on June 1. If the employee passes eligibility on June 2, enrollment in the plan occurs on July 1.

Date Codes for the Last Day of the Month in Which a Particular Date Occurs

Use this method to set up a date code when you want enrollment to occur on the last day of the month in which a particular date occurs.

For example, suppose that you want enrollment to occur on the last day of the month in which the date of hire occurs. You would select the End of Month check box and enter the code for the date of hire in the Date to Follow field. In this case, an employee becomes eligible for enrollment on the last day of the month after being hired. If an employee begins work on May 30, eligibility for enrollment in the benefit plan begins May 31. If an employee is hired on the May 31, then enrollment begins on that day.

Date Codes for a Length of Time After a Specified Date

Use this method to set up a date code when you want enrollment to occur a specified number of days, months, or years after a particular date.

For example, you can define an enrollment date in a particular stock option plan as exactly two years after the employee's hire date.

Date Codes for a Specified Enrollment Date

Use this method to set up date codes by an enrollment date. You can enter up to six enrollment opportunities for a date code.

For example, you can enter the first day of each fiscal quarter as an enrollment date so that the system enrolls any employee who meets other eligibility requirements on the first day of the following quarter. Likewise, if you want enrollment to occur on only a single date each year, enter only that date.

Forms Used to Set Up Date Codes

Form Name	Form ID	Navigation	Usage
Work With Date Codes	W08395A	Benefits Administration Setup (G08BB4), Define Date Codes	Access the Define Date Codes form.
Define Date Codes	W08395B	On the Work With Date Codes form, click Add.	Set up a date code for a specified day of the month that occurs after a particular date.
Define Date Codes	W08395B	On the Define Date Codes form, complete the Enrollment Date Code, Description, and Date to Follow fields.	Set up a date code for the last day of the month in which a particular date occurs.

Form Name	Form ID	Navigation	Usage
		Select the End of Month option and click OK.	
Define Date Codes	W08395B	On the Define Date Codes form, complete the Enrollment Date Code, Description, Number of Dys, Mos, or Yrs and Date to Follow fields. Select the Day, Month, or Year option in the Basis group box, and then click OK.	Add a new benefit plan.
Define Date Codes	W08395B	On the Define Date Codes form, complete the Enrollment Date Code and Description fields. Enter a month and day in one or more of the enrollment fields and then click OK.	Add a new benefit plan.

Setting Up Date Codes for a Specified Day of the Month That Occurs After a Particular Date

Access the Define Date Codes form.

Enrollment Date Code

Enter a code to identify the terms for a beginning or ending enrollment date.

Date of Month

Enter the day of the month on which enrollment must begin or end. You can use *either* this field or the End of Month field. You cannot use both.

For example, a value of **05** in this field means that enrollment either begins or ends on the first 5th of the month that occurs after the date specified in the Date to Follow field. If you enter **05** in this field, you cannot also enter **Y** in the End of Month field.

Date to Follow

Enter a code to identify the date that the system uses in conjunction with either the Date of Month field (data item DYMO) or the End of Month field (data item ENDM). The codes correspond to the dates that appear on the Dates, Eligibility, and EEO form. You can define this code in UDC 08/D2.

Setting Up Date Codes for the Last Day of the Month in Which a Particular Date Occurs

Access the Define Date Codes form.

End of Month

Select to specify that enrollment either begins or ends on the last day of the month. You can use *either* this field or the Date of Month field. You cannot use both.

Select this field to have enrollment either begin or end on the last day of the month in which a specified date occurs. You specify that date in the Date to Follow field.

Setting Up Date Codes for a Length of Time After a Specified Date

Access the Define Date Codes form.

Number of Dys, Mos or Yrs (number of days, months, or years)

Use this field in conjunction with the Basis (Day, Month, Year) field and the Date to Follow field to define an enrollment date that is a specified number of days, months, or years after a particular date.

For example, if you want the effective date of enrollment to be one year after the employee's original hire date, define these fields as follows:

- Enter **1** in this field.
- Select the Year option.
- Enter the UDC 08/D2 that indicates original hire date in the Date to Follow field.

When you run an eligibility test, the system searches the Employee Master Information table (F060116) for employees eligible to enroll in the plan because they meet these requirements.

Basis Default

Use this field in conjunction with the Number of Dys, Mos or Yrs field and the Date to Follow field to define an enrollment date that is a specified number of days, months, or years after a particular date.

Setting Up Date Codes for a Specified Enrollment Date

Access the Define Date Codes form.

First Enrollment

Enter a date that specifies the first opportunity for enrollment during a given calendar year.

For example, you might create quarterly enrollment opportunities for a 401(k) plan.

Second Enrollment

Enter a date that specifies the second opportunity for enrollment during a given calendar year.

Third Enrollment

Enter a date that specifies the third opportunity for enrollment during a given calendar year.

Fourth Enrollment

Enter a date that specifies the fourth opportunity for enrollment during a given calendar year.

Fifth Enrollment

Enter a date that specifies the fifth opportunity for enrollment during a given calendar year.

Sixth Enrollment

Enter a date that specifies the sixth opportunity for enrollment during a given calendar year.

Setting Up Pay Type Tables

This section provides an overview of pay type table setup, lists a prerequisite, and discusses how to set up pay type tables.

Understanding Pay Type Table Setup

If you plan to set up eligibility tables that are based on timecard hours (method **H**), you must set up a pay type table for each hour-eligibility requirement that you define for the eligibility table.

When you set up a pay type table, you enter a range of pay type numbers. The system uses this range to calculate the number of hours for each pay type that determines the employee's eligibility.

For example, to include all pay types in the eligibility test, enter pay type 001 through 999. To exclude specified pay types, set up a table with more than one range. For example, to exclude pay type 450 only, set up the following two ranges:

- 001 through 449
- 451 through 999

In each table, you can set up as many ranges as necessary, but you cannot overlap any of the ranges within a table. For example, the system does *not* accept these two ranges in one table:

- 001 through 449
- 445 through 999

Prerequisite

Before you complete the tasks in this section, you must set up pay type tables in UDC 08/TT.

See *"Setting Up User-Defined Information" in the JD Edwards EnterpriseOne Applications Human Capital Management Fundamentals Implementation Guide* .

Form Used to Set Up Pay Type Tables

Form Name	Form ID	Navigation	Usage
Pay Type Tables	W08393A	Benefits Administration Setup (G08BB4), Pay Type Tables On the Work With Pay Type Table form, click Add.	Set up pay type tables.

Setting Up Pay Type Tables

Access the Pay Type Tables form.

Pay Type Table

Displays the name of the table that you defined in UDC 08/TT.

From Trans

Enter the number and description of the PDBA the system uses to calculate the corresponding PDBA. This number is the beginning number in the range that is the basis of the calculation.

When you are defining the range of pay types and the range includes only one pay type, the From Trans and Thru Trans fields must contain the same pay type number.

Thru Trans

Enter the number and description of the PDBA that the system uses to calculate the corresponding PDBA. This number is the ending number in the range that is the basis of the calculation.

When you are defining the range of pay types, the value in the Thru Trans field must be greater than or equal to the value in the From Trans field. If the range includes only one pay type, the From Trans and Thru Trans fields must contain the same pay type number.

Setting Up Eligibility Tables

This section provides an overview of eligibility tables, lists a prerequisite, and discusses how to:

- Set up a typical eligibility table.
- Set up an eligibility table for no eligibility requirements.

Understanding Eligibility Tables

Some benefit plans require that employees meet specified eligibility requirements before they qualify for or maintain enrollment in a benefit plan. If a benefit plan requires eligibility rules, you enter the name of the eligibility table on the plan master for the benefit.

You must set up an eligibility table to define each of the requirements that you use to determine eligibility. You can use the same table for more than one benefit plan if the eligibility requirements are the same for both. For example, an organization might require that employees be employed full time for six months and have worked a minimum of 40 hours in the past week before they qualify for medical insurance and dental insurance. In this case, you could set up an eligibility table and associate that table with both plans.

You can also set up an eligibility table to verify employees' continuing eligibility in a plan. For example, an organization might require that employees continue to work at least 35 hours per week to participate in the organization's medical plan.

After you have set up an eligibility table and included it in the plan master for a benefit, the system can test an employee's eligibility for enrollment in a benefit plan. When the system tests for eligibility, there is one of two outcomes:

- When an employee passes the eligibility test, the system assigns a status to the enrollment record to indicate eligibility and a beginning enrollment status date based on the date code.

When the enrollment status begins with an *A* (for *active*), the system passes the DBA code to the JD Edwards EnterpriseOne Payroll system so that the system can make the necessary deductions or contributions. The system also assigns a participation date and an eligibility date.

- When an employee does not pass the eligibility test, the system assigns a status to the enrollment record to indicate ineligibility and a beginning enrollment status date based on the date code.

The system does not pass the DBA code to the JD Edwards EnterpriseOne Payroll system. In this case, the system does not assign eligibility and participation dates.

In addition, set up an eligibility table that you use to indicate that a plan has no eligibility requirements. Use this eligibility table for all benefit plans that do not require employees to meet or maintain eligibility requirements to participate in the plans.

ACA Eligibility

If you are using the Affordable Care Act (ACA) Employee Eligibility program to create and maintain employee ACA eligibility statuses, you can incorporate the employee ACA eligibility status in benefits eligibility rules. To base an eligibility rule on the employee ACA Eligibility Status, you need to create an eligibility condition with the Method AE (ACA Eligibility). This method refers to an employee's current ACA Eligibility Status in the ACA Employee Eligibility table (F081161). With method AE in the Min Amount or Status field, enter the numeric value from the Special Handling column of the ACA Eligibility Status code (UDC 08/SE) on which the eligibility is based.

To work with ACA eligibility status for an employee, you must define a special handling code in the Min Amount or Status field that corresponds to an eligibility status defined in UDC table 08/SE. You also need to specify AE in the Method field.

The system uses the Effective Date from the benefits enrollment process to find the ACA Eligibility Status record in the ACA Employee Eligibility table (F081161). The system selects the record that has an eligibility date in the Eligibility Status Effective Date field nearest to, but less than or equal to, the effective date used in the benefits process. If the system finds more than one ACA eligibility status records in F081161 with the same date qualifying the records for selection, then the system uses the record with the latest parameter control number to determine the ACA eligibility status.

Prerequisites

Before you complete the tasks in this section, you must:

- Set up the UDCs 08/ES to define the enrollment status.
See "Setting Up User-Defined Information" in the JD Edwards EnterpriseOne Applications Human Capital Management Fundamentals Implementation Guide .
- Set up pay type tables to include in any table based on hours worked.
See Setting Up Pay Type Tables.
- Set up the date codes to define eligible and ineligible enrollment dates.
See Setting Up Date Codes.

Form Used to Set Up Eligibility Tables

Form Name	Form ID	Navigation	Usage
Define Eligibility	W08390A	Benefits Administration Setup (G08BB4), Define Eligibility On the Work With Define Eligibility form, click Add.	Set up a typical eligibility table. Set up an eligibility table for no eligibility requirements.

Setting Up a Typical Eligibility Table

Access the Define Eligibility form.

Eligibility Table

Enter a code that identifies the particular table of eligibility rules. The rules determine whether the employee is eligible for enrollment in a plan. Complete this field to name the table.

And/Or

Enter **AND** or **OR** to designate whether the test parameters or criteria are based on an And condition or an Or condition.

Min Amount (minimum amount) or Status

Enter the minimum requirement that must be met to satisfy the eligibility requirements. The minimum is associated with the method that you use to calculate eligibility.

For defining the method as AE for ACA Eligibility, you must specify a value from the Special Handling field of the 08/SE UDC table, in this field. When the system determines an employee's eligibility for benefits for method AE, it checks the Min Amount or Status value against the ACA Eligibility Status codes that have that same value in the Special Handling column. Use these codes:

- 1: Not Eligible
- 2: Standard Eligibility
- 3: Unknown/To Be Determined
- 4: Excluded from Test
- 5: Eligible

Note: An employee who has an ACA Eligibility Status that has its special handling code equal to 5 is eligible for benefits enrollment.

See the Method field (data item MTHD) for more information.

Method

Enter the code that the system uses to calculate eligibility. Use this field in conjunction with the Amount field (data item ELMH).

For example, if the eligibility criteria for a plan includes minimum age, you enter **AM** (minimum age) in this field and the specific age in the Amount field.

We provide codes for six of the most common methods. These codes are hard-coded and cannot be changed or deleted:

H: Hours of service

D: Days of service

M: Months of service

Y: Years of service

AM: Minimum age

AX: Maximum age

AE: ACA Eligibility

Note: When using the method AE for ACA Eligibility, you must specify the Special Handling value for the ACA Eligibility Status code from UDC 08/SE in the Min Amount or Status field.

Eligible Status

Enter the status to be assigned to the enrollment record after the employee becomes eligible for a plan.

You can define this code using a UDC 08/ES. See Enrollment Status (data item XDFS) for restrictions on the allowed values for this field.

Date Code

Enter a code that indicates the date that the employee's new enrollment record begins after the system determines that the employee is eligible for a plan. These codes are defined in the Define Date Codes table (F08395).

When basing eligibility on employee ACA Eligibility data, and when using the Look-Back Measurement method to determine an employee's full-time status, you can use a Date Code that indicates to the system to use the Stability Start Date from the employee's ACA Eligibility Status record as the benefits enrollment date. To use the Stability Start Date as the enrollment effective date, define the Date Code ST in the F08395 table.

Note: When you create the Date Code ST, you do not need to provide any other information on that record, and the system automatically references SPSP (Stability Start Date) column in the ACA Parameters History table (F0811629).

Ineligible Status

Enter the status that the system assigns to the enrollment record after it determines that an employee is ineligible for a plan.

You can define this code using UDC 08/ES. See Enrollment Status (data item XDFS) for restrictions on the allowed values for this field.

If the eligible or ineligible enrollment status code begins with an **A**, such as ACT or AC2, the system writes the DBA code from the Plan Master table to the Employee DBA Instructions table. When a begin enrollment status code begins with a letter other than **A**, no record is written to JD Edwards EnterpriseOne Payroll.

To indicate an ending status that does not result in a new enrollment, such as termination, you must define the code with an **X** in the first position in the Description 2 field of the General User-Defined Codes form.

Use a status that begins with an **X** as an ending status to indicate a mistaken enrollment. The system does not write instructions to the Employee DBA Instructions table when the status begins with **X**.

Date Code

Enter a code that indicates the date that the employee's new enrollment record begins after the system determines that the employee is ineligible for a plan. These codes are defined in the Define Date Codes table (F08395).

Based From

Enter a code that defines the date from which eligibility is calculated. Complete this field if eligibility is not based on hours worked. The allowed codes correspond to the dates that appear on the Dates, Eligibility, and EEO form and that are defined in UDC 08/D1. If you do not enter a code in this field, the system uses the employee's hire date.

Comp Period (computation period)

Enter a code that is used to calculate if a person has the minimum number of hours necessary to be eligible for a plan. Complete this field if eligibility is based on hours worked. Codes are:

W: Week (seven days prior to effective date)

M: Previous calendar month

Y: Year (previous year to effective date)

Number Periods

Enter the number of consecutive periods used to calculate eligibility. Complete this field if eligibility is based on hours worked.

Pay Type Table

Enter a code from UDC 08/TT that specifies the pay type table used to calculate the hours worked for plan eligibility. Complete this field if eligibility is based on hours worked.

Setting Up an Eligibility Table for No Eligibility Requirements

Access the Define Eligibility form.

To set up an eligibility table for no eligibility requirements:

1. Complete the Eligibility Table and Description fields to name the table:
2. Enter any value in the Method field.
3. Enter a code that begins with the letter **X** in the Eligible Status and Ineligible Status fields.
4. Enter a code that indicates a fixed effective date in the two Date Code fields and click OK.

In the eligibility table that is set up for no eligibility requirements, you must still set up an And/Or criterion within the detail area. You cannot set up an eligibility table with no information in the detail area.

Setting Up Enrollment Parameters

This section provides an overview of enrollment parameters, lists prerequisites, and discusses how to set up enrollment parameters.

Understanding Enrollment Parameters

You can set up enrollment parameters to define which eligibility test and date code the system applies when you enroll employees using enrollment with eligibility or batch enrollment. Enrollment parameters define the action that the system takes when it tests for eligibility. The system compares the employee enrollment information with each enrollment parameter to determine which eligibility test and date code to use. The system then uses the eligibility test and the date code to calculate when to enroll an employee in a benefit plan or whether to terminate the employee's participation.

You can base each enrollment parameter on any combination of these search items:

- Plan ID
- Benefit status
- Enrollment status
- Valid plan

After you create enrollment parameters, the system searches the records in the Batch Enrollment Parameters table (F08392) based on level of detail. The least detailed parameter appears at the top of the table, and therefore, the system searches it last. The most detailed parameter appears at the bottom of the table, and therefore, the system searches it first. When you enroll an employee in benefits or test for continuing eligibility, the system first compares the employee's enrollment information with the most detailed enrollment parameter (the parameter at the bottom of the table). When the employee's enrollment information does not match the criteria of this enrollment parameter, the system searches for the second most-detailed parameter. The system continues searching, from the most detailed parameter to the least detailed parameter, until it identifies the parameter to use.

When the system locates a parameter that matches the enrollment information for which it is searching, it conducts the eligibility test or assigns the date code and status that is specified in that parameter.

If you do not set up enrollment parameters, the system will:

- Test continuing eligibility in a plan, when an employee is enrolled in a benefit plan and has an eligible enrollment status as defined by the eligibility test.
- Test initial eligibility for employees in all other cases.

If you set up parameters for a particular plan, you must also set up the basic parameters for initial and continuing eligibility.

Default Enrollment Parameters

If you use batch enrollment to enroll employees in benefit plans, set up default enrollment parameters. When you set up default parameters, you do not identify a plan ID. Therefore, the parameter can be used to determine eligibility for any plan. If eligibility testing is the same for all benefit plans, you can set up only default enrollment parameters.

The following table illustrates examples of default enrollment parameters and the actions that the system takes when the parameters are used. The system uses the most detailed enrollment parameter that corresponds to the employee enrollment record. For example, parameter 1 is the least detailed; therefore, the system uses it only if it does not find a more detailed parameter that specifies how to test the employee's eligibility. Parameter 5 is the most detailed. The system tests this parameter first and uses the information to determine employee eligibility for each employee benefit record that matches its criteria. If the system uses this parameter, it determines the eligibility status for the current benefit enrollment record and then moves to the next enrollment record. The parameter search begins again, starting with parameter 5, and continues through the list of parameters in order of decreasing detail until it finds a valid enrollment parameter. The system then uses that parameter to calculate the employee's new benefit status.

Parameter 1

Using parameter 1, the system requires a manual review for any plans that are not valid for the employee. The system treats a plan as invalid if it is not attached to the employee's benefit group.

Field	Value
Plan ID	Not applicable
Benefit Status	*
Enroll Status	*
Valid Plan	N
Prev Elig	Not applicable
Elig Test	Not applicable
Date Code	Not applicable
New Status	Not applicable
Man Review	Y

Parameter 2

Using parameter 2, the system tests for initial eligibility for all valid plans for each employee.

Field	Value
Plan ID	Not applicable
Benefit Status	*
Enroll Status	*
Valid Plan	Y
Prev Elig	Not applicable
Elig Test	I
Date Code	Not applicable

Field	Value
New Status	Not applicable
Man Review	N

Parameter 3

Using parameter 3, the system tests for continuing eligibility for all employees who are currently enrolled in valid plans (that is, employees who have a benefit status of Active).

Field	Value
Plan ID	Not applicable
Benefit Status	*
Enroll Status	ACT
Valid Plan	Y
Prev Elig	Not applicable
Elig Test	C
Date Code	Not applicable
New Status	Not applicable
Man Review	N

Parameter 4

Using parameter 4, the system assigns the terminated status (TRX) to plans that are not valid for employees whose benefit status is X (terminated) at the time that batch enrollment is processed.

Field	Value
Plan ID	Not applicable
Benefit Status	X
Enroll Status	*

Field	Value
Valid Plan	N
Prev Elig	Not applicable
Elig Test	Not applicable
Date Code	T
New Status	TRX
Man Review	N

Parameter 5

Using parameter 5, the system assigns the terminated status (TRX) to plans that are valid for employees whose benefit status is X (terminated) at the time that batch enrollment is processed. The system searches parameter 5 first. If the employee benefit enrollment record matches the criteria in this parameter, the system uses this parameter to determine the employee's new benefit status. If the criteria in this parameter do not match the benefit enrollment record for the employee, the system then searches parameter 4. The system continues searching enrollment parameters, in order of decreasing detail, until it finds a match. The system then uses the matching parameter to determine the employee's new benefit status.

Field	Value
Plan ID	Not applicable
Benefit Status	X
Enroll Status	*
Valid Plan	Y
Prev Elig	Not applicable
Elig Test	Not applicable
Date Code	T
New Status	TRX
Man Review	N

Prerequisites

Before you complete the tasks in this section, you must:

- Set up the benefit plans.
See *Setting Up Benefit Plans*.
- Set up the eligibility tables.
See *Setting Up Eligibility Tables*.
- Set up the date codes that control when an employee becomes eligible or ineligible for a benefit plan.
See *Setting Up Date Codes*.

Form Used to Set Up Enrollment Parameters

Form Name	Form ID	Navigation	Usage
Batch Enrollment Parameters	W08392H	Benefits Administration Setup (G08BB4), Enrollment Parameters On the Work With Batch Enrollment Parameters form, click Add.	Set up enrollment parameters.

Setting Up Enrollment Parameters

Access the Batch Enrollment Parameters form.

To set up enrollment parameters:

1. Complete these fields for the most detailed parameter:
 - Plan ID
 - Benefit Status
 - Enrollment Status
2. Click the Valid Plan option.
3. Complete either the Eligibility Check field or the Date Code field.
4. To use a status that corresponds to a date code, complete the Enrollment Status field in the Action group box.
5. To specify that the enrollments in the plan be printed on a manual review request report and processed manually instead of being processed automatically by the system, select the Manual Review (Y/N) option.
6. To have the system include an employee's previous eligibility information when it tests for eligibility, select the Consider Previous Eligibility option.

When you select this option, a second row of eligibility fields appears on the form.

7. Repeat steps 4 through 6 for the second row of eligibility fields.

When you set up a parameter to review previous eligibility, the first row of eligibility fields applies when previous eligibility is met. The second row applies when previous eligibility is not met.

8. Click OK.
9. For each additional enrollment parameter that you want to set up, repeat steps 1 through 9, completing only the relevant fields.

Enrollment Status

Enter a code from UDC 08/ES that indicates the status of an employee's enrollment in a plan. Use these restrictions for the definitions:

All statuses indicating active participation in a plan must begin with the letter **A**.

All statuses indicating an ending status that does not result in a new enrollment (such as a termination) must have the letter **X** in the first position of Description 2 (data item DL02), on the General User-Defined Codes form.

A status beginning with the letter **X** when used as an ending status, represents a mistaken enrollment. No employee DBA instructions are written.

An asterisk (*) indicates all statuses not otherwise specified.

Valid Plan

Select to indicate whether the specified plan is a valid plan for the employee. A valid plan is one that is available within the employee's benefit group.

Eligibility Check

Enter a code to indicate which eligibility test to run. Codes are:

Blank: Do not test for eligibility.

I: Test for initial eligibility.

C: Test for continuing eligibility.

The system uses this field to test for eligibility when previous eligibility has been met.

Date Code

Enter a code that indicates the date that the employee's new enrollment record begins after the system determines that the employee is not eligible for a plan. These codes are defined in the Define Date Codes table (F08395).

The system uses this field to test for eligibility when previous eligibility has been met.

Enrollment Status

Enter a code that indicates the ending status of an employee's enrollment in a plan. This status represents the reason for ending the old enrollment and is used as the beginning status of any resulting new enrollment.

You can define this code using UDC 08/ES. See data item XDFS (Status - Enrollment) for restrictions on the allowed values.

Note: An ending status that begins with the letter **X** represents a mistaken enrollment.

The system uses this field to test for eligibility when previous eligibility has been met.

Manual Review (Y/N) (manual review [yes/no])

Enter a code that indicates whether the enrollment being processed should be printed on the Manual Review Requested report so the record can be handled manually rather than through the batch process.

Consider Previous Eligibility

Enter a code that indicates whether the employee was previously eligible for the plan. Values are:

Blank: Do not check for previous eligibility.

Y: Yes, the employee was previously eligible.

N: No, the employee was not previously eligible.

If the system finds a code in this field, it then searches the detail area for further information.

Linking Allocation Funds to Plans

This section provides an overview of links from allocation funds to plans, lists prerequisites, and discusses how to link allocation funds to plans.

Understanding Links from Allocation Funds to Plans

If the organization offers a retirement or investment plan as a benefit to employees, you can link the plan to the investment programs, or funds, to which employees can allocate their deductions. You must set up all allocation funds as accrual DBAs that are a percentage of the employee and employer contributions. For example, if a 401(k) plan offers employees several investment programs from which employees can choose for their 401(k) deduction, you can link each investment program to the plan.

Prerequisites

Before you complete the tasks in this section, you must:

- Set up the funds as payees in the JD Edwards EnterpriseOne Address Book system.

See *"Entering Address Book Records"* *JD Edwards EnterpriseOne Applications Address Book Implementation Guide* .

- Set up the deduction DBA for the employee-paid deduction and the benefit DBA for the employer-paid contribution to the investment or retirement plan.

See *"Setting Up Deductions, Benefits, and Accruals"* in the *JD Edwards EnterpriseOne Applications Human Capital Management Fundamentals Implementation Guide* .

Form Used to Link Allocation Funds to Plans

Form Name	Form ID	Navigation	Usage
Fund Allocation Setup	W08345A	Daily Processing (G08BB1), Fund Allocation Setup	Link allocation funds to plans.

Linking Allocation Funds to Plans

Access the Fund Allocation Setup form.

To link allocation funds to plans:

1. To locate the retirement or investment plan, complete the Plan ID field and click Find.
2. Select a blank record in the detail area, and then select DBA Setup from the Row menu.
3. On the Work With PDBAs form, click Accrual and then click Add.
4. On the Basic DBA Information form, in the DBA Code field in the header area, enter a number that is greater than both the employee-paid deduction DBA and the employer-paid benefit DBA.
5. Complete the Paystub Text field.
6. Enter **G** in the Source of Calculation field.
7. Enter **%** in the Method of Calculation field.
8. Verify that the Calculate Even If No Gross option is cleared.
9. Enter the same values that you entered for the DBA for the employee-paid retirement or investment deduction in the Pay Period of the Month field.
10. Select one of these options:
 - o Calculate Only During 1st Period Worked of Month
 - o Calculate Only Once Per Pay Period
11. Click OK.
12. On the General Accounting/Arrearage Information form, complete these fields and click OK:
 - o Effect on GL (effect on General Ledger)
 - o Payee
13. On the Basis of Calculation form, enter the codes for the employee-paid and employer-paid DBAs in these fields and click OK:
 - o From PDBA
 - o Thru PDBA
14. On the Basic DBA Information form, click Cancel.
15. On the Work with PDBAs form, click Close.
16. On the Fund Allocation Setup form, enter the new PDBA code in the PDBA Code field, and then press Tab. The new PDBA appears in the detail area.
17. Click OK to save the new PDBA.

DBA Code

Enter a code that defines the type of deduction, benefit, or accrual.

Pay types are numbered from 1 to 999. Deductions and benefits are numbered from 1000 to 9999.

Paystub Text

Enter the text that the system prints on the employee's paystub. If you are using Time and Labor, the system does not create payments. However, this field is required to complete the form. Generally, you enter a description of the PDBA.

Source of Calculation

Enter a code from UDC 07/DB that specifies the basis of a deduction, benefit, or accrual. When the system calculates the gross amount for disposable net wages, it does not use the basis of calculation. The gross amount includes all earnings that have a positive effect on the gross and net payment. For wage attachments, enter one of these values:

1-8: Garnishment, tax levy, wage assignment (child support and maintenance)

R: Loan and interest

0: Fees

Method of Calculation

Enter a code from UDC 07/DM that specifies the method that the system uses to perform calculations. For example, the system uses a method of calculation to calculate deductions, benefits, and accruals (DBAs) and workers' compensation insurance.

The method values are preset. If you use methods **0** to **6**, **8**, **9**, or **G**, you must also enter a value in the Table Code field.

For wage attachments, enter one of these values:

C: Wage assignment (child support and maintenance)

G: Garnishment

K: Loan

L: Tax levy

A: Fees

%: Interest

Calculate Even If No Gross

Select this options to calculate the DBA when an employee has no gross pay and no PDBA codes existing in the basis of calculation.

When an employee has no gross pay, the system calculates the DBA when these conditions exist:

- The Calculate Even If No Gross option is selected.
- The source of calculation is **G**.
- The method of calculation is **\$**.
- The system then records the resulting amount in arrears and performs one of these functions:
 - Creates an overpayment for a deduction.
 - Calculates it as a benefit or an accrual.

Note: If the PDBA codes exist in the basis of calculation, the system attempts to calculate the DBA, regardless of this setting.

Pay Period of the Month

Specify the pay period in which the system calculates the DBA or auto-deposit. Values are:

Y: Calculate the DBA or auto-deposit during the current period.

N: Do not calculate the DBA or auto-deposit during the current period.

*****: Calculate the DBA or auto-deposit only during the first pay period of each month that the employee works based on the ending date of this month's pay period.

Blank: Continue to look for a code at the lower level. The system searches for DBA/auto deposit rules first at the employee level, then at the group level, and finally at the DBA master level. If the field is blank at all levels, the system does not calculate the DBA/auto deposit in that period.

M: Applies only to benefits based on gross hours or dollars. An **M** only in the fifth field indicates that the system calculates the benefit during the special timecard post. An **M** implies a Yes for a weekly withholding frequency.

Calculate Only During 1st Period Worked of Month

Select to indicate whether the deduction, benefit, or accrual is calculated only during the first pay period that an employee works each month.

Calculate Only Once Per Pay Period

Select to indicate whether the deduction, benefit, or accrual is calculated only once in a pay period if the employee receives more than one check.

Effect on GL (effect on General Ledger)

Specify whether you want journal entries passed from payroll to the general ledger and the method you want to use. Values are:

N: Pass only dollars to General Ledger.

M: Do not pass dollars or hours to the general ledger. This value enables an accrual to be tracked in employee payroll history and the dollars to be omitted from the general ledger.

Payee

Enter the address book number of the investment program. This is for fund allocations.

From PDBA

Enter the number and description of the PDBA that the system uses to calculate the corresponding PDBA. This number is the beginning number in the range that is the basis of the calculation.

Thru PDBA

Enter the number and description of the PDBA that the system uses to calculate the corresponding PDBA. This number is the ending number in the range that is the basis of the calculation.

Reviewing the Benefit Structure

This section provides an overview of benefit structure review and discusses how to review the benefit structure.

Understanding Benefit Structure Review

After you set up benefit information, you can review the benefit structure, which is the relationship between benefit groups, categories, and plans. You can also print a report that provides more detail about benefit plans and plan options

within benefit groups and categories. Both methods enable you to discern which plans are associated with a particular benefit group and which plans are associated with multiple benefit groups.

Use Benefit Structure Inquiry program (P083204) to review the organization of the benefit plans. This program includes the benefit categories and plans within each benefit group.

Form Used to Review the Benefit Structure

Form Name	Form ID	Navigation	Usage
Benefit Structure Inquiry	W083204A	Benefits Administration Setup (G08BB4), Benefit Structure Inquiry	Review the benefit structure.

Reviewing the Benefit Structure

Access the Benefit Structure Inquiry form.

To review the benefit structure:

1. Complete the Plan ID field and click Find.

The system displays information about the benefit groups that are associated with the plan.

Enter an asterisk (*) in the Plan ID field and click Find to list all plans in all benefit groups.

2. To review a list of the plans and plan options, click the plus sign (+) next to the benefit group that you want to review.
3. Click the plus sign (+) next to another benefit group to display the information about the plan and plan options within that benefit group.

Click the minus sign (-) next to any benefit group to close all plan and option information.

3 Setting Up Flexible Benefits

Understanding Flexible Benefits Setup

Before you can use the flexible benefits features, you need to define the information that the system uses for processing. You set up this information to meet the particular needs of the organization.

The setup of flexible benefits varies depending on the method that you use to administer the flex plan. Typically, you set up a lump sum credit that can be used for all benefit plans, or you set up multiple lump sum credits so that each credit is used for a specified category of benefits, such as medical or dental.

Common Fields Used in Flexible Benefits

Allow Enrollment at Plan Level

Select to specify whether an employee can enroll in the plan when plan options are available. Values include:

- 0:** The employee cannot enroll.
- 1:** The employee can enroll.

Category Type

Enter a code that identifies categories for DBAs that use special flex calculation plans, such as lump sum employer flex credits and employee flex deductions when remaining flex credits are negative.

ER Flex Credits (employer flex credits)

Select the DBA in the Payroll Transactions Constants table (F069116) that the system uses to calculate the points amount that the employer contributes to an employee who is enrolled in a flexible spending environment.

DBAs that are used for points in a benefit plan or option must meet two requirements:

- The DBA must have blanks in the specification for gross effect and net effect (see data items PAYG and PAYN) so that the use of non-dollar points does not add or subtract dollars from employee pay.
- The DBA must have an **M** in the specification for journal entry (see data item NMTH) so that the use of non-dollar points does not affect the General Ledger system.

Flex Plan

Enter a code that identifies the plan as a flex plan.

Mandatory

Specify whether the plan is required for all employees. Values are:

- Y:** Yes, the plan is required.
- N:** No, the plan is optional.

Setting Up DBA Information for Flexible Benefits

This section provides an overview of DBA information for flexible benefits.

Understanding DBA Information for Flexible Benefits

You might want to set up the DBAs that you can use in flexible benefits before you complete the other setup steps. You complete DBA setup information in the PDBA (pay type, deduction, benefit, accrual) Setup program (P059116). This table illustrates the DBA setup that is typically required for flex benefits:

DBA	Description
Employee flex deduction	<p>The employee flex deduction is the total cost to the employee for all the selected flexible benefit plans. When an employee elects a flexible benefit plan, the amount in the employee flex deduction is updated with the cost of the selected plan.</p> <p>When you set up the employee flex deduction DBA, be sure to include:</p> <ul style="list-style-type: none"> • Deduction DBA type. • Flat-dollar-amount method of calculation. • Blank value in the Amount/Rate 1 field.
Employer flex credits	<p>Use the employer flex credits DBA to provide employees with a lump sum amount to purchase flexible benefits. Flexible benefit costs that exceed the lump sum credit typically results in an employee payroll deduction using the employee flex deduction DBA.</p> <p>When you set up the employer flex credit DBA, be sure to include:</p> <ul style="list-style-type: none"> • Benefit or accrual DBA type. • Flat-dollar-amount method of calculation. • Amount/Rate 1 field that is equal to the amount of employer-provided credits. • Calculation during pre-payroll.
Employee flex cost	<p>The employee flex cost DBA is the amount that an employee must spend to select a particular benefit plan. You must set up an employee flex cost DBA for each flex benefit plan for which there is an associated employee cost.</p> <p>When you set up the employee flex cost DBA, be sure to include:</p> <ul style="list-style-type: none"> • Benefit DBA type. • Flat-dollar-amount method of calculation. • Amount/Rate 1 field that is equal to the cost to the employee for the benefit. • Calculation during pre-payroll.
Employer-paid benefit	<p>The employer-paid benefit DBA is the cost (or portion of the cost) that is incurred by the company to provide a particular benefit plan. Some companies provide employer-paid benefits in addition to or instead of employer flex credits. This DBA can be used for flex or non-flex plans. The setup is the same for both.</p>

DBA	Description
	<p>The employer-paid benefit does not appear on any interactive enrollment forms. It is simply the company cost that is recorded in the general ledger, and it does not affect the enrollment process.</p> <p>The employer-paid benefit DBA is set up as a benefit type or accrual DBA type.</p>

Note:

- "Setting Up DBA Information" in the *JD Edwards EnterpriseOne Applications Human Capital Management Fundamentals Implementation Guide*.

Setting Up a Benefit Group for Flex Benefits

This section provides an overview of benefit groups for flex benefits and discusses how to link categories to benefit groups for flex benefits.

Understanding Benefit Groups for Flex Benefits

If you are using flexible benefits, you must set up a benefit group for flex benefits. You cannot use an existing benefit group for flex benefits.

You enable flex benefits at the benefit group level by assigning a benefit group rule in the Categories by Benefit Group program (P08350). The benefit group rule enables you to specify whether a benefit group offers flex plans and, if so, whether you require the employee to use all of the available credits on flex plans. When the benefit group rule indicates that flex plans are offered, the value generated by the employer flex credit DBAs appears on interactive enrollment forms and is used to calculate an employee's available flex credits.

When an employee uses more flex credits than are available, the system automatically generates a pretax flex deduction for the amount of the negative remaining balance. An employee can have positive remaining credits, if the benefit group rule allows it. The benefits administrator can manually allocate these remaining credits to other plans. The system does not automatically reallocate positive remaining credits.

Within each benefit group that offers flex plans, you must set up a single category with a single plan for employee flex deductions. The system uses this category and plan to track any amounts that an employee spends on benefits in excess of what the employer allows. This amount is deducted from the employee's pay. If you are offering employees an initial lump sum of flex credits, you must set up a single category with a single plan to hold the lump sum credits. You can also identify the credits for each category or plan, such as 100 credits to spend on medical, 50 credits to spend on dental, and so forth.

Note:

- *Setting Up Benefit Group Information.*
- *Setting Up an Employee Flex Deduction.*
- *Setting Up a Lump Sum Credit.*

Form Used to Set Up a Benefit Group for Flex Benefits

Form Name	Form ID	Navigation	Usage
Categories By Benefit Group	W08350B	<p>Benefits Administration Setup (G08BB4), Categories by Benefit Group</p> <p>On the Work With Benefit Groups form, complete the Benefit Group field with the name of a benefit group that has been set up for flex benefits, and click Find.</p> <p>Select the benefit group and click Select.</p>	Link categories to benefit groups for flex benefits.

Linking Categories to Benefit Groups for Flex Benefits

Access the Categories By Benefit Group form.

To link categories to benefit groups for flex benefits:

1. Complete the Group Category and Seq. Num. (sequence number) fields on a blank record in the detail area.
2. Enter **1** for employer lump sum credits in the Category Type field.
3. Click OK.

Setting Up a Lump Sum Credit

This section provides an overview of lump sum credits, lists prerequisites, and discusses how to:

- Set up a lump sum credit category.
- Set up a lump sum credit plan.

Understanding Lump Sum Credits

You can provide employer credits in a lump sum amount that has been determined based on factors such as length of service, or a lump sum amount that is the same for all employees. You can also award credits at the plan level for selection of less-costly benefit plans.

When you provide a lump sum of employer credits, you must set up a lump sum credit category and plan within each benefit group that offers a lump sum credit. The lump sum credit plan is the mechanism for awarding the lump sum credit. The lump sum credit is awarded through either a benefit or accrual DBA.

The lump sum credit category and plan do not appear on self service forms because employees cannot change their enrollment in this plan.

The lump sum credit plan must be set up as a mandatory plan so that all employees are automatically enrolled in the plan.

Note:

- [Setting Up Benefit Plans.](#)
- [Setting Up Flex Benefit Plans.](#)

Prerequisites

Before you complete the tasks in this section, you must:

- Set up a code and description for the lump sum credit category.

See [Setting Up Benefit Categories.](#)

- Set up a lump sum credit benefit or accrual DBA that has no effect on gross or net pay and that has a positive amount.

See "[Setting Up DBA Information](#)" in the *JD Edwards EnterpriseOne Applications Human Capital Management Fundamentals Implementation Guide* .

Forms Used to Set Up a Lump Sum Credit

Form Name	Form ID	Navigation	Usage
Categories By Benefit Group	W08350B	Benefits Administration Setup (G08BB4), Categories by Benefit Group On the Work With Benefit Groups form, complete the Benefit Group field with the name of a benefit group that has been set up for flex benefits, and click Find. Select the benefit group and click Select.	Set up a lump sum credit category.
Plan Master	W08320A	Benefits Administration Setup (G08BB4), Plan Master On the Work With Plan Master form, click Add.	Set up a lump sum credit plan.

Setting Up a Lump Sum Credit Category

Access the Categories By Benefit Group form.

To set up a lump sum credit category:

1. Select a benefit group rule.

The benefit group rule determines whether the benefit group contains flex plans, and whether the system tracks flex credits that remain after an employee has enrolled in benefit plans.

2. Complete the Group Category and Seq. Num. fields on a blank row in the detail area:
3. Enter **1** for employer lump sum credits in the Category Type field.
4. Click OK.

Setting Up a Lump Sum Credit Plan

Access the Plan Master form.

To set up a lump sum credit plan:

1. Complete the Plan ID field.
2. In the unlabeled field following the Plan ID field, enter the name of the plan.
3. Enter the address book number of the company in the Provider/Trustee field.
4. Select these options:
 - o Mandatory
 - o Flex Plan
5. Select the Calc./Eligibility (calculation/eligibility) tab.
6. Enter the lump sum credit benefit or accrual DBA in the ER Flex Credits field.
7. Complete these required fields:
 - o Init Elig Table (initial eligibility table)
 - o Cont Elig Table (continuing eligibility table)
8. Click OK.

After you set up the lump sum credit category and plan, you must link the plan to the category.

Setting Up an Employee Flex Deduction

This section provides an overview of employee flex deductions, lists prerequisites, and discusses how to:

- Set up a flex deduction category.
- Set up a flex deduction plan.

Understanding Employee Flex Deductions

Each benefit group that offers flex plans must contain an employee flex deduction category and plan. The system uses the employee flex deduction to deduct a negative flex balance from an employee's pay.

You do not set up the employee flex deduction plan as a flex plan because it does not have a predetermined flex cost or credit. Instead, you set it up as a regular plan and assign it a pretax deduction DBA that requires you to enter a flat amount. The system calculates the flat amount by subtracting the flex costs of the plans that an employee selects from the employee's available credits. If the resulting amount is negative, that amount is deducted from the employee's pay on a pretax basis.

The employee flex deduction category and plan do not appear on self service forms because employees cannot change their enrollment in this plan. Also, you cannot change the amount of the employee flex deduction in the Enrollment With Eligibility program (P08334) because the system automatically updates the plan DBA with the employee's negative flex balance.

Note:

- [Setting Up Benefit Plans](#).

Prerequisites

Before you complete the tasks in this section, you must:

- Set up a code and description for the flex deduction category.
See [Setting Up Benefit Categories](#).
- Set up a flex deduction DBA with a method of calculation of \$ (USD).

See "[Setting Up DBA Information](#)" in the [JD Edwards EnterpriseOne Applications Human Capital Management Fundamentals Implementation Guide](#) .

Forms Used to Set Up an Employee Flex Deduction

Form Name	Form ID	Navigation	Usage
Categories By Benefit Group	W08350B	Benefits Administration Setup (G08BB4), Categories by Benefit Group On the Work With Benefit Groups form, complete the Benefit Group field with the name of a benefit group that has been set up for flex benefits, and click Find. Select the benefit group and click Select.	Set up a flex deduction category

Form Name	Form ID	Navigation	Usage
Plan Master	W08320A	Benefits Administration Setup (G08BB4), Plan Master On the Work With Plan Master form, click Add.	Set up a flex deduction plan.

Setting Up a Flex Deduction Category

Access the Categories By Benefit Group form.

To set up a flex deduction category:

1. Complete the Group Category and Seq. Num. fields on a blank row in the detail area.
2. Enter **2** for employee flex deduction in the Category Type field.
3. Click OK.

Setting Up a Flex Deduction Plan

Access the Plan Master form.

To set up a flex deduction plan:

1. On the Plan Master form, complete the Plan ID field.
2. In the unlabeled field following the Plan ID field, enter the title, or name, of the plan.
3. Enter the address book number of the company in the Provider/Trustee field.
4. Complete the Status Code field.
5. If all employees are required to enroll in this plan, click the Mandatory option.
6. Select the Enter Amount/Rate option.
7. Select the Calc./Eligibility tab.
8. Enter the flex deduction DBA in the EE Payroll Deduction field.
9. Complete the Init Elig Table (initial eligibility table) and the Cont Elig Table (continuing eligibility table) fields.
10. Click OK.

Status Code

Enter a user-defined code (UDC) 08/ST that defines the current state of the benefit plan. For example, you can enter **A** to define the plan as active.

Enter Amount/Rate

Enter a code that indicates whether you can enter an amount or rate when you enroll an employee in a benefit plan. Typically, you enter **Y** when the employee determines the amount of a deduction or a benefit. Examples include 401(k) percentages, dependent care, and health care reimbursements.

EE Payroll Deduction (employee payroll deduction)

Specify the DBA in the F069116 table that the system uses to calculate the dollar amount that the employee contributes by enrolling in the plan. In most cases, this DBA is defined to deduct pay from the enrolled employee's check.

Setting Up Flex Benefit Plans

This section provides an overview of flex benefit plans, lists a prerequisite, and discusses how to set up a flex benefit plan.

Understanding Flex Benefit Plans

You set up flex benefit plans in the same way that you set up other benefit plans, except that you select an option in the Plan Master program (P08320) to specify that the plan is a flex plan. When you select this option, assign the plan either an employee flex cost DBA or an employer flex credits DBA.

Flex plans are normally set up to use the employee flex cost and employer flex credit DBAs. However, the system enables you to enter an employee payroll deduction DBA for flex plans as well. You can also set up a plan to require entry of an amount or rate. When a plan requires an amount or rate entry, the system displays a column for amount or rate entries on self service forms. How the system applies the amount or rate depends on which DBAs are assigned to the plan.

Note: For each flex benefit plan that you set up, you must link the plan to the appropriate category within the flexible benefit group.

These rules apply to amount and rate entries for:

- Flex plans with the employee flex cost DBA only, the system applies amount or rate entries to that DBA.
- Flex plans with both the employee flex cost DBA and the employee payroll deduction DBA, the system applies amount or rate entries to the employee payroll deduction DBA.
- Non-flex plans, the system applies amount or rate entries only to the employee payroll deduction DBA.

Note: On self service forms, amount or rate entries can never apply to the employer flex credit DBA.

Note:

- *Setting Up Benefit Plans.*
- *Linking Plans to Benefit Categories.*

Prerequisite

Before you complete the tasks in this section, you must set up DBAs to represent the employee flex cost that is required to participate in the plans or the employer flex credits that are awarded for enrollment in the plans.

See "*Setting Up DBA Information*" in the *JD Edwards EnterpriseOne Applications Human Capital Management Fundamentals Implementation Guide* .

Form Used to Set Up Flex Benefit Plans

Form Name	Form ID	Navigation	Usage
Plan Master	W08320A	Benefits Administration Setup (G08BB4), Plan Master On the Work With Plan Master form, click Add.	Set up a flex benefit plan.

Setting Up a Flex Benefit Plan

Access the Plan Master form.

To set up a flex benefit plan:

1. On the Work With Plan Master form, click Add.
2. On the Plan Master form, complete the Plan ID field.
3. In the unlabeled field following the Plan ID field, enter the name of the plan.
4. Select the General Info tab and complete the Provider/Trustee field.
5. Complete these optional fields:
 - o Policy/Reference Number
 - o Plan Type
 - o Status Code
6. Select the Flex Plan option.
7. Select the Calc./Eligibility tab and complete any of these fields:
 - o ER Paid Benefit (employer paid benefit)
 - o EE Flex Cost
 - o ER Flex Credits
8. Complete the Init Elig Table (initial eligibility table) and the Cont Elig Table (continuing eligibility table) fields.
9. Complete any other optional fields, and then click OK:
 - o **Policy/Reference Number**
Enter the certificate or policy number of the benefit plan.
 - o **Status Code**
Enter a code from UDC 08/ST that defines the current state of the benefit plan. For example, you might use **A** to define the plan as active.
 - o **Flex Plan**
Enter a code that identifies the plan as a flex plan.
 - o **ER Paid Benefit** (employer paid benefit)

Specify the DBA in the F069116 that the system uses to calculate the dollar amount that the employer contributes to the employee enrolled in the plan. In most cases, this DBA is defined as a benefit to add pay to the enrolled employee's check.

- o **EE Flex Cost** (employee flex cost)

Specify the DBA in the F069116 that the system uses to calculate the points amount that the employee contributes by enrolling in the plan in a flexible spending environment.

DBAs that are used for points in a benefit plan or option must meet two requirements:

- The DBA must have blanks in the specification for gross effect and net effect (see data items PAYG and PAYN) so that the use of non-dollar points does not add or subtract dollars from employee pay.
- The DBA must have an **M** in the specification for journal entry (see data item NMTH) so that the use of non-dollar points does not affect the General Ledger system.

4 (USA) Setting Up COBRA

Understanding COBRA Setup

Before you can use any features of the COBRA administration system, you must verify that settings in the Plan Master program (P08320) are activated for COBRA. On the Plan Master form, verify that the COBRA Plan option is selected for the plans that are available for COBRA coverage. Then, on the U.S. Legislative/Regulatory form, verify that the Valid for Cobra option is selected for all DBAs that are used for COBRA administration. Verify that the Description 02 column in user-defined code (UDC) 06/PF contains the number of pay periods for each pay frequency. A blank value in this column produces incorrect COBRA premium amounts.

When setting up COBRA, you need to define critical information that the system uses for processing:

- COBRA general constants
- COBRA qualifying event constants
- COBRA qualifying event rules

COBRA legislation allows state, county, and local (city) tax authorities to overrule federal provisions regarding COBRA benefits, provided that the changes represent an increase in the level of benefits that is offered. The system uses residential tax area information as the basis for benefits. The residential tax area information code is a code that identifies a geographical location and the tax authorities for the employee's residence. This code is synonymous with *GeoCode*.

A GeoCode is a nine-digit code that represents a taxing jurisdiction. All GeoCodes are defined and maintained by Vertex. Each GeoCode has the following format:

XXYYYYZZZZ

where

XX equals state

YYY equals county

ZZZZ equals city

When choosing the residential tax area information to use as the basis of calculation for benefits, the system searches first for a match on the city, county, *and* state. If it finds such a match, the system ends the search and uses the tax information that is associated with the designated city as the basis of calculation for benefits. If it does not find a match, the system then searches for a match on just the county and state, and so on.

After the system establishes a match within the hierarchy of the residential tax area, it begins another search to determine whether the company has increased the level of benefits that are offered at the company level or the home business unit. The system searches first for a match on both the company and home business unit. If it finds a match, the system uses the home business unit information to establish the level of benefits. If it does not find a match, the system searches for information at the company level only. The system uses the highest level of benefits that were recorded by searching first through the qualifying event constants and then through the general constants information as a basis of calculation.

For current legislative information regarding COBRA administration, contact the regional or district office of the Pension and Welfare Benefits Administration for the U.S. Department of Labor.

Note:

- *Setting Up Benefit Plans.*
- *"Setting Up Tax Information" in the JD Edwards EnterpriseOne Applications Human Capital Management Fundamentals Implementation Guide .*
- *"Adding Employee Records One at a Time" in the JD Edwards EnterpriseOne Applications Human Capital Management Fundamentals Implementation Guide .*

Prerequisites

Before you complete the tasks in this section, you must:

- Set up mail merge data structures for these COBRA notices:
 - COBRA Election notice: use data structure D0800696E.
 - COBRA Termination notice: use data structure D0800696T.
 - COBRA Unavailability notice: use data structure D0800696U.
 - Health Insurance Portability and Accountability Act (HIPAA) letter: use data structure D0500029H.
- Set up mail merge templates:
 - COBRA Election notice
 - COBRA Termination notice
 - COBRA Unavailability notice

See *"Setting Up Web Mail Merge" in the JD Edwards EnterpriseOne Applications Human Capital Management Fundamentals Implementation Guide*

Activating Automated COBRA Administration

This section provides an overview of automated COBRA administration, lists a prerequisite, and discusses how to activate automated COBRA administration.

Understanding Automated COBRA Administration

Before you use the COBRA features, you activate the Use Automated COBRA Administration function. When this function is activated, the system uses information from updated fields in the Employee Master Information table (F060116) table to automate hidden functions for COBRA administration.

When the Automated COBRA Administration function is activated and changes are made to any of the employee master programs, the system performs a test to determine whether the employee or the employee's dependents qualify for COBRA. When an individual qualifies for COBRA, the system creates records in the COBRA Qualified Beneficiary File table (F08910) and COBRA Coverage table (F08920). When a subsequent qualifying event is triggered, the system creates records in the COBRA Subsequent Qualified Event Info. table (F089101).

Prerequisite

Before you complete the tasks in this section, you must verify that the system options are set up to track employee history.

See *"Setting Up System Option" in the JD Edwards EnterpriseOne Applications Human Capital Management Fundamentals Implementation Guide* .

Forms Used to Activate Automated COBRA Administration

Form Name	Form ID	Navigation	Usage
System Control - Revisions	W05004B	<p>Compensation Mgmt System Setup (G08CM14), HRM Common Settings</p> <p>On the Work With HRM Common Display Settings form, click Add.</p> <p>On the System Control - Revisions form, enter UCR in the Data Item field and select the Yes option to use automated COBRA administration, and click OK.</p>	Activate automated COBRA administration.

Using COBRA Workflow

This section provides an overview of COBRA workflow.

When you activate automated COBRA administration, you initiate a workflow process that prompts the administrator to send the COBRA letter. The workflow process starts when you enter a qualifying event or subsequent qualifying event and the system updates the Employee Master Information table (F060116) and Employee Master Additional Information File table (F060120). These tables have table triggers that initiate the workflow process.

The workflow process first searches the COBRA Qualified Beneficiary File table (F08910) and the COBRA Subsequent Qualified Event Info. table (F089101) for a date in the Date Printed field. If the COBRA letter has not been printed, the system sends a workflow message to the COBRA administrator's work center in the Priority Mail queue.

After the COBRA notification message has been sent to the administrator, the workflow process is idle for one day. When the process resumes, the system again searches the tables for a date in the Date Printed field. If the COBRA letter has not yet been printed, the system generates another workflow message and sends it to the administrator's supervisor, and the workflow process is idle for another day. The system repeats this process daily and continues to send notifications to the next highest supervisor until either the COBRA letter is printed or there are no more supervisors.

Note:

- *Activating Automated COBRA Administration.*
- *JD Edwards EnterpriseOne Tools Foundation Guide .*

Completing the Post-Install Conversion

This section discusses how to complete the post-install conversion process.

Understanding the Post-Install Conversion Process

You must have authority to submit table conversions to complete the post-install conversion process.

Forms Used to Complete the Post-Install Conversion

Form Name	Form ID	Navigation	Usage
Web Mail Merge Template Details	W05WMMWBB	HRM Setup (G05B4), Mail Merge Workbench Setup On the Work With Web Mail Merge Templates form, click Add.	Complete the post-install conversion. Add templates for each of the values in UDC 08U/CN that you created for the COBRA notices.
COBRA Constants Revision	W08990C	COBRA Setup (G05BCOB1), General Constants On the Work With COBRA General Constants form, find a record and click Select.	Connect the template name to the notice type for each company.

Completing the Post-Install Conversion

Access the Web Mail Merge Template Details form.

To complete the post-install conversion:

1. Complete these fields for each of the COBRA letter types in UDC 08U/CN and then click OK:
 - Template Name
 - Description
 - Data Structure

- Address Book Field
 - Output Queue
2. On the Work With Web Mail Merge Templates form, click Close.
 3. Access the COBRA Constants Revision form.
 4. Select a record in the detail area and complete these fields to initialize each COBRA Notice Type mail merge document:
 - Mail Merge Letter
 - Days To Mail Notice
 5. Click OK.
 6. Repeats steps 4 and 5 for each of the four COBRA letter types and then click OK.

Template Name

Enter a name that identifies a web mail merge template. A web mail merge document template is a two-part object that consists of an HTML document and a record in the Mail Merge Web Objects table (F9800014W). The value in this field must match the name of the document template.

Description

Enter a description, remark, name, or address.

Data Structure

Enter the object name of the data structure to identify the error message substitution variables.

For web mail merge, the data structure is a list of data items that you can add to a document template.

For the election notice, use Data Structure D0800696E.

For the unavailability notice, use Data Structure D0800696U.

For the termination notice, use Data Structure D0800696T.

For the HIPAA letter, use Data Structure D0500029H.

Address Book Field

Enter a number that specifies the sequential field where the address book data item (AN8) exists in the mail merge data structure. The system uses the address number when you:

- Send an email message.
- Attach a letter to the Employee Master program (P0801) by using a media object.

For example, if address book occupies the third field in the mail merger data structure, then the correct value for this field is **3**.

Output Queue

Enter the name of the queue in which the HTML mail merge letters will be saved.

COBRA Constants Revision

Access the COBRA Constants Revision form.

Mail Merge Letter

Enter the name of the mail merge template that you create.

Days To Mail Notice

Enter the number of days after the qualified event that the COBRA notice will be created in the system. Notices are typically mailed on the same day that they are created. This field is currently informational only.

Setting Up COBRA General Constants

This section provides an overview of COBRA general constants and discusses how to set up COBRA general constants.

Understanding COBRA General Constants

COBRA general constants supply default information to fields that are related to COBRA compliance at the company level. You use COBRA general constants to maintain compliance information, as well as enrollment criteria for qualified participants.

Forms Used to Set Up COBRA General Constants

Form Name	Form ID	Navigation	Usage
COBRA Constants Revision	W08990C	COBRA Setup (G05BCOB1), General Constants On the Work With COBRA General Constants form, click Add.	Set up COBRA general constants.

Setting Up COBRA General Constants

Access the COBRA Constants Revision form.

To set up COBRA general constants:

1. Select the Constants tab and complete these fields:
 - o Effective From
 - o Effective Thru
 - o Mail Merge Letter
 - o Days to Mail Notice
2. Select the Coverage Information - 1 tab, and complete these fields for regular employee coverage information:
 - o Coverage Period
 - o Administrative Fee
 - o Admin Fee Method (administrative fee method)

3. Complete these fields for dependent coverage information:
 - o Coverage Period
 - o Administrative Fee
 - o Admin Fee Method
4. Select the Coverage Information - 2 tab and complete these fields for disabled employee coverage information:
 - o Coverage Period
 - o Administrative Fee
 - o Admin Fee Method
5. Complete the Construct COBRA Coverage field to specify how the system retrieves information to construct COBRA coverage.

It is recommended that you use both benefits administration and group plan records to construct COBRA coverage.
6. To enter constant information that relates to the grace period for payment of COBRA premiums, select the Grace Periods tab, and then complete these fields:
 - o Election Period
 - o Initial Payment Due
 - o Additional Payment Due
 - o Mail Notice to Convert
7. To enter COBRA contact information, select the Other Information tab and complete these fields:
 - o COBRA Plan Admin. Address (COBRA plan administrator address)
 - o COBRA Telephone Number
 - o COBRA Additional Information URL (COBRA additional information uniform resource locator)
8. To automatically update the COBRA Qualified Beneficiary File table (F08910), the COBRA Subsequent Qualified Event Info table (F089101), or both after a qualifying event occurs, select the Automatic Update after Qualifying Event option.

Clear this option if you do not want to automatically administer COBRA for a particular group.
9. Click OK.

Constants

Select the Constants Tab.

Effective From

Enter the date on which an address, item, transaction, or table record becomes active. The meaning of this field differs, depending on the program. For example, the effective date can represent:

- o The date on which a change of address becomes effective.
- o The date on which a lease becomes effective.
- o The date on which a price becomes effective.
- o The date on which the currency exchange rate becomes effective.
- o The date on which a tax rate becomes effective.

Effective Thru

Enter the date on which the item, transaction, or table becomes inactive or through which you want transactions to appear. This field is used generically throughout the system. It could be a lease ending date, a price or cost ending date, a currency ending date, a tax rate ending date, or whatever is appropriate.

Mail Merge Letter

Enter the name of the mail merge template that you create.

Days To Mail Notice

Enter the number of days after the qualified event that the COBRA notice will be created in the system. Notices are typically mailed on the same day that they are created. This field is currently informational only.

Coverage Information - 1

Select the Coverage Information - 1 Tab.

Admin Fee Method (administrative fee method)

Specify whether the administrative fee is an amount or a percentage.

A: Amount (default).

%: Percentage.

Coverage Period

Enter a number that indicates the length, in months, of the continuation coverage period.

Administrative Fee

Enter a number that indicates the flat amount or percentage that a company can charge for administering COBRA benefits.

Coverage Period

Enter a number that indicates the length, in months, of the dependent continuation coverage period.

Administrative Fee

Enter a number that indicates the amount of the dependent coverage administration fee.

Admin Fee Method (administrative fee method)

Enter a code that indicates whether the dependent administrative fee is an amount (A) or a percentage (%). The default value is amount.

Coverage Information - 2

Select the Coverage Information - 2 Tab.

Coverage Period

Enter a number that indicates the length, in months, of the disabled continuation coverage period.

Administrative Fee

Enter a number that indicates the amount of the disabled employee coverage administrative fee.

Admin Fee Method (administrative fee method)

Enter a code that indicates whether the disabled coverage administrative fee is an amount (A) or a percentage (%). The default value is amount.

Construct COBRA Coverage

Enter a code that specifies where the system retrieves information in order to construct the COBRA coverage. Values are:

1: Benefits administration information.

2: Payroll group plans.

3: Both benefits administration information and group plans.

Grace Periods

Select the Grace Periods Tab.

Election Period

Enter a number that indicates the time frame (expressed in number of days) during which the participant may elect COBRA continuation coverage.

Initial Payment Due

Enter the number of days that the qualified beneficiary has to make the initial COBRA payment and remain qualified for coverage.

Additional Payment Due

Enter a number that indicates the grace period, measured in days, that the participant has to make the COBRA payments and remain qualified for coverage.

Mail Notice to Convert

Enter the number of days prior to the end of COBRA coverage that the COBRA administrator has to mail the Notice to Convert to all qualified beneficiaries.

Other Information

Select the Other Information Tab.

COBRA Plan Admin. Address (COBRA plan administrator address)

Enter a number that indicates the address book number of the plan administrator. This can be an outside administrator or someone within the company.

COBRA Telephone Number

Enter the telephone number of the government agency, such as the U. S. Department of Labor, that regulates COBRA.

COBRA Additional Information URL (COBRA additional information uniform resource locator)

Enter the internet address of the government agency, such as the U. S. Department of Labor, that regulates COBRA.

Automatic Update after Qualifying Event

Specifies whether the system will automatically update the COBRA Qualified Beneficiary File (F08910) and the Subsequent Qualified Event Info table (F089101) after a qualifying event has occurred.

Setting Up COBRA Qualifying Event Constants

This section provides an overview of COBRA qualifying event constants, lists a prerequisite, and discusses how to set up COBRA Qualifying Event Constants.

Understanding COBRA Qualifying Event Constants

You set up COBRA qualifying event constants to supply default information to fields that are related to COBRA compliance at the company level. You use the COBRA qualifying event constants to maintain qualifying event constant information for employees and beneficiaries who are enrolled in COBRA.

Prerequisite

Before you complete the tasks in this section, you must verify that you have set up a qualifying event constant for dependent children in the Qualifying Event Constants program (P08991). The constant that you set up must define coverage periods, and you should select the Send COBRA letter to Employee option.

Form Used to Set Up COBRA Qualifying Event Constants

Form Name	Form ID	Navigation	Usage
Qualifying Event Constants	W08991D	COBRA Setup (G05BCOB1), Qualifying Event Constants On the Work With Qualifying Event Constants form, click Add.	Set up COBRA qualifying event constants.

Setting Up COBRA Qualifying Event Constants

Access the Qualifying Event Constants form.

To set up COBRA qualifying event constants:

1. Complete the Qualifying Event field:
2. Select the Coverage Information tab, and complete these fields for regular employees:
 - o Regular Coverage Period
 - o Regular Administrative Fee
 - o Regular Admin. Fee Method (regular administrative fee method)
3. Complete these fields for disabled employees:
 - o Disabled Coverage Period
 - o Disabled Administration Fee
 - o Disabled Admin. Fee Method (disabled administrative fee method)
4. Complete these fields for dependent coverage information:
 - o Coverage Period
 - o Dependent Administrative Fee
 - o Dependent Admin Fee Method (dependent administrative fee method)
5. Select the Grace Periods tab, and complete these fields:
 - o Election Period

- o Initial Payment

You use this information to automatically calculate the due dates for the COBRA election period and initial payment.

6. To send the COBRA letter to the employee after a qualifying event has occurred, select the Send COBRA Letter To Employee option.

Clear this option for some qualifying events. For example, in the event of the employee's death, you would not want to mail the COBRA letter to the employee. In the event of divorce, you would want to mail the COBRA letter to the employee's spouse, rather than to the employee. You also clear the Send COBRA Letter To Employee option for the Dependent Coming of Age and Medicare events.

7. Click OK.
8. Repeat steps 2 through 6 for all qualifying event codes.

- o **Regular Coverage Period**

Enter a number that indicates the length, in months, of the continuation coverage period for regular participants.

- o **Disabled Coverage Period**

Enter a number that indicates the length, in months, of the continuation coverage period for disabled participants.

- o **Coverage Period**

Enter a number that indicates the length, in months, of the dependent continuation coverage period.

- o **Send COBRA Letter To Employee**

Indicates whether to send a COBRA or HIPAA letter to an employee. Values are:

1: Send.

0: Do not send.

Setting Up COBRA Qualifying Event Rules

This section provides an overview of COBRA qualifying event rules and discusses how to set up COBRA qualifying event rules.

Understanding COBRA Qualifying Event Rules

After you have set up constants, you set up COBRA qualifying event rules to link changes within an employee's personal data to COBRA qualifying events. The system reads the qualifying event rules to determine whether any changes in the employee record constitute a COBRA qualifying event. You need to set up qualifying event rules when you use automated COBRA administration. The notifications for these COBRA qualifying events can be automated by setting up qualifying event rules:

- Death
- Divorce or legal separation
- Termination of employment

- Work hour reduction

When you make changes to related fields in the Employee Master Information table (F060116) and you have set up qualifying event rules, the system updates these tables:

- F08910
- F08920
- F089101

To track employee eligibility for Medicare, set up an Employee Master category code to identify Medicare employees. Then, set up an event rule for that category code that triggers a qualified event if the employee begins receiving Medicare. When setting up the event constant for Medicare, clear the Send COBRA Letter To Employee option.

Form Used to Set Up COBRA Qualifying Event Rules

Form Name	Form ID	Navigation	Usage
COBRA Qualifying Event Rules Revisions	W08992C	COBRA Setup (G05BCOB1), Qualifying Event Rules On the Work With COBRA Qualifying Event Rules form, click Add.	Set up COBRA qualifying event rules.

Setting Up COBRA Qualifying Event Rules

Access the COBRA Qualifying Event Rules Revisions form.

To set up COBRA qualifying event rules:

1. Complete these required fields:
 - Qualifying Event
 - Type Of Information
 - Company
 - Effective From
2. Complete these fields, as desired:
 - Business Unit
 - Tax Area (Res.) (tax area [residential])
 - Effective Thru
3. To add or edit the qualifying event rule that is associated with a qualifying event, complete these fields, as necessary, and then click OK:
 - Line Number
 - And /Or

- o Based On Data Item
- o Evaluation Operator
- o Value

4. Repeat steps 1 through 3 for each qualifying event code.

Note: For each qualifying event code except divorce, complete the Type Of Information field with an **E**. The **E** specifies information that the system uses to create a rule that tests data item columns in the Employee Master Information table (F060116). For divorce, complete the Type Of Information field with a value of **O**. The **O** specifies information that the system uses to create a rule that tests data item columns in the Employee Master Additional Information File table (F060120). Specifically, in the event of divorce, the system needs marital status information, which is stored in the F060120 table. There is not a value for divorce in UDC 06/MS. You can set up a new UDC value for divorce in this table or attach a new UDC table for marital status (data item MSA).

- o **Type Of Information**

Select a UDC 08/TI that specifies the table and the data item columns to create the rule. Values are:

Employee Master Information: This code creates a rule based on data item columns in the F060116 table.

Employee Master Additional Inf: This code creates a rule based on data item columns in the F060120 table.

- o **Line Number**

Enter a line number to move rapidly through a long list of journal entries. The system shifts the information on that line to the top of the display.

- o **And/Or**

Enter a code to designate whether the test parameters or criteria are based on an AND condition or an OR condition.

- o **Based On Data Item**

Enter a code that specifies the data item on which the rule is based.

- o **Evaluation Operator**

Enter a boolean logic operator that defines the conditional statement. Select a commonly used operator, such as = (equal to), when defining conditions.

- o **Value**

Enter a number against which the Based On item is compared.

Setting Up COBRA Plan Premium Amounts

This section provides an overview of COBRA plan premium amount calculations, lists a prerequisite, and discusses how to set up COBRA plan premium amounts for unions.

Understanding COBRA Plan Premium Amount Calculations

Before you can enroll employees in COBRA, you must set up the benefit plans that the company offers and assign the DBAs that integrate the benefit plan with JD Edwards EnterpriseOne Payroll. You can set up COBRA plan premium amounts for benefit plans without options, benefit plans with options, or unions.

Calculating COBRA Plan Premium Amounts for Benefit Plans without Options

Set up COBRA plan premium amounts in the Plan Master program (P08320). The system uses the premium amounts that you set up on the Calc./Eligibility tab of the Plan Master form to calculate the COBRA plan premium that appears in the Coverage Review program (P08922) and the COBRA Coverage Selection program (P08921). The system calculates COBRA plan premiums for benefit plans without options in one of these three ways:

1. If a DBA appears in the EE Payroll Deduction (employee payroll deduction) field, place the cursor in this field and select Plan Rates from the Form menu.

On the Plan Master Rates Window form, complete the Type field with a **C** (COBRA), and then complete the Amount and Date fields in the detail area.

Note:

The amount field represents the COBRA rate for the selected plan multiplied by the pay frequency for the selected individual. It also includes the administration fee.

When creating COBRA coverage records, if the system finds a COBRA plan premium amount for the EE Payroll Deduction field, it includes that amount, and only that amount, in the calculation. If other COBRA amounts are set up for the remaining DBA fields on the Plan Master form, the system omits these amounts.

2. If the system does not find a COBRA amount for the EE Payroll Deduction field as described previously, the system searches for COBRA amounts on the other DBAs.

You can also set up COBRA amounts for the ER Paid Benefit (employer paid benefit), EE Flex Cost, and ER Flex Credits fields. Set up COBRA amounts for these fields in the same manner that you set up a COBRA amount for the EE Payroll Deduction field.

Note: The COBRA amounts for the ER Paid Benefit, EE Flex Cost, and EE Flex Credits fields are summed. If no COBRA amount has been set up for a particular field, the system does not use that field in the calculation.

3. If no valid COBRA amounts exist for the EE Payroll Deduction, ER Paid Benefit, EE Flex Cost, and ER Flex Credits fields, the system sums the regular benefit DBA calculations.

Calculating COBRA Plan Premium Amounts for Benefit Plans with Options

The calculations for benefit plans with options are similar to the calculations for benefit plans without options. However, a plan with options also uses the option rule fields in the Plan Master Options program (P083202). COBRA plan premiums for benefit plans with options are calculated in one of these three ways:

1. If a DBA appears in the EE Payroll Deduction field on the Plan Master form, or a DBA appears in the Payroll Deduction field on the Plan Master Options form, you can place the cursor in the field and select Plan Rates from the Row menu.

On the Plan Master Rates Window form, complete the Type field with a **C** (COBRA), and then complete the Amount and Date fields in the detail area. The system calculates the COBRA plan premium amount based

on the value in the Payroll Ded - Option Rule (payroll deduction - option rule) field and whether the COBRA amount is set up.

For example, if the option rule is 1, the system searches for a COBRA amount that is set up for the plan in the EE Payroll Deduction field. If the option rule is 3, the system searches for a COBRA amount that is set up for the option in the Payroll Ded DBA (payroll deduction DBA) field. If the option rule is 2, the systems looks for a COBRA amount for either field. If a COBRA amount is found, the system sums up the amounts for the DBA fields.

Note: If the option rule is 2, and a COBRA amount is set up for only one of the DBAs, the system adds that COBRA amount to the regular benefit DBA calculations of the other DBA.

2. If the system does not find a COBRA amount for the EE Payroll Deduction field or the Payroll Ded DBA field as described previously, the system searches for COBRA amounts on the other DBAs.

Note: Option rules are important for calculating the COBRA amount. Based on the option rules and the corresponding DBA fields, valid COBRA amounts are summed. If no COBRA amount is found for a particular field and a particular option rule, the system does not use the field in the calculation.

3. If no COBRA amounts are found for any of the DBA fields, the system sums the regular benefit DBA calculation for each set of DBAs.

Example: COBRA Premium Calculation

COBRA premium calculations use the formula: COBRA amount × pay frequency ÷ 12 + administrative fee.

For example, when an employee is paid weekly and has a COBRA amount of 60.00 USD and a 2 percent administrative fee, calculate the monthly premium as follows:

60.00 USD (United States Dollar) × 52 weeks = 3120.00USD3120 USD ÷ 12 = 260.00 USD (monthly amount)260.00 USD × .02 = 5.20 USD (administration fee)260.00 USD + 5.20 = 265.20 USD (COBRA premium due)

The premium amount that appears on the COBRA Coverage Revisions form and the elected total amount that appears on the COBRA Coverage Selection form are both monthly premium amounts. The Amount or Rate field on the Plan Master Rates Window form displays a pay period amount.

Prerequisite

Before you complete the tasks in this section, you must set up benefit plans and assign the DBAs that integrate the benefit plans with JD Edwards EnterpriseOne Payroll.

See *Setting Up Benefit Plans*.

Form Used to Set Up COBRA Plan Premium Amounts for Unions

Form Name	Form ID	Navigation	Usage
COBRA Union DBA Override Rates	W08996B	Pay/Deductions/Benefits Setup (G05BD4), Group Plan DBA Setup	Set up COBRA plan premium amounts for unions.

Form Name	Form ID	Navigation	Usage
		On the Work With Group Plan DBA Setup form, select a record and then select COBRA Override Rate from the Row menu	

Setting Up COBRA Plan Premium Amounts for Unions

Access the COBRA Union DBA Override Rates form.

5 (USA) Setting Up Nondiscrimination Testing

Working with UDCs for NDT

This section provides an overview of UDCs for NDT.

Understanding for NDT

Before you can use the nondiscrimination testing features of the JD Edwards EnterpriseOne Human Resources system, you need to define the critical information that the system uses for processing. You set up this information to meet the particular needs of the organization.

The UDCs defined in these sections are specific to the nondiscrimination testing features of the JD Edwards EnterpriseOne Benefits system.

Test Name Codes for NDT (UDC 08/TN)

Use test name codes in UDC 08/TN to name the various nondiscrimination tests. A test name can refer to a key employee test or a prior year testing method test.

Compensation and Contribution PDBA Tables (UDC 08/TU)

Use UDC 08/TU to set up names for pay type, deduction, benefit, and accrual (PDBA) tables that relate to compensation and contributions. The table names enable you to define ranges of PDBAs that govern employee compensation and both employee and employer contributions. You use these tables and the associated PDBAs to determine employee compensation, ranking, and average contribution percentage, as well as to determine the employer contribution, ranking, and average deferral percentage.

Test Category Codes for Nondiscrimination Testing (UDC 08/EC)

Use test category codes for nondiscrimination testing in UDC 08/EC to review category codes from the Employee Master Information table (F060116) that relate to nondiscrimination testing. You can change the descriptions associated with the codes, but not the codes themselves.

Creating a Plan Control Group

This section provides an overview of plan control groups and discusses how to create a plan control group.

Understanding Plan Control Groups

You create a plan control group to track the nondiscrimination tests that are performed as a group. You create plan control groups for each calendar year that you track.

Form Used to Create a Plan Control Group

Form Name	Form ID	Navigation	Usage
Work with Plan Group	W083601B	<p>Government Reporting (G05BG), Nondiscrimination Reporting</p> <p>On the Non-Discrimination Testing Process form, select Create a Plan Control Group from the Nondiscrimination Test Initial Setup section.</p>	Create a plan control group.

Creating a Plan Control Group

Access the Work with Plan Group form.

Plan ID

Enter an alphanumeric ID that identifies the plan control grouping, which can include one or more nondiscrimination tests for a particular test year.

Description

Enter a user-defined remark.

6 Understanding JD Edwards EnterpriseOne Benefits Administration

J.D. Edwards EnterpriseOne Benefits Administration

You use the Benefits Administration feature of Human Resources to implement and support benefit packages for the employees in an organization. The Benefits Administration feature enables you to enroll employees in the benefit plans that the organization offers. You can end enrollment whenever employment ends or the organization changes benefit plans. You can also add new benefit plans, change the cost of current plans, and remove old plans from the system.

After a company has determined which standard, government-mandated, and supplemental benefits it will incorporate into its benefit package, benefit professionals must administer the plans. Record keeping for the plans can be time consuming, and it generally involves interaction with health insurance companies, unemployment insurance offices, and pension plan administrators. Many companies hire a third-party administrator (TPA) to assist in administering the plans, maintaining plan compliance, and submitting regulatory reports to the appropriate administrators.

In addition to maintaining the benefit plans, benefit administrators must enroll employees in these plans. Many factors, such as eligibility requirements and enrollment periods, affect how employee enrollment is administered. Most benefit plans have eligibility criteria—such as age, length of service, and employment status—that employees must meet before they are permitted to participate. For example, a pension plan might stipulate that for an employee to participate in the plan, the employee must be at least 21 years old, work a minimum of 20 hours per week, and have been employed by the company for at least one year. Sometimes the company decides these eligibility requirements and sometimes the company works with the plan administrator to decide the requirements.

Some benefit plans contain open enrollment or re-enrollment periods. Open enrollment refers to a time during which employees can change their benefit coverage or begin enrollment in a plan in which they were not previously enrolled. If an employee makes such changes outside the open enrollment period, waiting periods might be required before the changes take effect, or employees might be prohibited entirely from making changes outside the open enrollment period. Re-enrollment occurs when a plan is based on a specific time period, typically one year. Employees must re-enroll in that plan annually. During the re-enrollment period, employees can sign up for different coverage than they had previously.

Frequently, annual re-enrollment periods are associated with cafeteria plans or flexible spending account plans. Cafeteria plans—often referred to as flexible benefit plans—are an effective way of allowing employees to choose benefits that are useful to them. Employees select from a group of benefit options and pay for only those options that they select. This method of selecting benefits represents a cost savings to both employee and employer because both pay only for benefits that the employee uses. Generally, employers grant employees a specified number of flexible credits that they used to pay for the benefits that they select. Each benefit option has a flexible cost, and that cost is deducted from the total number of flexible credits granted to the employee.

When an employee does not have enough flexible credits to pay for the benefits that the employee selects, the excess amount can be deducted from the employee's payment through payroll deduction.

When an employee has more than enough flexible credits to pay for the benefits that the employee selects, some employers allow the employee to use the excess credits in one of these ways:

- Receive the excess amount in the form of a taxable addition to the employee's pay.
- Use the excess amount for other life needs, such as tuition expenses, weight-loss programs, smoking cessation programs, or financial planning expenses.

Some employers do not permit employees to use excess flexible credits.

System Integration for J.D. Edwards EnterpriseOne Benefits Administration

To simplify processes and facilitate communication within organizations, the Benefits Administration feature fully integrates with the other features in the JD Edwards EnterpriseOne Human Capital Management product suite and with other JD Edwards EnterpriseOne products, such as the JD Edwards EnterpriseOne General Accounting system. This integration eliminates redundant data entry and allows the company to maintain current and accurate information.

To prevent unauthorized access to confidential information, you can set up system security that enables users to access only the information that they need for their jobs.

This table illustrates how the Benefits Administration feature integrates with other features in the JD Edwards EnterpriseOne Human Capital Management product suite:

Feature	Benefits Administration	Human Resources	Payroll
Quick Hire	Not applicable (NA)	X	NA
Pay Types, Deductions, Benefits, and Accrual Setup	X	NA	X
Time Entry	NA	NA	X
Automatic Accounting Instructions	NA	NA	X
Job Information	X	X	X
Employee Information	X	X	X
Employee Self Service	X	X	X
Employee History and Turnover Tracking	NA	X	NA

J.D. Edwards EnterpriseOne Benefits Administration Terms and Concepts

This table describes the terms and concepts related to benefit program administration:

Term or Concept	Description
Allocation	The distribution of funds to various investment options. For example, you might allocate half of the money that you are investing to one fund and the other half to another fund.
Beneficiary	The individual who receives the benefit from an insurance or investment plan in the event of the plan holder's death. For example, you might designate the spouse as the beneficiary of the life insurance plan.
Benefit group	A group of employees that is offered the same set of benefit plans. For example, you might create separate benefit groups for salaried employees, hourly employees, and executives.
Benefit category	A broad description of related benefit plans. For example, a benefit category might be <i>medical, dental, or retirement</i> .
Benefit plan	A detailed program that provides a benefit for an employee. For example, a benefit plan can be traditional medical, medical health maintenance organization, vision, dental, and so forth.
Dependent	An individual, such as a spouse or a child, whom an employee supports financially. Dependents are often entitled to share in an employee's benefit plans, such as medical insurance.
Deductions, benefits, and accruals (DBAs)	<p>A deduction is a monetary amount taken out of an employee's pay. For example, a deduction can contribute toward a benefit, such as life insurance or medical coverage.</p> <p>A benefit is a payment or service that an employee receives for working for the employer. In this case, <i>benefit</i> refers specifically to the employer contribution.</p> <p>An accrual is typically sick time, vacation time, or holiday time that can be accumulated by the employee and used at a later date.</p>
Flexible benefit plan	Also called a <i>flex plan</i> , a program that enables employees to select the benefits that meet their individual needs. Employers provide employees with flex credits with which to purchase the benefit plans that they want. Employers can provide flex credits in a lump sum that is based on factors such as length of service or in a lump sum that is the same for all employees. Flex credits can also be awarded upon selection of specified benefit plans.
Plan option	A choice within a benefit plan that further defines the plan. For example, a medical plan might offer options for employee, employee plus one, and employee plus family.

7 Administering Benefits

Understanding the Benefits Administration Process

As part of a total compensation package, companies typically provide benefit plans for their employees. Benefit plans vary among companies, organizations, and industries. However, most benefit plans include medical insurance, life insurance, and retirement and investment programs. Additionally, a company might offer various plan options.

You enroll employees in benefits plans so that they can participate in the benefit that the organization offers. Depending on how you set up benefit plans and the eligibility standards for employees or groups of employees, you can use one or more of these methods to enroll employees in the plans:

- Enrollment with eligibility
- Enrollment overrides
- Batch enrollment
- Self service enrollment

When you enroll employees in benefit plans that have eligibility requirements, you typically use the enrollment with eligibility method. With this method, the system verifies that employees meet the eligibility requirements before it enrolls them in a plan. You can also use batch enrollment to globally enroll employees who are eligible for enrollment. You typically use batch enrollment to enroll employees in mandatory and default plans.

In some cases, you might need to waive eligibility requirements for an employee. For example, suppose that you rehire an employee who previously worked for the organization for 10 years. In that case, you might waive the eligibility requirements for the employee. When you enroll the employee in benefit plans, you use enrollment overrides to waive the eligibility requirements of those plans.

You can provide an additional service to employees and reduce data entry by enabling self service benefits enrollment. With self service enrollment, employees use a website on the company's intranet to enroll in or change their own benefits during an open enrollment period—or when they are hired or have life changes, such as marriage. The system stores the changes that employees make in work files, which the system then updates to the live benefits tables.

You need to maintain accurate and current information to successfully administer benefit plans for all employees in the company. After you enroll employees in benefit plans, you can perform these tasks:

- Correct or change employee and enrollment information.
- Manage plan changes and open enrollment.

For each employee, you can produce a benefits statement that indicates the amount that both the employee and the company have contributed to the employee's benefits, taxes, and other compensation.

(USA) Administering Benefits for the U.S.

After a company has determined which standard, government-mandated, and supplemental benefits it will incorporate into its benefit package, benefit professionals must administer the plans. This task can be time-consuming and require paperwork. It generally involves close interaction with health insurance companies, state unemployment insurance offices, and pension plan administrators. Therefore, many companies hire a third-party administrator to assist them in administering the plans, maintaining plan compliance, and submitting regulatory reports to the appropriate administrators.

In addition to maintaining the benefit plans, benefit administrators must enroll employees in these plans. Many factors affect how employee enrollment is administered, such as eligibility requirements and enrollment periods. Most benefit plans have eligibility criteria—such as age, length of service, and employment status—that employees must meet before they are allowed to participate. For example, a pension plan might stipulate that for an employee to participate in the plan, the employee must be at least 21 years old, work a minimum of 20 hours per week, and have been employed by the company for at least one year. Sometimes the company decides these eligibility requirements, and sometimes the company works with the plan administrator to decide the requirements.

Regardless of how benefit eligibility requirements are determined, these criteria must be applied indiscriminately to the workforce to avoid top-heaviness and discrimination in the plan. The term *top-heaviness* refers to a plan (generally a pension plan) in which more than 60 percent of the assets are contributed by or on behalf of key employees, such as owners or executives, or those who earn more than a specified amount of compensation. Plans that are top-heavy are subject to financial remedies that redistribute plan assets more proportionately.

Another eligibility-related term that generally applies to pension plans is *vesting*. The term *vesting* refers to the point when employees take ownership of the contributions that the company makes to the pension plan on their behalf. This table illustrates three types of vesting:

Type of Vesting	Description
Graded vesting	With this type of vesting, for each year that employees remain with the company, they gain a larger percentage of ownership of the employer-contributed account balance. The Employee Retirement Income Security Act (ERISA) provides minimum requirements for graded vesting that are based on at least 20 percent vesting not later than the third year of employment. An additional 20 percent vests each year thereafter. Full vesting is required by the seventh year of employment.
Cliff vesting	With this type of vesting, full vesting occurs no later than the fifth year of employment. However, no vesting is required prior to year five.
Other vesting schedules	A vesting schedule can be more generous than cliff or graded vesting but, in order to comply with ERISA standards, it cannot be more restrictive.

By instituting a vesting schedule, a company creates an incentive for employees to remain with the company. If employees leave the company before they are fully-vested in the plan, they forfeit a portion of the contributions made by the employer on their behalf and any earnings associated with those contributions. These forfeited funds must be redistributed within the plan.

Some benefit plans contain open enrollment or re-enrollment periods. *Open enrollment* refers to a time during which employees can change their benefit coverage or begin enrollment in a plan in which they were not previously enrolled. If an employee makes such changes outside the open enrollment period, waiting periods might be required before the changes take effect, or the employee might be prohibited entirely from making changes outside the open enrollment period. Re-enrollment occurs when a plan is based on a specific time period—generally, one year. Employees must re-enroll in the plan annually. During the re-enrollment period, employees can sign up for different coverage than they had previously.

Frequently, annual re-enrollment periods are associated with cafeteria plans or flexible spending account plans. Cafeteria plans—often referred to as flexible benefit plans—are an effective way of enabling employees to select benefits that are useful to them. Employees pick from a group of benefit options and pay for only those options that they choose. This method of selecting benefits represents a cost savings to both employee and employer because they both pay only for benefits that the employee uses. Generally, employers grant employees a specified number of flex credits that they employees use to pay for the benefits that they choose. Each benefit option has a flex cost, and that cost is deducted from the total number of flex credits granted to the employee.

When an employee does not have enough flex credits to pay for the benefits that the employee chooses, the excess amount can be deducted from the employee's payment through payroll deductions.

When an employee has more than enough flex credits to pay for the benefits that the employee chooses, some employers allow the employee to use the excess credits in one of these ways:

- Receive the excess amount in the form of a taxable addition to the employee's pay.
- Use the excess amount for other life needs, such as tuition expenses, weight-loss programs, smoking cessation programs, or financial planning expenses.

Some employers do not permit employees to use excess flex credits.

Flexible spending accounts (FSAs) are offered to employees under section 125 of the Internal Revenue Code. These benefits enable employees to elect a specified amount to be deducted from their payments on a pretax basis for future use in paying medical-related or dependent-care expenses. The Internal Revenue Service (IRS) strictly regulates the expenses that are eligible for reimbursement and the amount of money that employees can contribute annually to these FSAs. Additionally, as required by the IRS, the employee must forfeit any amount that remains in the employee's account after the end of the plan year and reimbursement period.

Enrolling Employees

This section provides an overview of employee enrollment, lists prerequisites, and discusses how to:

- Set processing options for the Enrollment with Eligibility program (P08334).
- Enroll employees using eligibility.
- Set processing options for the Enrollment Overrides program (P08330).
- Enroll employees using overrides.
- Run the Batch Enrollment program (R083800).
- Set processing options for the Batch Enrollment program (R083800).
- Unenroll employees using batch enrollment.
- Run the Confirmation Statement program (R083440).
- Set processing options for Confirmation Statement program (R083440).

Understanding Employee Enrollment

You enroll employees in benefits plans so that they can participate in the benefit that the organization offers. You also enroll employees so that they can pay premiums or make contributions to the benefit plans through payroll deductions. You can select from these methods for enrolling employees in benefits:

- Enrollment with eligibility
- Enrollment overrides
- Batch enrollment
- Self service enrollment

For benefit plans that have eligibility requirements, you can enroll employees using enrollment with eligibility or batch enrollment. You also use these methods when that company requires a specified group of employees to participate in particular plans. For example, you can use batch enrollment to enroll every employee assigned to the management benefit group in a mandatory management medical plan.

When you use enrollment with eligibility or batch enrollment, the system verifies that the employee's eligibility meets the standards for the plans and plan options that are available to the benefit group.

To use either enrollment with eligibility or batch enrollment, you must create benefit groups when you set up the system. A benefit group identifies the type of employee who is eligible for a particular set of benefits. Examples of benefit groups include executives, hourly employees, and part-time employees. You can create benefit categories (sets of related types of benefit plans) for each benefit group, and you can link multiple benefit plans to each category. For example, you can create a benefit category called Medical and link two medical plans—a traditional-style plan and a health maintenance organization—to that category.

Additionally, you can set up default plans for some benefit categories. When a category has more than one plan, you can define one of the plans as the default plan. If an employee does not select a plan or plan option, when you run the Enrollment with Eligibility program or the Batch Enrollment program, the system automatically enrolls the employee in the default plan.

You can use enrollment overrides when you need to waive eligibility requirements for specified employees.

As an alternative to staff members entering each employee's enrollment information, you can allow employees to enroll themselves online using self service benefits.

See *JD Edwards EnterpriseOne Tools Foundation Guide* .

See *Understanding Enrolling in Flex Benefit Plans*.

See *"Employee Self-Service S Benefits Setup" in the JD Edwards EnterpriseOne Applications Human Capital Management Self-Service Implementation Guide* .

Enrolling Employees Using Eligibility

To enroll an employee in benefit plans that have eligibility requirements, you can use the Enrollment with Eligibility program. Before you can use this feature, the employee must be assigned to a benefit group. When you enroll an employee, the system tests for eligibility and assigns the applicable enrollment status and date to the employee's record, based on which eligibility requirements are met.

The system displays the selected employee's benefit group, benefit group rule, pay frequency, benefit status, and date started. If the employee's benefit group does not offer flex plans, the system also displays the total payroll deduction for the plans in which the employee is enrolled. The system updates this total as you change the employee's enrollment.

If the selected employee's benefit group offers flex plans, the system displays the Flex Elections tab, which lists the employee's available, spent, and remaining flex credits. The system also displays the employee's non-flex payroll deductions, any flex payroll deduction that results from overspending flex credits, and total payroll deductions.

The system displays a color-coded indicator in the upper-right corner of the enrollment form to indicate the current payroll status of an employee. This table describes the color-coding for the statuses:

Color	Status
Green	Active employee not included in the current payroll cycle.
Fuchsia	Active employee included in the current payroll cycle.
Red	Terminated employee.
Yellow	Employee on leave of absence.

Color	Status

For some benefit plans, you can enter variable amounts or rates. For example, when you enroll an employee in a retirement plan, you can enter the percentage of salary that the employee contributes to the plan. When you enroll an employee in a plan that requires you to enter an amount or rate that is unique to the employee, an additional form appears on which you can enter the information.

You can set up a default plan for a benefit category in which employees are required to elect a plan. For example, you can set up a medical benefit category that includes three plans, with a default plan for no coverage. Employees can select a medical plan in which they participate. If an employee does not select a medical plan in the category, the system automatically enrolls the employee in the default plan for no coverage.

When you enroll an employee in benefit plans, you can use the options on the Row menu to access detailed information about individual benefit plans.

See *Working with Enrollment with Eligibility*.

Enrolling Employees Using Overrides

Use enrollment overrides when you need to waive eligibility requirements for particular employees. For example, if an organization acquires another company, the acquisition plan might stipulate that you waive the benefits eligibility requirements for the employees in the acquired company. You can use enrollment overrides to enroll these employees in plans for which they would not typically meet the eligibility requirements.

The Enrollment Overrides form includes these date fields, which enable you to review and record the dates that are associated with employee enrollment:

- Begin Date
- Ending Date
- Eligible Date
- Participation Date
- DBA Begin Date (deduction, benefit, accrual begin date)
- DBA End Date
- User Def Date (user-defined date)

Because the reasons for overriding existing eligibility requirements differ by organization, you can use the User Def Date field to record date information that is specific to the organization's business needs. For example, the organization might track the date on which the employee was hired when overriding eligibility. Or, it might track the date on which an employee would have been eligible for the benefit if the eligibility requirement had not been overridden.

You can use vocabulary overrides to rename this field with a name that fits the organization's needs. For example, you might change the name of the User Def Date field to the Hire Date field or the True Eligibility Date field. You can use this field to track any date that you want to associate with an employee's benefit enrollment.

See *"Setting Up Category Codes for DBAs" in the JD Edwards EnterpriseOne Applications Human Capital Management Fundamentals Implementation Guide* .

See *JD Edwards EnterpriseOne Tools Foundation Guide* .

Enrolling Employees Using Batch Enrollment

To enroll multiple employees at the same time, use the Batch Enrollment program (R083800). The Batch Enrollment program is an especially efficient tool for enrolling employees in mandatory plans. For example, you can enroll all employees who are assigned to the management benefit group in a mandatory management medical plan.

You can also use the Batch Enrollment program to enroll employees in default plans. That is, if a category has more than one plan, you can set up one plan as the default. If an employee does not make a selection from the category, the system enrolls the employee in the default plan.

In addition, if you have enrolled employees who did not immediately pass the eligibility requirement, you can run the Batch Enrollment program to retest their eligibility. The program also tests continuing eligibility. For example, an employee who experiences a reduction in hours can become ineligible for the benefit plan. The system uses the defined effective date to retest the employees and enrolls the employees who meet the test criteria. To test for eligibility, the system uses the eligibility rules and date codes that are assigned to the plan in conjunction with the enrollment parameters.

For example, an employee might have a three-month waiting period for active enrollment. Suppose that you receive the election forms one month after the hire date and enter the elections. The employee does not pass the initial eligibility test, so the system gives the employee an ineligible status. When you run the Batch Enrollment program with an effective date that is three months after the hire date, the program retests the employee using the initial eligibility test. This time, the employee passes the eligibility test, and the system updates the records. You can review both the *before* and *after* enrollment records to review the changes that the system made.

If you use data selection criteria for the version of the Batch Enrollment program that you run, you must include benefit status in the data selection criteria.

Depending on how you set the processing options, the Batch Enrollment program generates one or more of the reports described in this table:

Report	Usage
Detail By Employee	Review all employees and their corresponding enrollment status for each benefit plan.
Invalid Enrollment	Identify any employees enrolled in a benefit plan that is not available for the benefit group.
One Election Required	Identify employees who have not elected at least one plan within a category that requires election of a plan.
Manual Review	Identify any employees enrolled in a benefit plan that is not available for the benefit group.
No Action Taken	Review the records that the system did not change during the batch enrollment. The report includes remarks indicating why the enrollment was not made and the action that must occur before the system enrolls the employee. Additionally, the report lists invalid date errors and indicates that incorrect dates were included in the plan setup.

To preview the changes that will take place during batch enrollment, you can run the Batch Enrollment program in proof mode. After you review the reports to verify that the enrollments are correct, you can run the Batch Enrollment program in final mode. To verify enrollment for the employees that you selected, select

Daily Processing menu (G08BB1), Enrollment with Eligibility or Enrollment Overrides.

Note: The system recalculates the plan costs every time that you run the Batch Enrollment program.

See *Setting Up Enrollment Parameters*.

Unenrolling Employees Using Batch Enrollment

To simultaneously unenroll multiple employees from a benefit plan, use the Batch Enrollment program (R083800). If you add data selection criteria for the version that you create, you must include benefit status.

To preview the changes that will take place when you run the version that you have created, you can run the Batch Enrollment program in proof mode. After you review the reports to verify that the information is correct, you can run the Batch Enrollment program in final mode. To verify that the employees you selected are unenrolled, select

Daily Processing menu (G08BB1), Enrollment with Eligibility or Enrollment Overrides.

When you have successfully unenrolled the selected employees, you no longer need the enrollment parameters that you created for each plan from which employees were unenrolled. We recommend that you delete them from the Enrollment Parameters program (P08392).

Before you can unenroll employees using batch enrollment you must:

- Determine the plans or categories from which you need to unenroll employees.
- Enter this information in the Enrollment Parameters program (P08392) to create enrollment parameters for each plan from which you are unenrolling employees:
 - Benefit status equals *****.
 - Enrollment status equals **ACT**.
 - Valid plan equals **Y**.
 - Date code equals **F**.
 - New status equals **TRT**.

See *Setting Up Enrollment Parameters*.

Printing a Confirmation Statement

After you enroll employees using batch enrollment, you can print a confirmation statement. The Confirmation Statement report (R083440) contains the benefit plans and benefit plan options in which an employee is enrolled. It also lists all applicable deductions, benefits, and accruals. Employees use this statement to confirm that they have been correctly enrolled according to their choices.

Prerequisites

Before you complete the tasks in this section, you must:

- Set up benefit plans and related information.
See *Setting Up Enrollment Parameters*.
- Create an employee record for each employee whom you need to enroll in benefits.
See *"Adding Employee Records One at a Time" in the JD Edwards EnterpriseOne Applications Human Capital Management Fundamentals Implementation Guide* .

- If necessary, enter or change the benefit group selection for a group of employees before you enroll them in benefit plans:

See *"Processing Mass and Future Changes" in the JD Edwards EnterpriseOne Applications Human Capital Management Fundamentals Implementation Guide* .

- Assign a benefit status to all employees whose records will be processed in batch.

If necessary, enter or change the benefit group selection for a group of employees before you enroll them in benefit plans:

See *"Entering Additional Benefits Information for Employees" in the JD Edwards EnterpriseOne Applications Human Capital Management Fundamentals Implementation Guide* .

- Review the setup for the Batch Enrollment Parameters table (F08392).

See *Setting Up Enrollment Parameters*.

Forms Used to Enroll Employees

Form Name	Form ID	Navigation	Usage
Work With Enrollment With Eligibility	W08334A	Daily Processing menu (G08BB1), Enrollment with Eligibility On the Work With Enrollment With Eligibility form, select each record in the detail area for a benefit plan or plan option in which you want to enroll the employee, and then select Elect from the Row menu. If any of the plans that you select requires an amount or rate, the Change Amount or Rate form appears.	Enroll employees using eligibility.
Enrollment Overrides	W08330B	Daily Processing (G08BB1), Enrollment Overrides	Enroll employees using overrides.

Setting Processing Options for the Enrollment with Eligibility Program (P08334)

Processing options enable you to specify the default processing for programs and reports.

Dates

These processing options specify the dates that the system uses when it processes enrollments with eligibility.

1. Effective Date

Specify the effective date. To use the system date as the effective date, leave this processing option blank. The effective date is used in conjunction with the plan's initial and continuing eligibility tests to determine the employee's enrollment status and date. When you enter an effective date on the Enrollment with Eligibility form, that date overrides the date that you enter in this processing option.

2. Eligible Date

Specify whether to automatically calculate and display eligibility dates for unelected plans and plan options. Values are:

0: Do not calculate for unelected plans.

1: Calculate eligibility dates for unelected plans and plan options.

Calculating eligibility for unelected plans and plan options significantly increases the time required to display the employee's plan information.

3. Qualifying Life Event Date

Specify a date when a qualifying life event, such as marriage, occurs.

Defaults

These processing options specify the default information for processing enrollments.

1. Future Enrollment Status

Specify the value that you are using to indicate that a future enrollment record exists for the plan. The values that you enter in this processing option are not associated with a user-defined code (UDC) table.

For this processing option, future means that the actual plan enrollment date is greater, or later in the future, than the entered effective date. Values can be any three-digit alphanumeric status.

2. Mistaken Enrollment Status

Specify the UDC 08/ES for the enrollment status assigned to mistaken enrollments. If you leave this processing option blank, the system displays an error message when you select the Mistaken Enrollment option on the Enrollment with Eligibility form.

3. Ending Enrollment Status

Specify the UDC 08/ES for the enrollment status that you want to assign to enrollments that have ended. If you leave this processing option blank, the system displays an error message when you select the Stop - Auto Dt/Sts (stop - automatic date and status) option on the Enrollment with Eligibility form.

4. Ending Enrollment Status

Specify the UDC 08/ES that affects enrollments in only those plans for which you enter an ending date in either the Plan Master form (P08320) or the Plans within Categories form (P08351). For example, a flexible spending account plan might have an ending date because employees must re-enroll in the plan each year. Specify the UDC 08/ES for the ending enrollment status assigned to enrollments in these plans. The system assigns the ending enrollment status when you enroll the employee in the plan.

5. Ending Enrollment Status

Specify the UDC 08/ES assigned to enrollments that have ended because of a rate change to a plan or option.

The system checks for plan and option rate change as of the effective date entered. If there is a rate change, the system verifies the existence of DBA history for the plan or option. If DBA history exists, the processing option ends the enrollment. A new enrollment and new Employee DBA Instruction records with the new rates are created. If no DBA history exists, the existing Employee DBA Instruction records are replaced with the new rates.

6. Enrollment Event Code

Specify the three-character code that represents a qualifying life event, such as marriage.

7. Call Enrollment Event Form

Specify whether to call the form that is used to enter the enrollment event code and event date. Values are:

0: Do not call the form.

1: Call the form.

8. Plan/Option Description

Specify the field from which to retrieve the description. Values are:

0: Retrieve the description from the Plan/Option Description field in the F08320 table or the F083202 table.

1: Retrieve the description from the Self Service Description field in the F08320B table.

Enrolling Employees Using Eligibility

Access the Work With Enrollment With Eligibility form.

To enroll an employee using eligibility:

- 1.** Complete these fields and click Find:
 - Employee Identification
 - Effective Date
- 2.** Review the information in these fields:
 - Benefit Group
 - Benefit Status
 - Benefit Group Rule
 - Date Started
 - Pay Frequency
- 3.** If the selected employee's benefit group offers flex plans, click the Flex Elections tab and review the information in these fields as you change the employee's enrollment:
 - Flex Credits Available
 - Non Flex Payroll Deduction
 - Flex Credits Spent
 - Flex Payroll Deduction
 - Flex Credits Remaining
 - Total Payroll Deductions
- 4.** In the detail area, select each record for a benefit plan or plan option in which you want to enroll the employee, and then select Elect from the Row menu.
If any plans that you select require an amount or rate, the Change Amount or Rate form appears.
- 5.** On the Change Amount or Rate form, enter the amount or rate that the employee pays in the unlabeled field to the right of the Employee Payroll Deduction DBA (employee payroll deduction DBA) field.
- 6.** If applicable, complete the unlabeled field to the right of the Employer Paid Benefit DBA field.
If the company has set up the system to calculate the employer-paid DBA based on information from the employee-paid DBA, leave the unlabeled field to the right of the Employer Paid Benefit DBA field blank. For this

type of setup, the system calculates the amount or rate based on the value in the employee-paid field. If the company has not set up the system so that it calculates the employer-paid DBA based on the employee-paid DBA, enter the amount or rate in the unlabeled field to the right of the Employer Paid Benefit DBA field.

7. When you have entered the amounts or rates, click OK to close the Change Amount or Rate form.
8. On the Work With Enrollment With Eligibility form, review the amount in the Total Payroll Deduction field on either the General tab or the Flex Elections tab.

The system displays the Total Payroll Deduction field on the General tab only if the selected employee's benefit group does not offer flex plans. If the selected employee's benefit group offers flex plans, the system displays the Total Payroll Deduction field on the Flex Elections tab.

Before you click Submit to save the elections, you can undo an incorrect election by clearing the check mark for that election.

9. Click Submit to save the entries.

Note: Every time that you submit records on the Enrollment with Eligibility form, the system recalculates the DBA amounts. If you discover an incorrect election after you have saved the record, select the Mistaken Enrollment option from the Row menu to remove the election.

See *Working with Enrollment with Eligibility*.

- o **Effective Date**

Enter the date that identifies when a date is first valid. The effective date is used generically. It can be a lease effective date, a price or cost effective date, a currency effective date, a tax rate effective date, or whatever is appropriate.

- o **Date Started**

Displays the date on which the employee actually reported to work for the most recent period of hire. When an employee initially begins working, the default date is the original hire date. If no original hire

date exists, the system uses the current date. This field can be updated multiple times if, for example, an employee is a seasonal worker.

For the calculation tables in JD Edwards EnterpriseOne Payroll and the eligibility tables and date codes in Human Resources, the system also uses this date as a start date when it calculates deductions, benefits, and accruals.

- o **Pay Frequency**

Displays a UDC 07/PF that indicates how often an employee is paid. Values are:

B: Biweekly

W: Weekly

S: Semimonthly

M: Monthly

A: Annually

C: European Annualized

The system uses the value in the **Description-2** field in the UDC to calculate the amount per pay period for a salaried employee.

- o **Flex Credits Available**

Displays the total flex benefit credits available to an employee.

- o **Non Flex Payroll Deduction**

Displays the cost that the system calculates for a plan or plan option.

- o **Flex Credits Spent**

Displays the total amount of flex benefit credits spent by the employee.

- o **Flex Payroll Deduction**

Displays the amount of the payroll deduction when the flex benefit deductions for an employee are greater than the flex benefit credits provided by the employer.

- o **Flex Credits Remaining**

Displays the amount of the remaining flex benefits. The system derives the amount by subtracting the flex benefits spent by an employee from the flex benefits available to that employee.

- o **Total Payroll Deductions**

Displays an amount that represents the total payroll deductions for an employee for a pay period as a result of enrollment in a benefit plan. This amount is the total of applicable flex and non-flex benefit deductions.

- o **Total Payroll Deduction:**

Displays the cost that the system calculates for a plan or plan option.

Setting Processing Options for the Enrollment Overrides Program (P08330)

Processing options enable you to specify the default processing for programs and reports.

Defaults

These processing options specify the default values that the system applies when you enroll employees with overrides.

1. DBA Points Multiplier

Specify a factor to convert plan DBA points to a monetary amount. The system multiplies the factor by the DBA points.

The factor can be a whole number and up to four decimal places, or up to four decimal places only without a whole number. For example, 1.4321 has the format for a whole number and decimal places, and .9876 has the format for a factor that is less than one.

Blank is a value when the plan DBA points do not need to be converted to a monetary amount.

2. Plan/Option Description

Specify whether to retrieve the description from the Plan/Option Description field in the Benefits Plan Master table (F08320) and the Plan Additional Options table (F083202), or from the Self Service Description field in the Plan/Plan Option Tag table (F08320B). Values are:

0: Retrieve the description from the Plan/Option Description field in the F08320 table or the F083202 table.

1: Retrieve the description from the Self Service Description field in the F08320B table.

3. Enrollment Event Codes

Specify whether the qualifying event code appears on the form. The enrollment event code identifies a life event such as marriage. An enrollment or change by override cannot be made without an enrollment event, but the code does not need to appear on the form. Values are:

0: Plan and option description.

1: Self service description.

Enrolling Employees Using Overrides

Access the Enrollment Overrides form.

To enroll employees using overrides:

1. On the Enrollment Overrides form, to locate the employee for whom you need to enter plans, complete the Employee Identification field and click Find.

The system displays all of the plans in which the employee is enrolled.

2. To enroll the employee in a plan, complete these fields in a blank record in the detail area:

- o Plan ID
- o Begin Status
- o Begin Date
- o Eligible Date
- o Participation Date

3. To track a user-defined date, complete the Use Def Date field.

4. If the plan has associated options, complete the Plan Option field.

If the plan requires an amount or rate, the Change Amount or Rate form appears.

5. On the Change Amount or Rate form, enter the amount or rate that the employee pays in the unlabeled field to the right of the Employee Payroll Ded DBA field.

6. If applicable, complete the unlabeled field to the right of the Employer Paid Benefit DBA field.

If the company has set up the system so that it calculates the employer-paid DBA based on information in the employee-paid DBA, do not complete the unlabeled field to the right of the Employer Paid Benefit DBA field. For this type of setup, the system calculates the amount or rate based on the value in the employee-paid field. If the company has not set up the system to calculate the employer-paid DBA based on information in the employee-paid DBA, enter the amount or rate in the unlabeled field to the right of the Employer Paid Benefit DBA field.

7. When you have entered the amounts or rates, click OK to close the Change Amount or Rate form.

8. To enroll the same employee in another plan, repeat the preceding steps.

9. When you are finished entering the plans, click OK.

10. To verify changes to an amount or rate for a plan, review the DBA instructions for the employee.

- o **Begin Status**

Enter a code from UDC 08/ES that indicates the status of an employee's enrollment in a plan. You must use these guidelines for the definitions:

All statuses indicating active participation in a plan must begin with the letter **A**.

All statuses indicating an ending status that does not result in a new enrollment (such as a termination) must have the letter **X** in the first position of the **Description 2** field value (data item DL02) on the General User-Defined Codes form.

A status beginning with the letter **X**, when used as an ending status, represents a mistaken enrollment. No employee DBA instructions are written.

An asterisk (*) indicates all statuses not otherwise specified.

- o **Begin Date**

Enter the date that the benefit plan goes into effect after the employee's eligibility is verified.

- o **Eligible Date**

Enter the date on which the employee is eligible to enroll in the benefit plan. This date is not necessarily the date that the employee begins participating in the plan.

For example, the XYZ company requires that employees work for the company for six months before they are eligible to participate in the 401(k) plan. Employees can enroll in 401(k) two times per year, on

January 1 and July 1. Therefore, an employee who begins working for the company on March 1, 2008, has an eligibility date of January 1, 2009.

The eligibility date is the date on which the employee becomes eligible, provided that eligibility continues. If the employee changes to an ineligible status, the eligibility date on the new record is blank.

- o **Participation Date**

Enter the date on which the employee begins participating in the plan for the specified enrollment period.

Here is an example. XYZ company requires that employees work for the company for six months before they are eligible to participate in the 401(k) plan. Employees can enroll in 401(k) two times per year, on January 1 and July 1. An employee who begins working for the company on March 1, 2008, is eligible to participate in the plan on January 1, 2009. However, if the employee does not enroll in the plan until July 1, 2009, the employee's participation date is July 1, 2009.

The participation date is the first date on which the employee begins participating in the plan, provided that the employee continues to participate. When participation stops, the participation date on the new record is blank. If the employee has a break in eligibility, the participation date is the date that participation began for the latest enrollment period.

- o **User Def Date** (user-defined date)

Enter a user-defined date that you can use in enrollment for any date tracking need.

For example, you can use this field to display the employee's hire date as in this example:

Empl No - 6001, Plan ID 401K

Ineligible Status, Begin 04/13/97, End 12/31/97, User Date 04/13/98

Elig/Not Particip Status, Begin 01/01/98, End 05/31/98, Eligible 01/01/98, User Date 04/13/98

Active Status, Begin 06/01/98, End 08/31/99, Eligible 01/01/98, Particip 06/01/98, User Date 04/13/98

Ineligible Status, Begin 09/01/99, End 05/31/99, User Date 04/13/98

Active Status, Begin 06/01/99, End 06/01/99, Eligible 06/01/99, User Date 04/13/98

For this example, you would change the User Date column heading to Hire Date.

Running the Batch Enrollment Program (R083800)

Select Daily Processing (G08BB1), Batch Enrollment.

Setting Processing Options for the Batch Enrollment Program (R083800)

Processing options enable you to specify the default processing for programs and reports.

Date

This processing option specifies the dates that the system uses when it processes batch enrollments.

1. Effective Date

Specify the effective date of the enrollment. To use the system date as the effective date, leave this field blank. The effective date is used in conjunction with the plan's initial and continuing eligibility tests to define the employee's enrollment status and date.

Process

These processing options specify the type of information to process during a batch enrollment.

1. Mode

Specify whether you want to process enrollments in proof mode or final mode. Values are:

0: Proof mode. The system prints the requested reports without updating the employees' DBA instructions. Use the report to verify enrollment information before you process enrollments in final mode.

1: Final mode. The system prints the requested reports and updates the database. Use this mode after you have verified enrollment information and are ready to update the employees' DBA instructions.

2. Category

Specify the category for which you want to process enrollments. If you leave this processing option blank, the system processes all categories.

3. Plan

Specify the plan in which to enroll employees. If you leave this processing option blank, the system runs batch enrollment for all plans.

4. Plan Additional Option

Specify a Plan Additional Option to run batch processing. If you leave this processing option blank, the system runs batch processing for all Plan Additional Options. This processing option must be a valid Plan Additional Option and must be used with the Plan ID processing option.

5. Ending Enrollment Status

Specify the UDC 08/ES that affects enrollments in only those plans for which you entered an ending date in either the Plan Master (P08320) or Plans within Categories (P08351). For example, a flexible spending account plan might have an ending date because employees must re-enroll in the plan each year. Specify the UDC 08/ES for the ending enrollment status assigned to enrollments in these plans. The system assigns the ending enrollment status when you enroll the employee in the plan.

6. Benefit Status

Specify the change of benefit status of the employees in the report. Values are:

0: Status changed to active.

1: Status is not changed.

7. R083805 Version

Specify the value in which version of the Update Flex Payroll Deduction UBE (R083805) should be run. If this field is left blank, then you can not run the R083805.

Enrollment

These processing options specify the types of employees to include in the batch enrollment.

1. Mandatory and Default Plans for New Hires

Specify whether the batch enrollment enrolls newly hired employees in all mandatory and default benefit plans. Newly hired employees are employees who have a benefit status of **N**. Values are:

0: No, do not enroll new hires in mandatory and default plans.

1: Yes, enroll new hires in mandatory and default plans.

2. Mandatory and Default Plans for Rehires

Specify whether the batch enrollment enrolls rehired employees in all mandatory and default benefit plans. Rehired employees are employees who have a benefit status of **R**. Values are:

0: No, do not enroll rehired employees in mandatory and default plans.

1: Yes, enroll rehired employees in mandatory and default plans.

3. Mandatory and Default Plans for Transfers

Specify whether the batch enrollment enrolls recently transferred employees in all mandatory and default benefit plans. Recently transferred employees are employees who have a benefit status of **T**. Values are:

0: No, do not enroll transferred employees in mandatory and default plans.

1: Yes, enroll transferred employees in mandatory and default plans.

4. Mandatory and Default Plans for Active Employees

Specify whether the batch enrollment program enrolls active employees in all mandatory and default benefit plans. Active employees are employees who have a benefit status of **A**. Values are:

0: No, do not enroll active employees in mandatory and default plans.

1: Yes, enroll active employees in mandatory and plans.

Recalculation

This processing option specifies the ending enrollment status for a date-sensitive amount or rate that has changed for an enrolled plan.

1. Ending Enrollment Status

Specify the UDC 08/ES. Use this processing option when a date-sensitive amount or rate has changed for an enrolled plan. If the DBA within that plan has history attached to it, the system must write the old record with an ending status and create a new record with the new amount or rate.

The code entered in this option can be different from the code defined in the option on the Process tab. This enables you to identify why the plan was ended and started again. If the DBA within that plan has no history attached to it, then the current record is replaced with the new amount or rate.

Reports

These processing options specify the reports that the system prints when you process a batch enrollment.

1. Detail By Employee

Specify whether the system prints the Detail by Employee report when you process a batch enrollment. Values are:

0: Do not print the report.

1: Print the report.

2. Invalid Enrollment

Specify whether the system prints the Invalid Enrollment report when you process a batch enrollment. Values are:

0: Do not print the report.

1: Print the report.

3. One Election Required

Specify whether the system prints the One Election Required report when you process a batch enrollment. Values are:

0: Do not print the report.

1: Print the report.

4. Manual Review

Specify whether the system prints the Manual Review Requested report when you process a batch enrollment. Values are:

0: Do not print the report.

1: Print the report.

5. No Action Taken

Specify whether the system prints the No Action Taken report when you process a batch enrollment. Values are:

0: Do not print the report.

1: Print the report.

6. Changes

Specify whether the reports include all records or only the records that changed as a result of the batch enrollment. Values are:

0: Print all records.

1: Print changed records only.

Unenrolling Employees Using Batch Enrollment

Select Daily Processing (G08BB1), Batch Enrollment.

Running the Confirmation Statement Program (R083440)

Select Periodic Processing (G08BB2), Confirmation Statement.

Setting Processing Options for the Confirmation Statement Program (R083440)

Processing options enable you to specify the processing for programs and reports.

Date

This processing option specifies the date that the system uses when it tests enrollment and selects plans for the report.

1. Effective Date

Specify the effective date for the selection of plans and for testing enrollment. The confirmation statement cannot be processed without a valid date.

Print

These processing options specify whether to print specified information on the report.

1. Employee Address

Specify whether to print the employee's address. Values are:

Blank or **0**: Do not print the employee's address.

1: Print the employee's address.

2. Employee Annual Salary

Specify whether to print the employee's annual salary. Values are:

Blank or **0**: Do not print the employee's annual salary.

1: Print the employee's annual salary.

3. Employee Age

Specify whether to print the employee's age. Values are:

Blank or **0**: Do not print the employee's age.

1: Print the employee's age.

4. Employee Life Ins. Annual Salary (employee life insurance annual salary)

Specify whether to print the employee's life insurance annual salary. Values are:

Blank or **0**: Do not print the employee's life insurance annual salary.

1: Print the employee's life insurance annual salary.

5. Benefit Group Description

Specify whether to print the benefit group description. Values are:

Blank or **0**: Do not print the benefit group description.

1: Print the benefit group description.

6. Benefit Group Category Description

Specify whether to print the benefit category description. Values are:

Blank or **0**: Do not print the benefit category description.

1: Print the benefit category description.

Working with Fund Allocations

This section provides an overview of fund allocations, lists prerequisites, and discusses how to:

- Revise fund allocation percentages.
- Revise fund allocation start dates.

Understanding Fund Allocations

Many companies offer employees a variety of options for retirement or investment plans, such as 401(k) plans. To set up a retirement or investment plan that includes several investment options, you set up each option as a separate accrual.

When you enroll an employee in a retirement or investment plan, you identify the percentage or amount of the contribution from the employee's wages and any percentage or amount that the employer contributes. After you enroll an employee in the retirement or investment plan, you create fund allocations to define how the system distributes that total contribution among the available investment options.

To define the way in which an employee distributes funds among investment options, you must add a new allocation. You also specify the percentage of the total contribution that the employee contributes to each investment program.

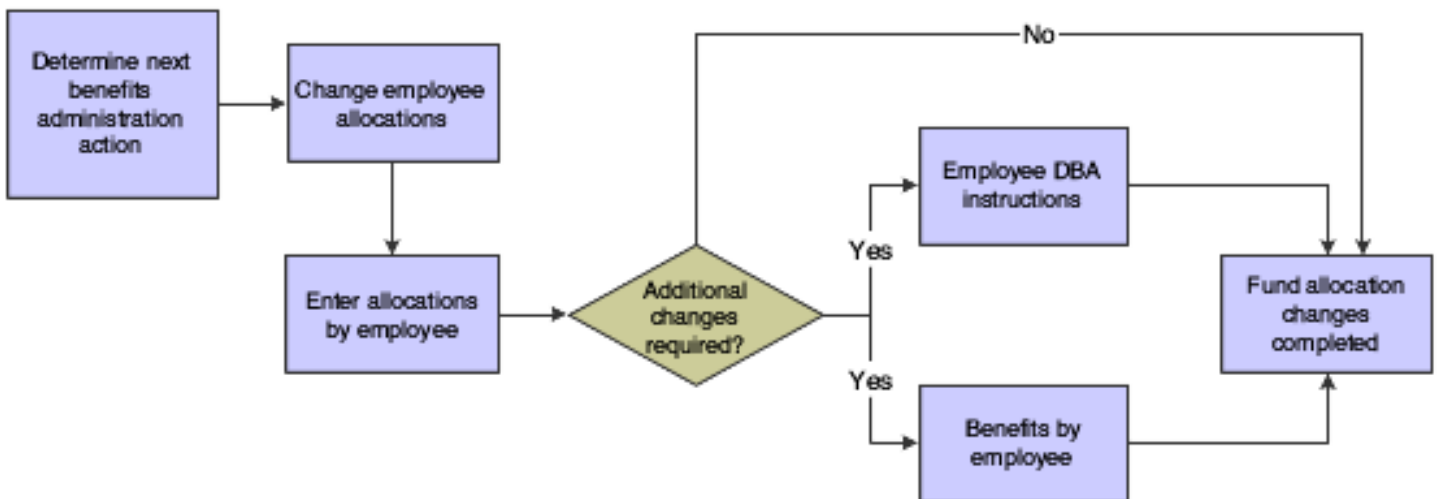
You change a fund allocation whenever an employee changes an allocation among the investment programs that the company offers. The employee can allocate funds among all available investment programs, but the total must equal 100 percent.

The new allocations begin on the new start date. The previous allocations end one day before the new start date.

An employee might request that you revise fund allocation percentages or start dates. You can revise this information for the upcoming pay period only if the system has not yet made a deduction from the employee's pay. When any pre-payroll processing has occurred, you cannot revise the fund allocation, but must make a new allocation.

This graphic illustrates the process for changing fund allocations:

Human Resource Management



Prerequisites

Before you complete the tasks in this section, you must:

- Link the accrual codes for each investment program to the DBA codes for the retirement or investment plan.
See *Linking Plans to Benefit Categories*.
- Enroll the employee in the retirement or investment plan.
See *Enrolling Employees*.

Forms Used to Work with Fund Allocations

Form Name	Form ID	Navigation	Usage
Work With Allocations By Employee	W08346D	Daily Processing (G08BB1), Allocations by Employee	Revise fund allocation percentages. Revise fund allocation start dates.

Revising Fund Allocation Percentages

Access the Work With Allocations By Employee form.

To revise fund allocation percentages:

1. Complete these fields to locate the employee's allocations:
 - Employee Identification
 - Plan ID
2. Select one of these options and then click Find:
 - Current Enrollment
 - Prior Enrollment
 - All
3. Select the record that contains the allocations that you want to change, and then select Allocations by EE (employee) from the Row menu.
4. Enter the correct percentage in the New Percent % field and click OK.

Revising Fund Allocation Start Dates

Access the Work With Allocations By Employee form.

To revise fund allocation start dates:

1. On the Work With Allocations By Employee form, locate the employee's allocations by completing these fields:
 - o Employee Identification
 - o Plan ID
2. Select one of these options and then click Find:
 - o Current Enrollment
 - o Prior Enrollment
 - o All
3. Select the record that contains the allocation with the incorrect start date and click Delete.
4. On the Delete Confirmation form, click Yes.
5. Select the record that contains the latest allocation for the enrollment, and then select Allocations by EE from the Row menu.
6. Enter the correct percentage in the New Percent % field and click OK.
 - o **Current Enrollment**

If you select this check box, this system displays records without an enrollment end date or an enrollment end date after the system date
 - o **Prior Enrollment**

If you select this check box, the system displays records with an enrollment end date prior to the system date
 - o **All**

If you select this check box, the system does not filter records based on the enrollment dates.
 - o **New Percent %**

Displays the percentage of the total contribution (employee and employer) that the employee allots to the various 401(k) investment funds. The percentages, if not 0, must be greater than 5 percent and they must total 100 percent.

8 Working with Dependents and Beneficiaries

Understanding Dependent and Beneficiary Information

Some of the benefit plans that the organization offers can include coverage for employees' dependents. For example, the medical and dental plans might have options for spouse and family coverage. Other benefit plans, such as life insurance and retirement plans, require a beneficiary who is entitled to receive benefits from the plan in the event of the employee's death. Before you can enroll an employee's dependents in a benefit plan or enter a person as a beneficiary for a plan, you must create a record for those dependents and beneficiaries. These records include personal information about the dependents and beneficiaries:

- Birth date
- Disability information
- Student status
- Tax ID number

After you create a record for a dependent or beneficiary, you can link that record to the corresponding employee record. You can also enter supplemental data for dependents and beneficiaries. Supplemental data is any additional information that you want to store in the dependent and beneficiary database. For example, you can use supplemental data to track student status verification.

You can review information about a dependent or beneficiary to verify that it is correct.

Prerequisites

Before you complete the tasks in this section, you must:

- Enroll the employee in the benefit plans that allow eligible dependents and beneficiaries.
See *Enrolling Employees*.
- Set up the relationships that can exist in UDC 08/RL.
See *Understanding UDCs for Benefits*.

Creating Dependent and Beneficiary Records

This section provides an overview of dependent/beneficiary record creation and discusses how to:

- Set processing options for the Dependent/Beneficiary Entry program (P08901).
- Create dependent and beneficiary records.

Understanding Dependent/Beneficiary Record Creation

You create dependent records so that employees' dependents can participate in benefit plans, such as medical insurance. You create beneficiary records so that an employee's relative or friend will receive benefits from a plan, such as life insurance, in the event of the employee's death. A person can be both a dependent and a beneficiary of an employee.

After you create dependent and beneficiary records, you can link them to an eligible employee's record. Dependents are associated with specific benefit plans when their records are linked to the appropriate employee records.

(USA) If you are using Benefits Administration to administer the company's Consolidated Omnibus Budget Reconciliation Act (COBRA) and Health Insurance Portability and Accountability Act (HIPAA) programs, you must create dependent records for COBRA and HIPAA reporting to comply with government regulations.

Form Used to Create Dependent/Beneficiary Records

Form Name	Form ID	Navigation	Usage
Dependent/Beneficiary Entry	W08901D	Daily Processing (G08BB1), Dependent/Beneficiary Entry On the Work With Dependents/ Beneficiaries form, click Add.	Create dependent/beneficiary records.

Setting Processing Options for the Dependent/Beneficiary Entry Program (P08901)

Processing options enable you to specify the processing for programs and reports.

Process

These processing options specify whether to automatically delete related records in other tables when you delete a record from the Participant file table (F08901). Deleting related records enables you to eliminate records that you do not need for another purpose.

1. Delete related records from the Address Book table (F0101)

Specify whether to automatically delete related, dependent, or beneficiary (search type Q) records from the Address Book Master table (F0101) when you delete a dependent or beneficiary record from the Participant file table (F08901). Values are:

0: Do not delete the related records.

1: Delete the related records.

2. Delete related records from the Dependent/Beneficiary Cross-Reference table (F08336)

Specify whether to automatically delete related dependent or beneficiary (search type Q) records from the Dep/Ben to Employee Plan X-Reference table (F08336) when you delete a dependent or beneficiary record from the Participant

file table (F08901). The cross-reference table associates a dependent or beneficiary with an employee. The table also identifies the employee's benefit plans that cover the dependent or designated beneficiaries. Values are:

0: Do not delete the related records.

1: Delete the related records.

3. Do you want a generic F08336 record to be created when a dependent/beneficiary record is added?

Specify whether the system creates a generic record in the Dep/Ben to Employee Plan X-Reference table (F08336) when a new record is entered in the Participant file table (F08901). A generic record allows you to associate a dependent/beneficiary with an employee without linking them to a specific plan. Values are:

0: Do not add generic record.

1: Add generic record.

Edit

These processing options allow you to indicate whether specified fields are required or optional. Depending on the requirements of the organization, you might not need to gather certain types of information.

1. Gender and Date of Birth fields

Specify whether the Gender and Date of Birth fields are required or optional when entering a record for a dependent or beneficiary. Values are:

0: Required.

1: Optional.

2. School Attending field

Specify whether the School Attending field is required or optional when entering a record for a dependent or beneficiary who is a full-time student. Values are:

0: Required.

1: Optional.

Creating Dependent and Beneficiary Records

Access the Dependent/Beneficiary Entry form.

To create dependent and beneficiary records:

1. Complete the Address Number field to assign a specific address number to the person.

If you leave this field blank, the system assigns the next available number.

2. Complete these fields:

- o Gender
- o Date of Birth

3. If the dependent or beneficiary has the same address as the employee, select the Employee Identification option.

The Employee Identification field appears.

4. Complete the Employee Identification field:

A colored box following the employee's name indicates the current payroll status of the employee. Green indicates an active employee who is not included in the current payroll cycle. Fuchsia indicates an active employee who is included in the current payroll cycle. Red indicates a terminated employee, and yellow indicates an employee who is on a leave of absence.

5. Complete these optional fields:
 - o Disability Flag
 - o Date of Disability
 - o Date of Medicare
 - o Send Initial Letter (Y/N)
 - o Date of Notification
6. If the person is a dependent, complete these fields and click OK:
 - o High School Graduate
 - o Employed
 - o Full Time Student
 - o School Attending

When you click OK, Dependent/Beneficiary Entry closes.
7. On the Address Book Revision form, click the Address Book tab.
8. Complete these fields:
 - o Alpha Name
 - o Tax ID
9. Click the Mailing tab, and then complete the Mailing Name field:
10. If you did not select the employee's address for the dependent or beneficiary, complete these fields:
 - o Address Line 1
 - o City
 - o State
 - o Postal Code
 - o Country
 - o County
11. Complete these optional fields:
 - o Address Line 2
 - o Address Line 3
 - o Address Line 4
12. Click OK.
 - o **Address Number**
Enter a number that identifies an address book entry, such as employee, applicant, participant, customer, supplier, tenant, or location.
 - o **Gender**

Enter a code to indicate gender. Values are:

M: Male

F: Female

- **Date of Birth**

Enter the birth date of the dependent or beneficiary.

- **Disability Flag**

Specify whether the participant is currently disabled. Values are:

Y: Yes, the participant is disabled.

N: No, the participant is not disabled.

If the participant is currently disabled, you must enter a date in the **Date of Disability** field.

- **Date of Disability**

Enter the date on which the participant became disabled, if applicable. If the code in the **Disability Flag** field is **Y**, you must enter a date in this field.

- **Date of Medicare**

Enter the date on which the participant elected to receive Medicare Hospital Insurance versus any health insurance supplied by the company, if applicable.

- **Send Initial Letter (Y/N)** (Send Initial Letter (Yes/No))

Specify whether the participant was sent the initial notification letter explaining his or her rights under COBRA. Both employees and spouses are required to receive an initial notice. Values are:

Y: Yes, the participant was sent an initial COBRA notice. You should enter the date the letter was sent to the participant in the **Date Notice Sent** field.

N: No, the participant was not sent an initial COBRA notice.

This field is informational only.

- **Date of Notification**

Enter the date the initial COBRA notification letter was sent to the participant.

- **High School Graduate**

Specify whether the participant is a high school graduate. Values are:

Y: Yes, the participant is a graduate.

N: No, the participant is not a graduate.

- **Employed**

Specify whether the participant is employed (anywhere). Values are:

Y: Yes, the participant is employed.

N: No, the participant is not employed.

- o **Full Time Student**

Specify whether the participant is a full time student. Values are:

Y: Yes, the participant is a full time student. The **SCA** (School Attending) field must contain the name of the school if the processing option is set to require this information.

N: No, the participant is not a full time student. The **SCA** (School Attending) field cannot contain an entry.

- o **School Attending**

Enter the name of the school the participant is attending, if any. This field is used in conjunction with the **FTS** field. If the **FTS** field contains a **Y**, you must enter the name of the school in this field if the processing option is set to require this information.

- o **Alpha Name**

Enter the text that names or describes an address. This 40-character alphabetic field appears on a number of forms and reports. You can enter dashes, commas, and other special characters, but the system cannot search on them when you use this field to search for a name.

- o **Tax ID** (tax identification)

Enter the identification code required by various tax authorities. This can be a social security number, federal or state corporate tax ID, sales tax number, and so on. The system verifies the number and prints the separators in their correct format, according to the value of TAXC (Person/Corporation Code). If no value exists for TAXC, the system uses the Corporate Entity.

For US employees and participants, the Tax ID is a social security number.

For Canadian employees, the Tax ID must be a valid and unique Social Insurance Number (SIN).

- o **Mailing Name**

Enter the company or person to whom billing or correspondence is addressed.

- o **Address Line 1**

Enter the first line of a mailing address for an employee, customer, or supplier in the JD Edwards EnterpriseOne Address Book system. The U.S. Internal Revenue Service (IRS) restricts the size of the

address that prints on an employee's year-end tax return. To comply with IRS regulations, the system has the following restrictions:

On W-2 returns, the system prints only the last three non-blank address lines plus the city, state, and postal code.

On 1099 returns, the system prints only the last non-blank address line plus the city, state, and postal code.

On other U.S. federal magnetic media, the system prints only the last non-blank address line plus the city, state, and postal code.

- o **City**

Enter a name that indicates the city associated with the address.

- o **State**

Enter a user-defined code (UDC) (00/S) that specifies the state or province. This code is usually a postal service abbreviation.

- o **Postal Code**

Enter the United States ZIP code or the postal code that specifies where a letter is to be routed. Attach this code to the address for delivery in other countries. This code is used as the low end value when doing Postal Code Transaction range processing.

- o **Country**

Enter a UDC (00/CN) that identifies a country. The country code has no effect on currency conversion.

JD Edwards EnterpriseOne Address Book uses the country code for data selection and address formatting.

- o **County**

Enter the name of a county, parish, or other political district that is necessary for the address or for tax purposes.

- o **Address Line 2**

Enter the second line of the mailing address for an employee, customer, or supplier in the JD Edwards EnterpriseOne Address Book system.

Note: Attention JD Edwards EnterpriseOne Payroll users: The Internal Revenue Service (IRS) restricts the size of the address that prints on employee's year-end forms. To comply with IRS regulations, the address that prints on W-2 forms includes only the last three non-blank address lines plus the city, state, and postal code. The address that prints on 1099 forms includes only the last non-blank address line plus the city, state, and postal code. If you process year-end information using the federal magnetic media format, the address that prints on those forms contains only the last non-blank address line plus the city, state, and postal code.

- o **Address Line 3**

Enter the third line of the mailing address for an employee, customer, or supplier in the JD Edwards EnterpriseOne Address Book system.

Note: Attention JD Edwards EnterpriseOne Payroll users: The Internal Revenue Service (IRS) restricts the size of the address that prints on employee's year-end forms. To comply with IRS regulations, the address that prints on W-2 forms includes only the last three non-blank address lines plus the city, state, and postal code. The address that prints on 1099 forms includes only the last non-blank address line plus the city, state, and postal code. If you process year-end information using the federal magnetic media format, the address that prints on those forms contains only the last non-blank address line plus the city, state, and postal code.

o **Address Line 4**

Enter the fourth line of the mailing address for an employee, customer, or supplier in the JD Edwards EnterpriseOne Address Book system.

Note: Attention JD Edwards EnterpriseOne Payroll users: The Internal Revenue Service (IRS) restricts the size of the address that prints on employee's year-end forms. To comply with IRS regulations, the address that prints on W-2 forms includes only the last three non-blank address lines plus the city, state, and postal code. The address that prints on 1099 forms includes only the last non-blank address line plus the city, state, and postal code. If you process year-end information using the federal magnetic media format, the address that prints on those forms contains only the last non-blank address line plus the city, state, and postal code.

Enrolling Dependents and Beneficiaries in Benefit Plans

This section provides an overview of dependent/beneficiary enrollment, lists prerequisites, and discusses how to enroll dependents and beneficiaries in benefit plans.

Understanding Dependent/Beneficiary Enrollment

After you create records for dependents and beneficiaries, you can enroll the dependents and beneficiaries in benefit plans. You can enroll a dependent or beneficiary in only those plans in which the employee is already enrolled.

Enrolling dependents and beneficiaries in benefit plans is for documentation purposes only. It does not generate instructions to make payroll deductions for benefits or beneficiary payments.

Prerequisites

Before you complete the tasks in this section, you must:

- Enroll the employee in benefit plans.
See *Enrolling Employees*.
- Set up UDC 08/RL to identify the relationships that dependents and beneficiaries can have with employees.
See *Understanding UDCs for Benefits*.
- Set up UDC 08/DB to identify beneficiary designations, such as primary and contingent beneficiaries.
- Set up dependent and beneficiary records.

See *Creating Dependent and Beneficiary Records*.

- Set up common settings to specify whether the dependents or beneficiaries who are related to an employee must be associated with a plan.

See *"Setting Up System Options" in the JD Edwards EnterpriseOne Applications Human Capital Management Fundamentals Implementation Guide* .

Form Used to Enroll Dependents and Beneficiaries in Benefit Plans

Form Name	Form ID	Navigation	Usage
Dependents/ Beneficiaries By EE	W08336B	<p>Daily Processing (G08BB1), Dependent/Beneficiary by Employee</p> <p>On Work with Employees, complete the Employee Identification field and click Find.</p> <p>In the detail area, select the employee record to which you want to link dependents or beneficiaries, and then click Select.</p>	Enroll dependents and beneficiaries in benefit plans.

Enrolling Dependents and Beneficiaries in Benefit Plans

Access the Dependents/Beneficiaries By EE form.

To enroll dependents and beneficiaries in benefit plans:

1. Complete these fields in the detail area:
 - Dep./Ben. Address (dependent/beneficiary address)
 - R L (relationship)
 - Plan ID (plan identification)
2. If you want to add a new dependent or beneficiary at this time, highlight a blank row in the grid and select Dep/Ben Entry from the Row menu.
3. If the plan has options, complete the Add Opt field.

4. Complete these optional fields:

- o Effective Date
- o Ending Date

The system displays a **D** in the DB field if the plan requires dependents, or a **B** if the plan requires beneficiaries. The system also displays the dependent's or beneficiary's birth date and tax ID number.

5. For a plan in which the person is a beneficiary, complete these fields:

- o DB Ty (dependent beneficiary type)
- o Ben % (beneficiary percentage)

The total of the beneficiary percentages for each beneficiary type for a specific plan must equal 100 percent. For example, if an employee elects two primary beneficiaries for a life insurance plan and assigns one of these beneficiaries a beneficiary percentage of 50 percent, then the other primary beneficiary must also have a beneficiary percentage of 50 percent, for a total of 100 percent. The total of contingent beneficiaries for the same plan must also equal 100 percent.

6. Repeat steps 2 through 5 for each plan for which the person is a dependent or beneficiary.

You might need to enter more than one record for a particular person. For example, you must enter three records for a person who is a dependent for the medical plan and the dental plan and is a beneficiary for the life insurance plan.

7. Click OK.

After you link a dependent or beneficiary record to an employee record, a field at the bottom of the Dependent/Beneficiary Entry form displays the employee's name and employee number. Also, the dependent's or beneficiary's mailing address can be updated with the employee's mailing address. If you selected the Employee Identification option on Dependent/Beneficiary Entry form, the linked employee's address updates the Dependents/Beneficiaries by EE (employee) Entry form if the addresses are different.

Effective Date

Enter the date on which the benefit plan goes into effect. Complete this field and click Find to display all enrollments that begin on or after this date.

Limit the form display by typing a date in the Effective Date field in the upper portion of the form. The system displays only the dependent/beneficiary relationships in effect on that date. The system assumes that relationships not limited by effective date are always in effect, so these relationships also appear.

Dep./Ben. Address (dependent/beneficiary address)

Enter the address number of the participant as defined in the Participant file table (F08901).

R L (relationship)

Enter a UDC 08/RL that defines the relationship of the dependent or beneficiary to the employee.

Add Opt (additional options)

Enter a code that identifies any additional options available for a benefit plan that have been defined in the Plan Additional Options table (F083202).

Note: Additional options must have the same provider, policy number, and enrollment and eligibility rules as the benefit plan to which they are associated.

DB (dependent beneficiary)

Enter a code that indicates whether the person is a dependent or a beneficiary of the employee. Values are:

D: The person is a dependent.

B: The person is a beneficiary.

Blank: The system automatically designates the person as a beneficiary or dependent, depending on the benefit plan type.

This field is enabled when the Plan ID column is blank.

DB Ty (dependent beneficiary type)

Enter a UDC 08/DB used to specify whether a beneficiary is primary or contingent.

Ben % (benefit percentage)

Enter the percentage of any proceeds from the benefit that goes to the participant. For example, you can designate that as the primary beneficiary, the participant is to receive 90 percent of the proceeds from a life insurance policy.

This percentage must be greater than zero and less than or equal to 100.

If you do not enter a value in this field, the system enters 100 percent.

Entering Supplemental Data for Dependents and Beneficiaries

This section provides an overview of supplemental data entry for dependents and beneficiaries and discusses how to enter supplemental data for dependents and beneficiaries.

Understanding Supplemental Data Entry for Dependents and Beneficiaries

Supplemental data is any type of additional information that you want to track about any of these items or individuals:

- Requisitions
- Applicants
- Employees
- Jobs
- Dependents
- Beneficiaries
- Health safety administration

When you set up the Human Resources system, you identify the types of supplemental data (data types) that you want to track. Supplemental data is not required by the system.

You might include these types of supplemental data for dependents and beneficiaries:

- Student status verification
- Emergency contacts

The method that you use to enter supplemental data is the same for any type of supplemental information that the system tracks.

Note:

- *"Working with Supplemental Data" in the JD Edwards EnterpriseOne Applications Human Capital Management Fundamentals Implementation Guide .*
- *Reviewing Employee Enrollment.*

Form Used to Enter Supplemental Data for Dependents and Beneficiaries

Form Name	Form ID	Navigation	Usage
Work With Profile Data Entry	W08091B	Dependent Beneficiary Supplemental Data (G08BSDD2), Dep/Ben Supplemental Data Entry	Enter supplemental data for dependents and beneficiaries.

9 Working with Enrollment Information

Understanding Enrollment Information

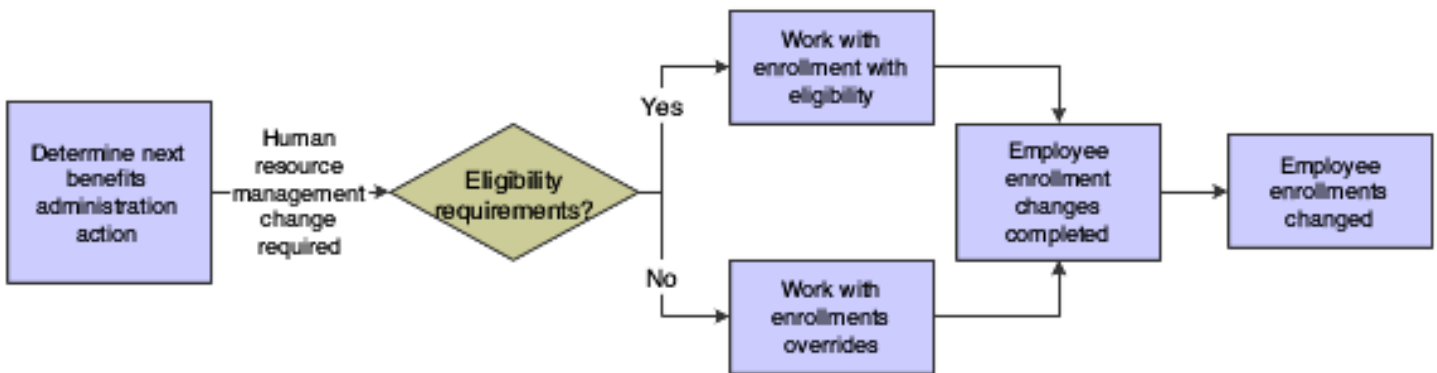
After you enroll employees in benefit plans, you need to ensure that enrollment information is accurate and current. For example, when any of these events occur, you might need to change enrollment as described:

- An employee leaves the organization.
You must end the employee's enrollment in benefit plans.
- An employee marries.
The employee might need to change from the Employee Only medical plan to the Employee Plus Spouse plan.
- An employee is enrolled in the wrong plan.
You must correct the mistaken enrollment.
- An employee chooses to increase the amount of life insurance coverage.
You might need to change the amount or rate of a payroll deduction.

Many companies provide an open enrollment period once a year to allow employees to change their benefit elections. Employees can change the type of coverage that they have elected as well as add or remove a benefit plan as part of their coverage.

This graphic illustrates the process for changing employee enrollments:

Human Resource Management



Working with Enrollment with Eligibility

This section provides an overview of enrollment with eligibility, lists a prerequisite, and discusses how to:

- End enrollment using eligibility.

- Change an amount or rate using eligibility.
- Correct mistaken enrollment using eligibility.
- Verify continuing eligibility in plans.
- Change enrollment due to a life event.

Understanding Enrollment with Eligibility

When you need to change an employee's enrollment information for plans that have eligibility requirements, use the Enrollment with Eligibility program (P08334) to make the change.

When the organization discontinues a plan or an employee wants to stop participating in a plan, you must end the employee's enrollment in the plan. During an open enrollment period, you might need to end an employee's enrollment in one plan and then enroll the employee in another plan.

You also must end enrollment when you terminate an employee. When you end enrollment for a terminated employee, the system does not re-enroll the employee in required plans.

For plans that require an amount or rate, you occasionally might need to change that amount or rate. For example, an employee might want to change the percentage of salary to contribute to a retirement plan.

When you discover that an employee is enrolled in an incorrect plan or plan option, you must correct the mistaken enrollment. If you have not yet processed payroll for the employee, the system deletes the mistaken enrollment record. If you have already processed payroll for the employee, the system creates an audit record of the mistaken enrollment.

For a plan that has continuing eligibility requirements, you can verify an employee's eligibility in the plan. When an employee fails the continuing eligibility test, the system automatically ends the employee's enrollment in the plan and assigns the employee an ineligible status.

For ACA Eligibility plan, you can verify an employee's eligibility in the plan. The system uses the Effective Date from the enrollment process to find the ACA Eligibility Status record in the ACA Employee Eligibility table (F081161). It selects the record with eligibility date nearest to, but less than or equal to the effective date that you specify in the Enrollment with Eligibility program. In case of more than one such records, the system uses the record with the latest parameter control number to determine the benefit eligibility status for the employee.

Events in an employee's life might require that the employee change enrollment in one or more plans. Marriage or the birth of a child are examples of life events. You can set the processing options for the Enrollment with Eligibility program to enable these changes.

Prerequisite

Before you complete the tasks in this section, you must set the Call Enrollment Event Form processing option in the Enrollment with Eligibility program (P08334) to allow to change enrollment due to a life event.

Forms Used to Work With Enrollment with Eligibility

Form Name	Form ID	Navigation	Usage
Work With Enrollment With Eligibility	W08334A	Daily Processing (G08BB1), Enrollment with Eligibility	Correct mistaken enrollment using eligibility. Verify continuing eligibility in plans.
Stop - Override Date and Status	W08334B	On the Work With Enrollment With Eligibility form, select a plan for which you want to end enrollment, and then select Stop - Auto Dt/Sts from the Row menu.	End enrollment using eligibility.
Change Amount or Rate	W08334C	On the Work With Enrollment With Eligibility form, locate and select the employee's plans for which you need to change the amount or rate, and then select Change Amt or Rate from the Row menu.	Change an amount or rate using eligibility. You can change the amount or rate only for plans that have a beginning status that starts with the letter A and that allow an amount or rate change.
Enrollment Event Code	W08334B	Daily Processing (G08BB1), Enrollment with Eligibility On the Work With Enrollment With Eligibility form, select a record in the detail area and click Submit.	Change enrollment due to a life event.

Ending Enrollment Using Eligibility

Access the Stop - Override Date and Status form.

To end enrollment using eligibility:

1. On the Work With Enrollment With Eligibility form, to locate the employee's plans, complete the Employee Identification field.
2. To limit the records that appear, click Display Elected Plans and Plan Options.
3. In the Effective Date field, enter a date one day later than the date on which you want to end the enrollment.
4. Click Find.
5. To end enrollment in a plan on the date that you defined in the enrollment parameters, select the plan and then select Stop - Auto Dt/Sts from the Row menu.

If no enrollment parameters exist, the system ends the enrollment one day prior to the effective date.

6. To end enrollment in a plan on any date other than the date that you defined in the enrollment parameters, select the plan and then select Stop - OvrD Dt/StS from the Row menu.
7. On Stop - Override Date and Status, complete these fields and click OK:
 - o Enrollment End Date
 - o Enrollment End Status

On Work With Enrollment with Eligibility, the system displays a circle with a line through it in the row header of the record for which you ended enrollment.

8. To cancel the change, double-click the row header for the plan.
9. To complete the change, click Submit.

After you submit the change, the circle with a line through it disappears.

When you end an employee's enrollment in a benefit plan for which employee payroll history exists, the system updates the employee's deduction, benefit, accrual (DBA) instructions with an ending date for the associated DBA. Depending on how the enrollment ending date corresponds to the payroll cycle, the ending date for the DBA might differ from the enrollment ending date. Typically, the ending date for the DBA is the date on which the DBA was last recorded in the employee's payroll history; that is, the last time that a deduction was made from the employee's payroll. However, if the enrollment ending date is greater than the DBA history date, the date that the system assigns for the DBA ending date is the enrollment ending date. When you end an employee's enrollment in one plan at the same time that you enroll the employee in another plan, the effective date of the DBA associated with the new plan is equal to the effective enrollment date for the new plan.

Changing an Amount or Rate Using Eligibility

Access the Change Amount or Rate form.

To change an amount or rate using eligibility:

1. Enter the amount or rate that the employee pays in the unlabeled field to the right of the Employee Payroll Ded DBA field.
2. If applicable, complete the unlabeled field to the right of the Employer Paid Benefit DBA field.

If the company has set up the system to calculate the employer-paid DBA based on information in the employee-paid DBA, leave the unlabeled field to the right of the Employer Paid Benefit DBA field blank. For this type of setup, the system calculates the amount or rate based on the value in the employee-paid field. If the company has not set up the system to calculate the employer-paid DBA based on information in the employee-paid DBA, enter the amount or rate in the unlabeled field to the right of the Employer Paid Benefit DBA field.

3. Click OK to close the Change Amount or Rate form and continue with the change.
4. On the Work With Enrollment With Eligibility field, verify this information:
 - o A triangle appears in the row header for the record with the change
 - o The ending date is one day prior to the effective date for the record with the change
 - o The system created a new record with the new rate

When payroll history exists, the system ends the record and creates a new one. When no payroll history exists, the system processes the change without end dating

5. To complete the change, click Submit.

After you submit the change, the D and the triangle disappear.

Correcting Mistaken Enrollment Using Eligibility

Access the Work With Enrollment With Eligibility form.

To correct mistaken enrollment using eligibility:

1. Complete these fields to locate the employee's plans:
 - o Employee Identification
 - o Effective Date
2. To limit the records that appear, select Display Elected Plans and Plan Options.
3. Click Find.
4. Select the row containing the mistaken enrollment, and then select Mistaken Enrollment from the Row menu.

On the Work With Enrollment With Eligibility form, the system displays either a trashcan button (no payroll history is associated with the record) or an X (payroll history is associated with the record) in the row header of the record that was a mistaken enrollment.

5. To accept the correction, click Submit.

Verifying Continuing Eligibility in Plans

Access the Work With Enrollment With Eligibility form.

To verify continuing eligibility in plans:

1. Complete these fields to locate the employee's plans:
 - o Employee Identification
 - o Effective Date
2. To limit the records that appear, select Display Elected Plans and Plan Options.
3. Click Find.
4. From the Form menu, select Retest Eligibility.

For any plan for which the employee is no longer eligible, a disabled record appears below the employee's current plans. Any plan for which eligibility information changed appears in blue letters. When initial eligibility conditions are met, the system enrolls the employee in the appropriate plans.

Changing Enrollment Due to a Life Event

Access the Enrollment Event Code form.

Enrollment Event Code

Enter the user-defined code (UDC) 08/BE that you use to denote an enrollment event such as marriage.

Date Qualifying Life Event

Enter the date of the qualifying life event.

Working with Enrollment Overrides

This section provides an overview of enrollment overrides and discusses how to:

- End enrollment using overrides.
- Change an amount or rate using overrides.
- Correct a mistaken enrollment using overrides.

Understanding Enrollment Overrides

Use the Enrollment Overrides program (P08330) to make changes to a plan in which you waived the eligibility requirements for an employee.

The Enrollment Overrides program requires more manual entry than the Enrollment with Eligibility program (P08334). Therefore, you should use the Enrollment Overrides program primarily for exception cases.

You typically need to use overrides to end an employee's enrollment in a plan when an employee's enrollment extends beyond the normal end date. This situation might occur as part of a severance agreement.

When you end enrollment by using overrides, you must enter the actual date on which you want to stop the plan for the employee.

For plans that require an amount or rate, you occasionally might need to change that amount or rate. For example, an employee might want to change the amount contributed to the 401(k) plan.

When you discover that an employee has been enrolled in the wrong plan or in the correct plan with the wrong option, you must correct the enrollment. After you correct the mistaken enrollment, enroll the employee in the correct plan. If you have not yet processed payroll for the employee, the system deletes the mistaken enrollment. If you have processed payroll for the employee, the system creates an audit record of the mistaken enrollment.

Note:

- *Enrolling Employees Using Overrides.*

Forms Used to Work With Enrollment Overrides

Form Name	Form ID	Navigation	Usage
Enrollment Overrides	W08330B	Daily Processing (G08BB1), Enrollment Overrides	End enrollment using overrides. Change an amount or rate using overrides. Correct mistaken enrollment using overrides.

Ending Enrollment Using Overrides

Access the Enrollment Overrides form.

To end enrollment using overrides:

1. To locate the employee's plans, complete the Employee Identification field and click Find.
2. To end enrollment in a single plan, complete these fields for that plan and click OK:
 - o End Status
 - o Ending Date
3. To end enrollment in all plans, select End Enrollment from the Form menu.
4. On the Stop - Override Date and Status form, complete these fields and click OK:
 - o Enrollment End Date
 - o Enrollment End Status

When you end an employee's enrollment in a benefit plan for which employee payroll history exists, the system updates the employee's DBA instructions with an ending date for the associated DBA. Depending on how the enrollment ending date corresponds to the payroll cycle, the ending date for the DBA might differ from the enrollment ending date. When the enrollment ending date is greater than the DBA history date, the date that the system assigns for the DBA ending date is one day prior to the enrollment ending date. When the enrollment end date precedes the date on which the DBA was last recorded in the employee's payroll history, the DBA ending date is the payroll period end date that was last recorded in the DBA record.

Typically, when you end an employee's enrollment in one plan at the same time that you enroll the employee in another plan, the effective date of the DBA that is associated with the new plan is the same as the effective enrollment date for the new plan if the enrollment date is after the DBA history date. Otherwise, the new DBA begin date will be one day after the DBA payroll history date, which is different from the enrollment date. This situation generally occurs when you correct a mistaken enrollment after payroll has been processed.

Changing an Amount or Rate Using Overrides

Access the Enrollment Overrides form.

To change an amount or rate using overrides:

1. To locate the employee's plans, complete the Employee Identification field and click Find.
2. Select the plan for which you need to change the amount or rate and then select Amount/Rate from the Row menu.
3. On the Change Amount or Rate form, enter the amount or rate that the employee pays in the unlabeled field to the right of the Employee Payroll Ded DBA field.
4. If applicable, complete the unlabeled field to the right of the Employer Paid Benefit DBA field.
If the company has set up the system to calculate the employer-paid DBA based on information from the employee-paid DBA, leave this unlabeled field blank. For this type of setup, the system calculates the amount or rate based on the value in the employee-paid field. If the company has not set up the system to calculate the employer-paid DBA based on information in the employee-paid DBA, enter the amount or rate in the unlabeled field to the right of the Employer Paid Benefit DBA field.
5. Click OK.

Correcting Mistaken Enrollment Using Overrides

Access the Enrollment Overrides form.

To correct a mistaken enrollment using overrides:

1. To locate the employee's plans, complete the Employee Identification field and click Find.
2. Complete the End Status field for the incorrect plan.

To enter a begin date for the correct plan that is the same as the begin date for the incorrect plan, enter an end status that begins with the letter X. The X end status enables the system to enroll the employee in the new plan for the correct enrollment period and still track the incorrect plan for historical purposes.

Use Enrollment End Statuses that have a secondary description that begins with X from UDC 08/ES only when no payroll history exists for the plan.

3. Complete the Ending Date field for the incorrect plan and then click OK.
4. To enroll the employee in the correct plan, complete the steps for enrolling employees.

You must manually refund any incorrect deduction when you correct mistaken enrollment. When you correct the information in the Human Resources system, the system does not automatically generate a refund payment.

- o **End Status**

Enter a code that indicates the ending status of an employee's enrollment in a plan. This status represents the reason for ending the old enrollment and is used as the beginning status of any resulting new enrollment.

You can define this code using UDC 08/ES. See data item XDFS (Status - Enrollment) for restrictions on the allowed values.

Note: An ending status that begins with the letter X represents a mistaken enrollment.

You use Enrollment End Statuses that have a secondary description that begins with X from UDC 08/ES only when no payroll history exists for the plan.

- o **Enrollment End Date**

Enter the date on which the employee ceases to participate in a benefit plan.

- o **Enrollment End Status**

Enter a code that indicates the ending status of an employee's enrollment in a plan. This status represents the reason for ending the old enrollment and is used as the beginning status of any resulting new enrollment.

You can define this code using UDC 08/ES. See data item XDFS (Status - Enrollment) for restrictions on the allowed values.

Note: An ending status that begins with the letter X represents a mistaken enrollment.

You use Enrollment End Statuses that have a secondary description that begins with X from UDC 08/ES only when no payroll history exists for the plan.

Reviewing Employee Enrollment

This section provides an overview of employee enrollment review and discusses how to:

- Run the Benefit Enrollment Form program (R083430).
- Set processing option for the Benefit Enrollment Form program (R083430).

Understanding Employee Enrollment Review

Employees often have questions about their enrollment in particular benefits. In addition, organizations frequently need information about total enrollment for specific plans. The system provides easy access to the information that you need in order to answer these types of questions.

You can review the details of the benefit plans in which an employee is enrolled. You can also review information about each plan and the employees enrolled in that plan. Additionally, you can run reports that list:

- Employees who are not enrolled in benefit plans that are defined as mandatory for either the employee's benefit group or for the plan.
- Employees who are enrolled in benefit plans that are not available to members of their benefit group.
- Employees who are not enrolled in a plan for categories that require participation.
- Dependents who are ineligible for benefits because of age or educational status.

Frequently, you want to review all of the information for all of the employees who are enrolled in a specific benefit plan. You can review information by benefit plan and locate all of the historical and detail information for each employee.

Forms Used to Review Employee Enrollment

Form Name	Form ID	Navigation	Usage
Work With Benefits by Employee	W08335A	Daily Processing (G08BB1), Benefits by Employee On the Work With Benefits by Employee form, complete the Employee Identification and Year fields and click Find.	Review benefits by employee.
Work With Employees by Benefit Plan	W08333A	Daily Processing (G08BB1), Employees by Benefit Plan On Work With Employees by Benefit Plan, complete the Plan ID and Year fields and click Find.	Review employees by benefit plan.

Running the Benefit Enrollment Form Program (R083430)

Select Processing (G08BB2), Benefit Enrollment Form.

This report creates a personal enrollment form for an individual employee. The form includes all effective plans and plan options for the employee and includes rates for all of the plans and plan options.

Setting Processing Options for the Benefit Enrollment Form Program (R083430)

Processing options enable you to specify the processing for programs and reports.

Defaults

These processing options specify the dates that the system uses for selecting plans, determining employee eligibility, and calculating the employee's age. They also specify whether the system uses the employee's identification number or the employee's tax ID number as the value for the employee tax number.

1. Effective Date

Specify the effective date for the selection of plans and the determination of employee eligibility. To use the system date as the effective date, leave this processing option blank.

2. Age As Of Date

Specify any date of a given year. The system uses this value and the employee's date of birth to calculate the employee's age. Running this process enables the system to update the Employee Age field on the Personal form. To use the system date leave this processing option blank. If you leave this processing option blank, the system will not display age.

3. Employee Tax ID Number (Employee Tax Identification Number)

Specify whether to print the employee's tax ID number or the employee's identification number. Values are:

0: Print the employee's identification number.

1: Print the employee's tax ID number.

Print

These processing options specify whether to print specified information on the report.

1. Employee Address

Specify whether the system prints the employee's address on the report. Values are:

0: Do not print.

1: Print.

2. Benefit Group Additional Description

Specify whether to print an additional description for the benefit group. Values are:

0: Do not print.

1: Print.

3. Plan Category Additional Description

Specify whether to print the description for the plan category. Values are:

0: Do not print.

1: Print.

4. Plan Remarks

Specify whether to print plan remarks. Values are:

0: Do not print.

1: Print.

5. Test Eligibility

Specify whether the system tests for eligibility. Values are:

0: Do not test. The system displays all the plans for the appropriate benefit group.

1: Test. The system displays only the plans in the benefit group for which the employee is currently eligible.

10 Working with Employee Benefit Statements

Understanding Employee Benefit Statements

Employers in the United States typically pay a significant portion of an employee's total compensation for benefit and tax payments. These payments made by the employer are nearly invisible to the employee. You can create a benefit statement that includes employees the funds spent on their behalf. The benefit statement can include specific information about an employee's compensation and benefits such as:

- Base salary or regular earnings.
- Specific additional earnings, such as bonuses.
- Employee and employer contributions to specific insurance benefits.
- Paid time off, such as holiday or vacation time.
- Taxes such as FICA (Federal Insurance Contributions Act), unemployment, and workers' compensation.

When you create a benefit statement, you create benefit statement headings that correspond to the categories of information that you want to display on the benefit statement. For example, you might have benefit statement headings such as medical insurance, vacation pay, taxes, and so on. For each benefit statement heading, you select the pay type, deduction, benefit, accrual (PDBA) or tax types that will provide the amount spent on each type of compensation.

After you have gathered information for the benefit statement using benefit statement headings, you can merge a benefit statement form with a list of employees who should receive a benefit statement. You use the Mail Merge feature of Microsoft Word to combine the benefit statement form and list of employees to create a customized benefit statement for each employee.

You use the Benefit Statement program (P083300) to access the steps used to create benefit statements.

Setting Up a Benefit Statement

This section provides an overview of benefit statements setup, lists a prerequisite, and discusses how to set up benefit statements.

Understanding Benefit Statement Setup

When you set up a benefit statement, you assign a code and description that identifies the benefit statement. You might set up different benefit statements for different groups of employees, depending on the kind of compensation and benefits that each group receives.

You also need to specify the mail merge document that you will use to create the benefit statement. The mail merge document is a Microsoft Word document that contains the structure of the benefit statement.

Prerequisite

Before you complete the tasks in this section, you must set up a mail merge document for the benefit statement using the Benefit Statement mail merge Data Structure (D083305).

See *JD Edwards EnterpriseOne Tools Foundation Guide* .

Form Used to Set Up a Benefit Statement

Form Name	Form ID	Navigation	Usage
Benefit Statement Revision	W083301B	<p>Periodic Processing (G08BB2), Benefit Statement</p> <p>On the Benefit Statement form, select Create a Benefit Statement.</p> <p>On the Work with Benefit Statement form, click Add.</p>	Set up a benefit statement.

Setting Up a Benefit Statement

Access the Benefit Statement Revision form.

Benefits Statement

Enter the name of the benefit statement.

Mail Merge Document

Enter the name that identifies a system object. JD Edwards EnterpriseOne architecture is object-based. Discrete software objects are the building blocks for all programs, and developers can reuse the objects in multiple programs. The Object Librarian tracks each object. Examples of system objects include:

Batch Programs (such as reports).

Interactive Programs.

Business Views.

Business Functions.

Business Functions Data Structures.

Event Rules.

Media Object Data Structures.

Setting Up Benefit Statement Headings

This section provides an overview of benefit statement headings and discusses how to:

- Add a benefit statement heading.
- Cross-reference PDBAs.
- Cross-reference tax information.

Understanding Benefit Statement Headings

Benefit statement headings correspond to the categories of information that will appear on a benefit statement. You need to set up a benefit statement heading for each type of earning, benefit, or tax that you want to appear on the benefit statement. For example, you can set up a benefit statement for each type of insurance provided, for each significant type of pay (regular earnings, vacation pay, and so on), and for specific taxes.

When you create a benefit statement heading, you specify whether the heading corresponds to benefits or earnings. For example, company-paid insurance and taxes are all benefit-type headings, but regular pay types are earnings-type headings. The system uses the totals of the benefit-type headings and earnings-type headings to calculate the percentage of benefits that are company-paid.

You need to cross-reference each heading to either a PDBA or a tax type that supplies the amounts of employee and employer contributions for that heading, and indicate whether the amount is employer- or employee- paid. If the heading corresponds to a type of pay or a benefit plan, cross-reference a PDBA. If the heading corresponds to a tax, cross-reference a tax area and tax type. You must cross-reference either a PDBA or a tax area and type to each heading that you want to include on the benefit statement.

Forms Used to Set Up Benefit Statement Headings

Form Name	Form ID	Navigation	Usage
Benefit Statement Heading Revision	W083302B	<p>Periodic Processing (G08BB2), Benefit Statement</p> <p>On the Benefit Statement form, click Create and Define a Benefit Statement Heading.</p> <p>On the Work with Benefit Statement Heading form, click Add.</p>	Add a benefit statement heading.
PDBA Heading Cross Reference Detail	W083302C	<p>On the Work with Benefit Statement Heading form, complete the Benefit Statement Heading field and click Find.</p> <p>Select either the row with Benefits or Earnings in the</p>	Cross-reference PDBAs.

Form Name	Form ID	Navigation	Usage
		Benefit Statement Heading field. From the Row menu, select PDBA Ref.	
Tax Heading Cross Reference Detail	W083302D	On the Work with Benefit Statement Heading form, complete the Benefit Statement Heading field and click Find. Select the row with Taxes in the Benefit Statement Heading field in the detail area and select Tax Ref. from the Row menu.	Cross-reference tax information.

Adding a Benefit Statement Heading

Access the Benefit Statement Heading Revision form.

Cross-Referencing PDBAs

Access the PDBA Heading Cross Reference Detail form.

To cross-reference PDBAs:

1. Complete the PDBA Code or PDBA Type field in the QBE row and click Find.
2. To indicate that you want to cross-reference a benefit, enter an **X** in the ER Paid 'X' field.

The system does not allow you to enter an **X** in the ER Paid 'X' field for a deduction code because deductions can only be employee-paid.

3. If this is a deduction that you want to cross-reference, enter an **X** in the EE Paid 'X' field.

The system does not allow you to enter an **X** in the EE Paid 'X' field for a PDBA code, such as a pay type code, that can only be employer-paid.

The employer-paid and employee-paid amounts from all the PDBAs that you cross-reference to a single heading will be totaled to produce total employer and employee contributions for that heading.

4. To review the cross-references, select the Display Selected option.
5. When you have cross-referenced all the PDBAs that you want, click OK.

Cross-Referencing Tax Information

Access the Tax Heading Cross Reference Detail form.

To cross-reference tax information:

1. Complete the Tax Area or Tax Type field in the QBE line and click Find.
2. Enter an **X** in either of these fields for each tax area that you want to cross-reference, and then click OK:
 - o ER Paid 'X'
 - o EE Paid 'X'

To produce the total of the employer and employee contributions for a heading, the system adds together the amounts from all of the tax areas that you cross-reference to a single heading.
3. To review the cross-references, select the Display Selected option.
 - o **Benefit Statement Heading**
Enter the heading for the benefit statement.
 - o **Heading Description**
Enter a description, remark, name, or address.
 - o **Heading Type**
Enter a code that designates the heading type of the Benefit Statement. Values are:
Blank: Other (any type that is not Benefits or Earnings).
B: Benefits.
E: Earnings.
 - o **PDBA Code** (pay type, deduction, benefit, accrual code)
Enter a code that defines the type of pay type, deduction, benefit, or accrual.
Pay types are numbered from 1 to 999. Deductions and benefits are numbered from 1000 to 9999.
 - o **PDBA Type** (pay type, deduction, benefit, accrual type)
Enter a code that specifies the type of payroll entry. The hard-coded values are:
P: Time Cards (earnings)
D: Deductions withheld
B: Benefit (both cash and noncash)
A: Time accrual, such as sick and vacation time
When you enter * in this field, the system displays all four types of PDBAs.
 - o **ER Paid 'X'** (Employer Paid 'X')
Enter a value that specifies whether the employer (not the employee) pays a pay type or a PDBA. Enter an **X** in this field if the employer pays the PDBA. If you enter an **X** in both the **Paid by Employer** and **Paid by Employee** fields, the system generates an error message. If you leave both the **Paid by Employer** and **Paid by Employee** fields blank, the system does not store the record.
 - o **EE Paid 'X'** (Employee Paid 'X')
Enter a value that specifies whether the employee (not the employer) pays a PDBA. Enter an **X** to specify that the employee pays the PDBA. If you enter an **X** in both the **Paid by Employer** and **Paid by Employee**

fields, the system generates an error message. If you leave both the **Paid by Employer** and **Paid by Employee** fields blank, the system does not store the record.

- o **Display Selected**

Select this option to specify the information that the program displays. When you select this option, the program displays only the items that you selected for Benefit Statement Heading.

- o **Tax Area**

Enter a code that identifies a geographical location and the tax authorities for an employee work site, including employee and employer statutory requirements. In the Vertex payroll tax calculation software, the tax area code is synonymous with GeoCode. To determine the valid codes for the location, refer to the documentation for the tax calculation software that you are using.

- o **Tax Type**

Enter a code from UDC 07/TX that specifies the type of payroll tax being processed. To set up state minimum wage amounts, you must enter **MW** in this field. To do so, you must first add **MW** to UDC 07/TX. However, you should not change the codes and definitions that are provided with the software.

Linking Headings to a Benefit Statement

This section provides an overview of linking headings to a benefit statement and discusses how to link headings to a benefit statement.

Understanding Linking Headings to a Benefit Statement

Link headings to a benefit statement to specify which benefit statements that you have created should appear on a particular benefit statement. Use sequence numbers to specify the order in which the headings appear on the benefit statement. You can link as many as ten headings of each heading type (benefit, earnings, or other).

Form Used to Link a Heading to a Benefit Statement

Form Name	Form ID	Navigation	Usage
Associate Benefit Statement Heading	W083303A	Periodic Processing (G08BB2), Benefit Statement On the Benefit Statement form, select Associate Headings to Statement.	Link headings to a benefit statement.

Linking Headings to a Benefit Statement

Access the Associate Benefit Statement Heading form.

Benefits Statement

Enter the name of the benefit statement.

All

Select this option to display all headings.

Benefits

Select this option to display benefits headings.

Earnings

Select this option to display earnings headings.

Others

Select this option to display other headings.

Heading Seq. No (heading sequence number)

Enter a number that controls the sequence of Processing Options, DDS Selection values and DDS Key sequences.

The sequence number is relative, meaning that the sequence need not start 001, 002, and so on. A sequence of 003 and 005 will sort the report with the 003 field before the 005 field.

For Financial Reports, company **MUST** be sequence **001** in order to access the specific company automatic accounting instruction records. If company is not sequence **001**, company 00000 AAls are used.

Printing Benefit Statements

This section provides an overview of benefit statements printing, lists prerequisites, and discusses how to:

- Print benefit statements.
- Set processing options for the Benefit Statement File Creation Mail Merge program (R083305).

Understanding Benefit Statement Printing

When you print benefit statements, the system uses the data selection on a version of the Benefit Statement File Creation Mail Merge program (R083305) to generate the list of employees who will receive a benefit statement. The system merges this list with the mail merge document that you specified when you set up the benefit statement to create a customized benefit statement for each employee.

You must specify the name of the benefit statement in the processing options of the Benefit Statement File Creation Mail Merge program. You also specify the date range for the benefit statement in these processing options. The system uses the dates that you enter in the processing options, along with the PDBAs and tax areas that you have cross-referenced to headings, to produce total employer and employee contributions for each heading for each employee. The system retrieves the amounts of employer and employee contribution from the Employee Transaction History Summary table (F06146).

Note: Benefit statements are produced as Microsoft Word documents. You must have Microsoft Word in order to print benefit statements.

Prerequisites

Before you complete the tasks in this section, you must:

- Set up a version of the Benefit Statement File Creation Mail Merge program (R083305) with a data selection that selects the employees for whom you want to create benefit statements.

See *JD Edwards EnterpriseOne Tools Foundation Guide* .
- Enter the name of the benefit statement and specify the date range for the benefit statement in the processing options for the version of the Benefit Statement File Creation Mail Merge program. You can access the version list for the Benefit Statement File Creation Mail Merge program by choosing Versions from the Form menu on the Benefit Statement form.

Form Used to Print Benefit Statements

Form Name	Form ID	Navigation	Usage
Benefit Statement - Version	W083300C	<p>Periodic Processing (G08BBB2), Benefit Statement</p> <p>On the Benefit Statement form, click Print the Statement.</p> <p>On the Version form, complete the Version field and click OK.</p>	<p>Print a benefit statement.</p> <p>As with other reports, you can print the benefit statements directly or display them online. If you choose to display the benefit statement online, the system takes you to a Microsoft Word document of the benefit statements. You can review or print the benefit statements.</p>

Printing Benefit Statements

Access the Benefit Statement - Version form.

Version

Enter a user-defined set of specifications that control how programs and reports run. You use versions to group and save a set of user-defined processing option values and data selection and sequencing options. Interactive versions are associated with programs (usually as a menu selection). Batch versions are associated with batch jobs or reports. To run a batch process, you must select a version.

Setting Processing Options for the Benefit Statement File Creation Mail Merge Report (R083305)

Processing options enable you to specify the processing for programs and reports.

Define

These processing options specify information that appears on the benefit statement.

1. Benefits Statement Name

Specify a heading for the benefit statement.

2. Month - From

Specify the beginning month for the time period to which the statement applies.

3. Year - From

Specify the beginning year for the time period to which the statement applies.

4. Month - Through

Specify the ending month for the time period to which the statement applies.

5. Year - Through

Specify the ending year for the time period to which the statement applies.

11 Working With Flexible Benefits

Understanding Flexible Benefits

Flexible benefit plans, also called flex plans, enable employees to select the benefit choices that meet their needs. Employers provide employees with flex credits that they can use to purchase the benefit plans that they want. Flex credits can be provided in a lump sum that is based on factors such as length of service or in a lump sum that is the same for all employees. Flex credits can also be awarded upon selection of specified benefit plans.

Each benefit plan has corresponding costs or credits. Plans that are less costly to the employer have a lower flex cost to the employee. For example, a medical plan that includes family coverage might cost an employee 15 flex points, while an employee-only medical plan might cost only 5 flex points. A plan that is particularly inexpensive might carry a flex credit to encourage employees to select that plan over a more costly plan.

Organizations typically use one of these methods to administer flexible benefit plans:

- The employer provides a single lump sum of flex credits that employees can use to purchase any benefits covered, including medical, dental, and specified disability plans.
- The employer provides a single lump sum or multiple lump sums of flex credits that can be used only to purchase a specific *category* of benefits.

For example, an employer might provide a 200.00 USD (United States Dollars) per month flex credit that the employee uses to purchase medical coverage, as well as a 50.00 USD per month flex credit that can be used to purchase dental insurance.

When an employee selects a combination of benefit plans for which the cost exceeds the credits available to the employee, the difference is deducted from the employee's pay through a pretax payroll deduction.

Benefits administrators can enroll employees in flex benefit plans through the Enrollment with Eligibility program (P08334). Employees can also enroll themselves through the self service benefits programs. In both cases, the system maintains a running total of flex credits that are available, spent, and remaining for each employee.

Understanding Enrolling in Flex Benefit Plans

You can enroll employees in flex benefit plans using the Enrollment with Eligibility program (P08334). You can also let employees enroll themselves in benefit plans using the self service programs. In either case, enrolling in flex plans follows the same process as enrolling in plans that are not flex plans.

The only visible difference between flex and non-flex enrollment is the information that appears on the enrollment form. If a benefit group does not offer flex plans, the system displays the total employee payroll deduction as plan elections are made. If a benefit group offers flex plans, the system dynamically updates various flex amounts on the enrollment form.

This table describes how the system calculates the information in the fields on the Flex Elections tab for flex benefit plans:

Field	Calculation
Flex Credits Available	Flex credits available are calculated as the total of the flex credits that are awarded in a lump sum and the flex credits that are awarded as a result of enrolling in specific plans.
Flex Credits Spent	Flex credits spent are the total flex credits that an employee used to enroll in selected plans.
Flex Credits Remaining	<p>Flex credits remaining are the flex credits spent subtracted from the flex credits that are available. If the remaining flex credits are a negative amount, the system displays a message that indicates that the employee has overspent flex credits, which results in a flex payroll deduction. The system automatically updates the deduction, benefits, accrual (DBA) that is referenced in the employee flex deduction plan with the amount of the negative remaining balance.</p> <p>If the organization tracks and rewards positive remaining credits, the benefits administrator must manually enter that amount in the appropriate plan DBA.</p>
Non Flex Payroll Deduction	The non-flex payroll deductions amount represents the total cost of non-flex plans in which an employee has enrolled. The system displays this amount for enrollment in groups that offer flex plans.
Flex Payroll Deduction	The flex payroll deduction is the amount that results from an employee overspending flex credits. The system displays this amount only if the remaining flex credits amount is negative.
Total Payroll Deductions	The total payroll deductions represent the total amount that will be deducted from an employee's pay per pay period to pay for benefit plans. This amount is the total of non-flex payroll deductions and the flex payroll deduction.

Note:

- *Enrolling Employees Using Eligibility.*

12 (USA) Understanding COBRA

COBRA Features

Companies that maintain group health plans are required to offer employees and their dependents continuation of coverage at group rates, which the employee would otherwise have forfeited due to qualifying events such as termination, reduction of work hours, divorce, and so on. This requirement is known as COBRA. The act applies to companies with more than 20 employees.

Companies are also required to provide certification to qualified employees that confirms previous coverage, limits preexisting conditions exclusions, provides special enrollment rights to specified employees and dependents, and prohibits discrimination in plan enrollment and premiums. This requirement is known as Health Insurance Portability and Accountability Act of 1996 (HIPAA).

The Benefits COBRA administration feature enables companies to maintain control of their own programs in compliance with federal and state regulations.

Employees who leave the company might be entitled to COBRA coverage. Their dependents and beneficiaries might also be entitled to this coverage. Plan administrators are required to notify each qualified beneficiary who is entitled to elect continuation coverage. The regulations permit a single election notice that is provided to multiple qualified beneficiaries who are part of a single-family unit if they reside at the same address, based on the current information available to the plan. Specific notices must be provided to qualified beneficiaries in the event that the administrator terminates a period of continuation coverage before the end of its maximum duration. Specific notices must also be provided to qualified beneficiaries in the event that the administrator determines that a qualified beneficiary is no longer eligible to receive continuation coverage, as in the case of a dependent that comes of age. You process claims and benefits for COBRA participants in the same way that you process claims for employees who are enrolled in the same plans.

You can track the dates on which a qualified beneficiary is eligible for COBRA, elections, and payment dates. You use COBRA notification history to track pertinent information for each of the notices that you send. You can also enter additional information for all qualified beneficiaries.

After you enroll qualified beneficiaries, you can run a variety of COBRA reports to review the COBRA coverage that the qualified beneficiary has chosen, as well as all additional information that has been entered regarding the beneficiary.

This guide is not a replacement for the federal and state requirements. You should be familiar with the regulations and mandates provided by COBRA to implement and maintain the COBRA coverage benefits. For current legislative information about COBRA administration, contact the regional or district office of the Pension and Welfare Benefits Administration for the U.S. Department of Labor.

What Is a Qualifying Event?

Qualifying events are specified events that result in an employee losing group health coverage. The type of qualifying event determines who the qualified beneficiaries are and the length of the coverage period that is offered under COBRA. A plan, at its discretion, might provide longer periods of continuation than required by law.

Examples of qualifying events for an employee are:

- Voluntary or involuntary termination of employment for any reason other than "gross misconduct."
- Reduction in employment hours, such as changing from full-time to part-time status or taking a leave of absence.

Examples of qualifying events for a spouse include:

- Voluntary or involuntary termination of the covered employee's employment for any reason other than gross misconduct.
- Reduction in employment hours worked by the covered employee.
- Death of the covered employee.
- Divorce or legal separation from the covered employee.
- Eligibility of the covered employee to enroll in Medicare.

Examples of qualifying events for a dependent child include:

- Loss of dependent child status under the employer's plan rules.
- Voluntary or involuntary termination of the covered employee's employment for any reason other than gross misconduct.
- Reduction in employment hours worked by the covered employee.
- Death of the covered employee.
- Divorce or legal separation of the covered employee.
- Eligibility of the covered employee to enroll in Medicare.

Who Are Qualified COBRA Beneficiaries?

A *qualified beneficiary* is any individual covered under the employer's group health plan on the day before a qualifying event occurs. Each qualified beneficiary who elects COBRA coverage receives the same core benefits that they were entitled to prior to the qualifying event. Qualified beneficiaries include:

- Employee
- Employee's spouse
- Employee's dependent children

How Do You Comply with COBRA Coverage?

Employees and their dependents who are affected by a qualifying event are entitled to COBRA coverage. You must notify employees that they are qualified beneficiaries and are eligible for COBRA coverage. Qualified beneficiaries are responsible for paying the premium for the plan and any administrative, or handling, fees that are incurred. You administer claims and benefits for COBRA participants in the same way that you administer them for the employees who are enrolled in the same plans, including flexible spending accounts.

You can track the date on which a qualified beneficiary is eligible for COBRA, election dates, and payment dates. You can send initial notice letters and record the dates on which you sent them. You can also set up and maintain additional

information, or supplemental data, for all qualified beneficiaries. For example, you can record medical history or plan remittance information.

After you enroll qualified beneficiaries, you can print reports to review information about COBRA coverage. You can also print reports that include the additional information that you entered as supplemental data.

This table describes COBRA-related terms that are used throughout the software:

Term	Description
Benefit group	Any group that includes employees who are eligible for the same benefit plans. Many companies establish a COBRA benefit group specifically for qualified beneficiaries who have elected to enroll in COBRA coverage.
Benefit plan	Any plan available with COBRA that is offered by the employer. These plans include, but are not limited to: <ul style="list-style-type: none"> • Medical insurance • Dental insurance • Flexible spending accounts
Dependent	Any person, usually related to the employee, who is eligible for coverage in a benefit plan. A dependent is also a qualified beneficiary.
Qualified beneficiary	Any person who is entitled to receive benefits from a COBRA plan. A qualified beneficiary who elects the COBRA coverage is often called a <i>COBRA participant</i> . This term can be used interchangeably with <i>qualified beneficiary</i> .
Qualifying event	Any occurrence that causes an employee or qualified beneficiary to lose group insurance coverage and which, under COBRA regulations, qualifies the qualified beneficiary for continuation of coverage. For example, an employee who is terminated for gross misconduct loses group insurance coverage, but, under COBRA regulations, is not entitled to continued coverage. Therefore, termination for gross misconduct is not a qualifying event.

UDCs for COBRA

This section provides an overview of the UDCs for COBRA.

COBRA Notice Type (UDC 08U/CN)

COBRA notice type codes specify the type of COBRA notice to create.

COBRA notice type codes are hard-coded and should not be changed. Verify that these codes exist:

- COBRAELECT: COBRA Election Notice

Special Handling: D0800696E

- COBRAUNAVL: COBRA Unavailability Notice
Special Handling: D0800696U
- COBRATERM: COBRA Termination Notice
Special Handling: D0800696T
- HIPAA: HIPAA Letter
Special Handling: D0500029H

Unavailability Reason Code (UDC 08U/UR)

Unavailability reason codes indicate the reason that COBRA coverage is no longer available to the qualified beneficiary.

Unavailability reason codes are not hard-coded; you can add, revise, and remove codes to correspond to the business needs. Examples of unavailability reason codes might include:

- 01: Terminated for cause
- 02: Passed age limit

Termination Reason Code (UDC 08U/TR)

Termination reason codes indicate the reason that COBRA coverage has been terminated.

Termination reason codes are not hard-coded; you can add, revise, and remove codes to correspond to the business needs. Examples of termination reason codes might include:

- 01: Employer ceases health coverage
- 02: Required payment not received

13 (USA) Administering COBRA

Understanding COBRA Administration

Before you can administer COBRA correctly, you must understand the legislation, the responsibilities, and potential liabilities. For current legislative information regarding COBRA administration, contact the regional or district office of the Pension and Welfare Benefits Administration for the U.S. Department of Labor.

COBRA administration involves the process of notification, as well as tracking and documenting all aspects of COBRA compliance. The system generates both COBRA and HIPAA notification letters. You can track important dates, such as notification dates and coverage periods. You can document qualifying events, qualified beneficiaries, the plans they select, and premium payments. Various reports enable you to monitor compliance with COBRA legislation.

Prerequisites

Before you complete the tasks in this section, you must:

- Verify that the COBRA Plan option on the Plan Master form is activated for all plans that are available for COBRA coverage.

See *Setting Up Benefit Plans*.
- Verify that the Valid for COBRA option on the U.S. Legislative/Regulatory form is activated for all deduction, benefit, accrual (DBAs) that are used for COBRA administration.
- Verify that the second description field for each pay frequency in UDC 06/PF contains the number of pay periods. If the second description is blank, the COBRA premium amount will be incorrect.

Entering a Qualifying Event or a Subsequent Qualifying Event

This section provides an overview of qualifying event or subsequent qualifying event entry and discusses how to:

- Enter a qualifying event or a subsequent qualifying event.
- Review a subsequent qualifying event or extend the coverage period.

Understanding Qualifying Event or Subsequent Qualifying Event Entry

Before individuals become eligible for COBRA coverage, a qualifying event must occur. A qualifying event is any event that results in the loss of group health coverage for employees, their spouses, or their dependents, and that qualifies

under COBRA legislation for continuation of coverage. As part of the COBRA notification process, you must enter COBRA qualifying events for qualified participants.

The key to COBRA administration is the ability to track important events. For example, you are required to record:

- When the benefits administrator is notified of the qualifying event.
- When notification letters are sent.
- When COBRA coverage is elected.

This information is maintained when you enter qualifying events.

When you print the COBRA notification letter, you can also print the election form for COBRA coverage so that you can mail both forms together.

You can also enter a subsequent qualifying event for a participant. For example, an employee initially qualifies for COBRA coverage due to a reduction in hours. Currently, the maximum allowable coverage period for this qualifying event is 18 months. During that 18-month period the employee is terminated. This second qualifying event allows for a 36-month coverage period. When the second qualifying event has a longer coverage period than the initial qualifying event, you write a subsequent qualifying event record for the employee.

You can add subsequent qualifying events manually in the COBRA Qualifying Events program (P089102). The system can also create subsequent qualifying event information automatically when you change employee information that creates a subsequent qualifying event according to the rules that you specify in the rules engine.

Forms Used to Enter a Qualifying Event or a Subsequent Qualifying Event

Form Name	Form ID	Navigation	Usage
Qualifying Events Revisions	W089102F	Daily Processing (G05BCOB2), Qualifying Events On the Work With Qualifying Events form, click Add.	Enter a qualifying event or a subsequent qualifying event.
Work With COBRA Subsequent Qualifying Events	W089101A	Daily Processing (G05BCOB2), Subsequent Qualifying Events Select a participant and select Continue Coverage from the Row menu if the subsequent qualifying event calls for an extended coverage period.	Review a subsequent qualifying event or extend the coverage period.

Entering a Qualifying Event or a Subsequent Qualifying Event

Access the Qualifying Events Revisions form.

To enter a qualifying event or a subsequent qualifying event:

1. Complete these required fields:

- Employee or Dependent Number
- Qualifying Event
- Date of Qualifying Event

When you enter the date of the qualifying event, the system populates these fields:

- Notice to Convert Date
- Date Event Reported
- Last Date to Elect
- Administrator Number

You can override the Notice to Convert Date manually. When you enter a different date, you receive a warning message that states that you are about to override the notice to convert date that the system calculated based on the COBRA constants. On the Warning COBRA Change Confirmation form, click Yes to accept the date you entered and continue, or click No to cancel.

2. Complete these fields, as required:

- Date Notice Mailed
- Date Notice Received
- Date - Reported Admin.
- Date of Death
- Date of Disability
- Date Terminated
- Medicare Entitlement Date
- Date of Retirement
- Date - Bankruptcy

3. Select the Additional Employee Info tab and review the related employee information.

4. Click OK to save the records.

Note: If the qualifying event that you enter is not valid for the employee according to the criteria that you set up in the Qualifying Event Constants program (P08991), you receive a warning message when you click OK. The qualifying events of death, divorce, and dependent coming of age are valid for dependents rather than employees. When you set up qualifying event constants, an option titled Send COBRA Letter To Employee is available. You select this option when the qualifying event is valid for the employee and clear the option when the qualifying event is not valid for the employee. On Warning Qualified Event Not Valid for Employee, click Yes to create qualified event and coverage information for the dependents who are related to the employee. Alternatively, click No to cancel.

See *Setting Up COBRA Qualifying Event Constants*.

5. To enter a subsequent qualifying event, repeat steps 1 through 4.

When you click OK, you receive a Subsequent Qualified Event confirmation message. If the qualified beneficiary is or was an employee, subsequent event information might have been created for the beneficiary, as well as for any qualified dependents, which updates the coverage period in the COBRA Subsequent Qualified Event Info.

table (F089101). If the qualified beneficiary is a dependent, the system creates subsequent event information for the dependent only. The system does not create subsequent event information unless the event causes an extension of the original coverage period. The system displays a message to indicate whether subsequent event information has been created.

6. On the Work with Qualifying Events form, complete these fields in the COBRA Letters group box to automatically generate the COBRA notification letter for this qualifying event or the HIPAA notification letter, and then click Produce Letters:
 - o Date Mailed
 - o COBRA Letter Type

If the notice you create is a termination or unavailability notice, complete the Notice Reason Code field.

The system supplies the current date in the Date Notice Mailed column. You can override this date manually if, for example, you printed a letter but did not mail it for a few days. The system also completes the Date Notice Mailed field on the Qualifying Events Revisions form.

7. To display records with no date in the Date Notice Mailed column, select the Show COBRA Letters To Be Printed option, and then click Find.

8. To review all of the mail merge documents that you have created, select Display Notices from the Form menu.

- **Employee or Dependent Number**

Enter the address number of the participant as defined in the Participant file table (F08901).

- **Qualifying Event**

Enter a UDC 08/QE that indicates the initial event that qualified a participant for COBRA continuation coverage.

- **Date of Qualifying Event**

Enter the date of the first (initial) event that qualified a participant for COBRA continuation coverage.

- **Notice to Convert Date**

Enter the date plan administrators are required to notify all qualified beneficiaries of their right to convert to the current carrier providing coverage. Typically, this date is within 180 days of COBRA expiration.

- **Date Event Reported**

Enter the date that the COBRA qualifying event is first reported to the employer.

- **Last Date to Elect**

Enter the last date that the participant can elect COBRA coverage. The specified election period is the later of the following:

Sixty days after the date plan coverage terminates.

Sixty days after the date the COBRA letter was mailed to the qualified beneficiary from the plan administrator.

- **Administrator Number**

Enter a number that identifies an address book entry, such as employee, applicant, participant, customer, supplier, tenant, or location.

- **Date Notice Mailed**

Enter the date the election notice was mailed to the qualified beneficiary for the first qualifying event. The system automatically updates this date when you print the election form.

- **Date Notice Received**

Enter the date you receive the initial notice back from the participant indicating whether the participant elects or rejects COBRA continuation.

- **Date Reported Administrator**

Enter the date that the COBRA event is first reported to the plan administrator.

- **Date of Death**

Enter the date on which the participant died.

- **Date of Disability**

Enter the date the participant's disability occurred, if applicable.

- **Date Terminated**

Enter the date that the employee was terminated, if applicable.

- **Medicare Entitlement Date**

- Enter the date on which the employee, or qualified beneficiary, became entitled to Medicare Benefits.
- **Date of Retirement**
 - Enter the date on which the participant retired, if applicable.
- **Date - Bankruptcy**
 - Enter the date the company went bankrupt, if applicable.
- **Date Mailed**
 - Enter the date on which the ROEs are mailed.
- **COBRA Letter Type**
 - Enter a UDC 08U/CN that specifies the type of COBRA notice.
- **Notice Reason Code**
 - Enter a code that specifies the reason for a COBRA termination notice or unavailability notice.
 - The **Notice Reason Code** is enabled or disabled depending on the type of letter selected.

Review a Subsequent Qualifying Event or Extend the Coverage Period

Access the Work With COBRA Subsequent Qualifying Events form.

Reviewing Subsequent Qualifying Event Information

This section provides an overview of subsequent qualifying event information review and discusses how to review subsequent qualifying event information.

Understanding Subsequent Qualifying Event Information Review

You can add subsequent qualifying events manually using the Qualifying Events program (P089102). When the subsequent qualifying event extends the coverage period, a subsequent event record is automatically created. After you create qualifying event rules, the system also creates qualifying event information automatically whenever you change employee information that creates a subsequent qualifying event. You can review the updated information in the Subsequent Qualifying Events program (P089101).

When a subsequent event record is created automatically, the Coverage Period field displays only the number of months beyond the original coverage period that the COBRA coverage has been extended because of the subsequent qualifying event. For example, assume that the coverage period for an original qualifying event is 18 months. Then, a subsequent qualifying event occurs that allows for coverage of 36 months. In the Subsequent Qualifying Events program (P089101), the Coverage Period field displays 18 months. After the original 18 month coverage period concludes, the coverage period will be extended for an additional 18 months.

Form Used to Review Subsequent Qualifying Event Information

Form Name	Form ID	Navigation	Usage
Subsequent Events Revisions	W089101B	Daily Processing (G05BCOB2), Subsequent Qualifying Events On the Work With COBRA Subsequent Qualifying Events form, find and select the desired record.	Review subsequent qualifying event information.

Reviewing Subsequent Qualifying Event Information

Access the Work With COBRA Subsequent Qualifying Events form.

Subsequent Qualifying Event

Enter the UDC 08/QE and description of the second event that qualifies the participant for COBRA continuation. There cannot be a second qualifying event unless you have previously entered an initial qualifying event for the participant.

Date of Subsequent Qualifying Event

Enter the date of the second qualifying event.

Working with COBRA Coverage Election for Participants

This section provides an overview of COBRA coverage election and discusses how to:

- Waive or select COBRA coverage for a participant.
- Review or revise COBRA coverage for a participant.
- Terminate COBRA coverage for a participant.

Understanding COBRA Coverage Election

Qualified beneficiaries must be given an election period during which each qualified beneficiary can choose to elect or waive COBRA coverage. Currently, the election period must be at least 60 days, measured from the later of the coverage loss date or the date on which the COBRA election notice is provided. The election period is defined in the setup programs.

Each qualified beneficiary may elect COBRA coverage independently. However, a covered employee or the covered employee's spouse may elect the coverage on behalf of all other qualified beneficiaries. A parent or legal guardian may elect coverage on behalf of a minor child.

If a qualified beneficiary chooses to waive COBRA coverage during the election period, he or she can subsequently revoke the waiver and elect coverage, provided that the election period has not ended.

You might need to make revisions to the coverage information. For example, if a participant becomes disabled during the COBRA coverage period, the length of the coverage period is extended. Premiums might also increase during the open enrollment period, so you might need to change the COBRA premium amount.

You terminate COBRA coverage at the end of the coverage period. A participant can also request to terminate the coverage before the end of the coverage period. For example, a participant who was terminated and elected COBRA coverage can cancel the coverage in the event that he or she obtains a new job that provides similar benefits.

You can review and revise COBRA coverage information for a specific qualified beneficiary, or you can review information for all beneficiaries that meet search criteria. The Coverage Review program (P08922) enables you to maintain coverage information for a qualifying event that is associated with a specific COBRA qualified beneficiary.

Forms Used to Work with COBRA Coverage for Participants

Form Name	Form ID	Navigation	Usage
Work With COBRA Coverage Selection	W08921A	Daily Processing (G05BCOB2), Coverage Selection	Review COBRA participants.
COBRA Coverage Selection	W08921C	On Work With COBRA Coverage Selection, complete the Participant Address field, and then click Find. To waive COBRA coverage for this participant, click Waive COBRA Coverage To select COBRA coverage for a participant, select a record, and then select Coverage Selection from the Row menu.	Waive or select COBRA coverage for a participant.
COBRA Coverage Revisions	W08922C	Periodic Processing (G05BCOB3), Coverage Review On the Work With Elected COBRA Coverage form, find a record and then click Select.	Review or revise COBRA coverage for a participant.
COBRA Coverage Selection	W08921C	Daily Processing (G05BCOB2), Coverage Selection On Work With COBRA Coverage Selection, complete the Participant Address field, and then click Find. Select a record and click Select.	Terminate COBRA coverage for a participant.

Waiving or Selecting COBRA Coverage for a Participant

Access the COBRA Coverage Selection form.

To select COBRA coverage for a participant:

1. On Work With COBRA Coverage Selection, complete the Participant Address field, and then click Find.
2. To waive COBRA coverage for this participant, select Waive COBRA Coverage.

Note:

When you click Waive COBRA Coverage, you waive coverage for all plans in which the participant is eligible to elect coverage, and the Waived Date column is completed with the system date. You can override the system date by entering a date in the Date COBRA Coverage Waived field.

You receive the following pop-up message when you click Waive COBRA Coverage:

You are about to waive COBRA Coverage for the selected participant

If you wish to continue, click OK and all the plans for this participant and qualified event will be waived

If you do not wish to continue, click Cancel

3. On Warning - Waive COBRA Coverage, click OK.
4. To select COBRA coverage for a participant, select a record, and then select Coverage Selection from the Row menu.

On COBRA Coverage Selection, the detail area displays all of the plans for which the participant is eligible.

5. Select a plan and click Elect Plan to specify the coverage selection.

When you click Elect Plan, all other related plans are rejected. For example, when you elect the plan MED with the option EE (employee) Only, the other plans that relate to MED are automatically rejected, and the system completes the Rejected Date field with the system date. Therefore, the plan MED with the option EE + 1 and the plan MED with the option EE + Family will be rejected.

6. Repeat Step 5 for each plan that you want to select, and then click OK.

Reviewing or Revising COBRA Coverage for a Participant

Access the COBRA Coverage Revisions form.

To review or revise COBRA coverage for a participant:

1. Complete these fields and then click Find:
 - o Participant Address
 - o Related Employee Address
 - o Plan ID
 - o Option

- COBRA Coverage Begins
 - COBRA Coverage Ends
2. To revise coverage information for a participant, select a record in the detail area and select Coverage Revisions from the Row menu.
 3. On the COBRA Coverage Revisions form, you can review or change coverage information in the detail area of the form. When you change the date that COBRA coverage begins, you receive a warning message that states that changing this date will update the records for all plans associated with this participant. Click OK to continue or Cancel if you do not want to update all records for the date COBRA coverage begins.
 4. Complete these fields on the Coverage Information tab as needed:
 - Premium Amount
 - Handling Charge Amount
 - Coverage Period
 - COBRA Coverage Begins

When you complete the COBRA Coverage Begins field and press the Tab key to move out of the field, a message informs you that you are about to change the COBRA coverage expiration dates. Click OK to continue or Cancel to cancel. When you click OK, the system automatically calculates the new date that the COBRA coverage expires.
 5. Complete these fields on the Administrative Information tab, as needed:
 - Premium Balance Due
 - Handling Charge Due
 - Date Last Paid
 - Number Payments Received
 6. Click OK to save the changes.
 - **Participant Address**
Enter the address number of the participant as defined in the Participant file table (F08901).
 - **Related Employee Address**
Enter an alternate address number in the JD Edwards EnterpriseOne Address Book system. You can use this field for any secondary business address that relates to the primary address, such as:
Ship-to address
Law firm
CPA
Securities agent
Bonding agent
If you leave this field blank on an entry screen, the system supplies the primary address from the **Address Number** field.
 - **Option**
Enter a code that identifies any additional options available for a benefit plan that have been defined in the Plan Additional Options table (F083202).

Note: Additional options must have the same provider, policy number, and enrollment and eligibility rules as the benefit plan to which they are associated.

- **COBRA Coverage Begins**

Enter the date on which an address, item, transaction, or table record becomes active. The meaning of this field differs, depending on the program. For example, the effective date can represent:

The date on which a change of address becomes effective.

The date on which a lease becomes effective.

The date on which a price becomes effective.

The date on which the currency exchange rate becomes effective.

The date on which a tax rate becomes effective.

- **COBRA Coverage Ends**

Enter the date on which the item, transaction, or table becomes inactive, or through which you want transactions to appear. This field is used generically throughout the system. It could be a lease effective date, a price or cost effective date, a currency effective date, a tax rate effective date, or whatever is appropriate.

- **Premium Amount**

Enter the monthly amount that the participant is contributing for COBRA coverage.

- **Handling Charge Amount**

Enter the fee due each month from the participant to the company for COBRA coverage.

- **Coverage Period**

Enter the number of months that the qualified beneficiary is entitled to COBRA coverage. This number is generated by the system.

- **Premium Balance Due**

Enter the premium balance due for the participant. In the event of a mismatch between the premium due and the payment amount (+ or -), the difference is kept in this field. A negative balance due means that the responsible party has overpaid the premium amount. This field is maintained during the monthly posting.

- **Handling Charge Due**

Enter the handling charge due for the participant. In the event of a mismatch between the premium due and the payment amount (+ or -), the difference is kept in this field. A negative balance due means that the responsible party has overpaid the premium amount. This field is maintained during the monthly posting.

- **Date Last Paid**

Enter the date of the last premium payment.

- **Number Payments Received**

Enter the number of payments received for this plan.

Terminating COBRA Coverage for a Participant:

Access the COBRA Coverage Selection form.

To terminate COBRA coverage for a participant:

1. To terminate COBRA coverage for this participant, click Terminate Plan.

Note: The Terminate Plan button appears on the form only after a payment has been entered for the coverage. When a payment is entered, the system hides the Reject Plan button and replaces it with the Terminate Plan button.

2. On the Termination Reason form, complete the Termination Reason field and click OK.
3. Repeat steps 1 and 2 for each plan option that you want to terminate.
 - o **Termination Reason**
Enter a UDC 06/TP that indicates the reason for termination of COBRA continuation of this plan by the participant.

Entering COBRA Payments

This section provides an overview of COBRA payments and discusses how to:

- Enter COBRA payments.
- Void a COBRA payment check.
- Delete a COBRA payment check.

Understanding COBRA Payments

Qualified beneficiaries are generally required to pay for COBRA coverage. The initial premium payment is typically required within 45 days after the date of the COBRA election by the qualified beneficiary. The premium costs are generally fixed in advance of each annual premium cycle, but might increase from year to year as costs to the plan increase.

You enter all payments received from COBRA beneficiaries for elected coverage. When the amount of the payment check equals the amount of the payment due, you enter the payment in the COBRA Received Payments program (P08994). The payment record updates the Number of Payments Made and Number of Payments Remaining fields in the COBRA Coverage table (F08920).

When the amount of the payment check is greater than the amount of the payment due, you enter the payment and then void the check. You can contact the participant, return the check, and request a new check for the correct amount. When you receive the new check for the correct amount, you enter the payment as you would any regular payment.

When the amount of the payment check is less than the amount of the payment due, you still enter the payment, but the system does not know how to apply the payment to the premiums due and cannot update the COBRA Coverage table (F08920). When this happens, you must contact the participant and determine how to apply the payment. After you enter the payment in the COBRA Received Payments program (P08994), you manually update the number of payments in the Coverage Review program (P08922). This entry then updates the COBRA Coverage table (F08920).

Forms Used to Work with COBRA Payments

Form Name	Form ID	Navigation	Usage
COBRA Payment Revisions	W08994B	Daily Processing (G05BCOB2), Payments On the Work With COBRA Received Payments form, click Add.	Enter COBRA payments.
Work With COBRA Received Payments	W08994A	On the Work With COBRA Received Payments form, complete the COBRA Participant field and then click Find. Select a record and select Void Check from the Row menu. On Void Confirmation, click OK. If the payment amount is different from the due amount, click OK on Payment Amount.	Void a COBRA payment check.
Work With COBRA Received Payments	W08994A	On Work With COBRA Received Payments, complete the COBRA Participant field and then click Find. Select a record and click Delete. On Confirm Delete, click OK.	Delete a COBRA payment check.

Entering COBRA Payments

Access the COBRA Payment Revisions form.

To enter COBRA payments:

1. Complete these required fields:
 - COBRA Participant
 - Check Number
 - Amount of Check
 - Bank Transit Number
 - Administrator Comment
2. Complete these fields as needed, and then click OK:

- Account Number
 - COBRA Check Date
 - COBRA Check Arrival Date
3. If the amount entered is different from the amount due, click OK on Payment Amount.
 4. To enter a partial payment, repeat steps 1 through 3.

When the check amount is less than the payment amount due, the system does not automatically update the COBRA Coverage table (F08920) when you enter the payment. You must manually add the payment using the Coverage Review program (P08922).

- **Check Number**
Enter the number on the check received for payment of COBRA benefits.
- **Amount of Check**
Enter the amount of the payment check received for COBRA benefits.
- **Bank Transit Number**
Enter the number assigned to a particular bank by the Federal Reserve to facilitate the clearing of funds.
- **Administrator Comment**
Enter a user-defined name or remark that indicates the status of payment, such as paid in full or partial payment.
- **Account Number**
Enter the number of the checking account that the payment check was written against.
- **COBRA Check Date**
Enter the date on the check received for payment of COBRA benefits.
- **COBRA Check Arrival Date**
Enter the date that the check for payment of COBRA benefits was received.

Void a COBRA Payment Check

Access the Work With COBRA Received Payments form.

When you void a check for an amount equal to the total amount due, the system updates the COBRA Coverage table (F08920) by decreasing the number of payments received and increasing the number of payments remaining.

Delete a COBRA Payment Check

Access the Work With COBRA Received Payments form.

When you delete an accepted check for an amount equal to the total amount due, the system updates the COBRA Coverage table (F08920) by decreasing the number of payments received and increasing the number of payments

remaining. When you delete a voided check in an amount equal to the total amount due, the system does not update the COBRA Coverage table.

Tracking COBRA Notification History

This section provides an overview of COBRA notification history and discusses how to track notification history.

Understanding COBRA Notification History

The Notification History program (P089106) enables you to track these notifications to participants:

- COBRA Election Notice
- COBRA Unavailability Notice
- COBRA Termination Notice
- HIPAA Letter

The system tracks how many instances of each notification were mailed and the mailing dates.

The system updates notification history each time that you create an event.

Tracking COBRA notification history is a critical element of the administration procedures. You use the Notification History program to document compliance with COBRA law. Failure to comply with this law can expose employers to significant liabilities. Plan administrators that fail to comply with notification requirements can be fined 100 USD a day per individual, and they might also be liable for past and future medical expenses, as well as legal fees.

Form Used to Track COBRA Notification History

Form Name	Form ID	Navigation	Usage
Notification History Revisions	W089106B	Periodic Processing (G05BCOB3), Notification History On the Work With COBRA Notification History form, click Add.	Track COBRA notification history.

Tracking COBRA Notification History

Access the Notification History Revisions form.

Participant Address

Enter the address number of the participant as defined in the Participant file table (F08901).

Original Qualifying Event

Enter a UDC 08/QE that indicates the initial event that qualified a participant for COBRA continuation coverage.

Original Event Date

Enter the date of the first (initial) event that qualified a participant for COBRA continuation coverage.

Subsequent Event

Enter a UDC 08/QE and description of the second event that qualifies the participant for COBRA continuation. There cannot be a second qualifying event unless an initial qualifying event has previously been entered for the participant.

Subsequent Event Date

Enter the date of the second qualifying event.

Qualifying Event Type

Enter a code that indicates whether a qualifying event is the original qualifying event (type O) or a subsequent qualifying event (type S).

Date Notice Created/Mailed

Enter the date that the election notice was mailed to the qualified beneficiary for the first qualifying event. The system automatically updates this date when you print any of the COBRA notices.

COBRA Notice Type

Enter a UDC 08U/CN that specifies the type of COBRA notice.

Notice Reason Code

Enter a code that specifies the reason for a COBRA termination notice or unavailability notice.

Related Employee

Enter the address book number of the employee for whom the original qualifying event was recorded.

14 (USA) Working with Nondiscrimination Testing

Understanding NDT

Many companies offer 401(k) plans for contributions into retirement investment plans. Frequently, the company provides a partial or matching contribution for the amount that the employee contributes to the plan up to a specified amount. The government defers the taxes due for the amounts contributed to and earned by 401(k) plans until the employee withdraws money from the plan.

The tax advantages that are available for a qualified plan are contingent upon the plan covering an adequate cross-section of the sponsoring employer's employees. To determine whether a plan meets this requirement, you can perform a number of objective tests that measure the extent to which a plan benefits employees.

This table describes terms and concepts that apply to NDT:

Term or Concept	Description
Highly compensated employee (HCE) (also called key employee)	An employee who meets at least one of the following criteria: <ul style="list-style-type: none"> Owned a specified percentage of the company at any time during the determination year or the look-back year. Received compensation in excess of a specified amount during the determination year or look-back year and, at the election of the employer, is a member of the top-paid group during the determination year or the look-back year.
Non-highly compensated employee (NHCE) (also called non-key employee)	An employee who does not meet at least one of the following criteria: <ul style="list-style-type: none"> Owned a specified percentage of the company at any time during the determination year or the look-back year. Received compensation in excess of a specified amount during the determination year or look-back year and, at the election of the employer, is a member of the top-paid group during the determination year or the look-back year.
Average deferral percentage (ADP)	The average amount of money deferred into a plan and allocated to the employees' accounts. This amount is expressed as a percentage of the employees' total compensation.
Average contribution percentage (ACP)	The average amount of employer-matching funds and employee post-tax contributions to a plan. This amount is expressed as a percentage of the employees' total compensation.
Determination year	The 12-month period from January 1 through December 31 of the current testing year.
Look-back year	The 12-month period from January 1 through December 31 of the year prior to the testing year.
Testing year	The plan year used to test the ADP and ACP for HCEs.

Term or Concept	Description
Current year testing method	The method of testing in which the plan uses data from the testing year in determining the ADP and ACP for NHCEs.
Prior year testing method	The method of testing in which the plan uses data from the previous year in determining the ADP and ACP for NHCEs.

You use NDTs to compare the treatment of HCE to the treatment of employees who are not highly compensated. NDTs ensure that HCE do not take greater advantage of the tax savings of a 401(k) plan than NHCE employees. When you perform the compliance tests, you include all eligible employees, regardless of whether they actually contribute to the plan.

In NDTs for 401(k) plans, the first of two major components that determine plan status is the ADP, which is calculated per employee, per annum. The ADP test applies to employee 401(k) contributions only. A total ADP exists for both the HCE and NHCE groups. The ADP of the NHCE group determines the maximum ADP of the HCE group. In general, the HCE group can have a slightly higher ADP than the NHCE group, but if it is too high, the plan is discriminatory and excess deferrals must be returned to the HCE group.

The second major component is the ACP, which is calculated per employee, per annum. The ACP test applies to non-401(k) contributions, the employer matching contributions, and employee after-tax contributions. A total ACP exists for both the HCE and NHCE groups. You apply the ACP test in the same manner as the ADP test to measure the amounts that the employer contributed and allocated to employees' accounts.

Before January 1, 1997, the contribution limits for HCEs were based on the amount deferred or contributed by NHCEs during the current plan year. Beginning with the 1997 plan year, employers were given an additional testing option that enables them to use previous year percentages for the NHCEs. The contribution percentages for HCEs are still based on payroll data from the current plan year in this testing method. The prior year testing method enables employers to determine HCE average contribution limitations well in advance of the year-end, and to take corrective measures that reduce the chances of a failed test.

An employer may choose to switch from the prior year testing method to the current year testing method at any time, but some limitations apply when the employer switches from the current year to the prior year testing method. The plan document specifies the testing method used each year.

A plan might be *disqualified* if it is discriminatory. When a plan is disqualified, the following events occur:

- Some or all of the employer's income tax deduction for contributions made to the plan are disallowed.
- The employee's income and tax deferrals are lost.
- The interest earned on employer and employee contributions loses its tax deferral.

In addition to the 401(k)-related tests, you can review the NDT - 415 Nondiscrimination Testing report (R083676). This report identifies all employees, on a pay-period by pay-period basis, who have withheld more on a pretax basis than the government allows.

The NDT - Definition and Setup program (P083600) groups all of the tasks associated with NDT and provides access to these tasks through a centralized point of entry. This work area also provides a visual representation of current and historical test scenarios, the results of the tests, and the various stages of a current testing process. You can use the link to the JD Edwards EnterpriseOne Payroll system to review and verify the test results that relate to employee- and employer-related plan contributions and employee compensation.

This implementation guide is not intended as a replacement for the legal requirements of NDT. A federal statute called the Employee Retirement Income Security Act (ERISA) governs NDT. You should be familiar with the regulations and

mandates provided through ERISA in administering NDT. The U.S. Department of Labor's Pension and Welfare Benefits Administration, together with the Internal Revenue Service (IRS), provides statutory regulation for ERISA.

Example: Sample ADP Calculation

To perform the ADP test, you calculate a salary deferral percentage for every eligible employee. In the following example for a group of NHCEs, the numerator represents the amount of salary deferred by the employee. The denominator represents the employee's salary before the 401(k) deferral. This table illustrates this example:

Employee	Deferral Amount	Salary Before Deferral	Percentage
Employee #1	1,000.00 USD	25,000 USD	4
Employee #2	2,500 USD	34,000 USD	7.35
Employee #3	0 USD	22,000 USD	0
Employee #4	1,750 USD	28,000 USD	6.25
Employee #5	1,500 USD	32,500 USD	4.62

Employee #3 does not participate in the plan, but is included in the calculation with a zero amount because the employee meets minimum eligibility requirements to participate in the retirement plan. The average ADP for this group of employees is 4.44 percent.

After you calculate the averages for both the HCEs and NHCEs, you compare the percentages for both groups. In general, the average of the HCEs cannot exceed that of the NHCEs by more than 2 percent.

You perform the ACP test in the same manner, where the numerator represents the amount of matching employer contributions and after-tax contributions to the employee's account.

In the event of a failed test, the employer must make corrections by one of these methods:

- The employer makes a contribution to the plan to raise the NHCE amount to obtain acceptable test results.
- The employer returns part of the HCE's contributions to lower the HCE average to obtain acceptable test results.

Defining and Identifying Key Employees

This section provides an overview of key employees and discusses how to:

- Run the NDT - Determine Eligibility by Hours program (R08364).
- Set processing options for the NDT - Determine Eligibility by Hours program (R08364).

Understanding Key Employees

To ensure that companies comply with governmental regulations, you must run NDTs to identify key, or HCE. An HCE is a person who meets at least one of the following criteria:

- Owned a specified percentage of the company at any time during the determination year or the look-back year.
- Received compensation in excess of a specified amount during the determination year or look-back year and, at the election of the employer, is a member of the top-paid group during the determination year or look-back year.

You review and audit employee information and payroll history information in the process of determining key employees. For example, you can review information in the Employee Master Information table (F060116) to determine whether the employee is an officer.

Maintaining Employee Information for NDT

You can access the Employee Master Information table (F060116) through the Eligibility/NDT row exit to update employee information that is relevant to NDT, such as owner or officer status (K001 and K002). The NDT system does not provide an automated process of identifying determination or look-back year owners and officers.

Verifying Employee Payroll History for NDT

You can access employee payroll history from the NDT - Definition and Setup program (P083600) to review payroll information that identifies the HCE in the organization.

See "*Working with Payroll History*" in the *JD Edwards EnterpriseOne Applications Payroll Implementation Guide*.

Running the NDT - Determine Eligibility by Hours Program (R08364)

Select Government Reporting menu (G05BG), Nondiscrimination Reporting. On Non-Discrimination Testing Process, select Employee Eligibility Batch Process from the Define and Identify Key Employees section.

To review the number of hours that an employee works during a specific time period, run the NDT - Determine Eligibility by Hours report (R08364). You must run this report when a company establishes a specific number of hours that an employee must work before the employee can participate in the 401(k) plan. You can first run the report in proof mode to review a list of employees whose records will be updated. Then, you can run the report in final mode to update those employee records in the Employee Master Information table (F060116). When you run the report in final mode, you update category code K008 in the Employee Master Information table (F060116).

Note: Do not run this report during payroll processing. The program calculates values based on payroll history. If you run this report during payroll processing, the results will be inaccurate.

Setting Processing Options for the NDT - Determine Eligibility by Hours Program (R08364)

Processing options enable you to specify the processing for programs and reports.

Defaults

Use these processing options to specify the values that the system uses during the Employee Eligibility Batch Process.

1. Minimum Number of Hours

Specify the minimum number of hours an employee must work to be eligible for the 401(k) plan.

2. Pay Type Table

Specify the name of the pay type table used to retrieve pay types. Pay type tables are defined in the NDT - Pay Types Tables program (P083931).

3. From Date

Specify the From date (MM/DD/YY) for the plan year to be considered. If left blank, the system uses the calendar dates for the current year.

4. Through Date

Specify the Thru date (MM/DD/YY) for the plan year to be considered. If left blank, the system uses the calendar dates for the current year.

5. Proof or Final Mode

Specify whether to run the process in Proof or Final mode. Values are:

Blank or **0**: Proof mode (No update to Employee Master)

1: Final mode (Update to Employee Master)

Defining Key Employee Tests

This section provides an overview of key employee tests, lists prerequisites, and discusses how to:

- Enter key test criteria.
- Review historical test data.
- Run the NDT - Determine Key Employees Report (R08365).
- Set processing options for the NDT - Determine Key Employees program (R08365).

Understanding Key Employee Tests

Governmental regulations prohibit HCE from taking unfair advantage of 401(k) contributions. To determine which employees are highly-compensated, you must first set up the criteria that the system uses to differentiate between HCE and NHCE.

You might need to run multiple tests to determine which employees are highly-compensated. Versions of the most common tests are included in the JD Edwards EnterpriseOne demonstration data so that they are already set up for you. This table describes sample test versions:

Test	Description
Top 20 percent - Look Back Year	This test identifies the top 20 percent compensated employees in an organization during the previous year.
HCE - Look Back Year	This test identifies last year's highest-paid employees who met or exceeded the government-defined compensation amount.
Top 20 percent - Determination Year	This test identifies the top 20 percent compensated employees in an organization for the current year.
Top 100 - Determination Year	This test identifies this year's 100 highest-paid employees.
Top 10 - Determination Year	This test identifies this year's 10 highest-paid employees.
HCE - Determination Year	This test identifies this year's highest-paid employees who meet or exceed the government-defined compensation amount.
ADP/ACP Test Calculations	This test accumulates the results of all previous tests for the current year to determine the final HCEs.

In defining a key employee test, you set the selection criteria for the Employee Master Information table (F060116) and Employee Transaction History Summary table (F06146). By defining a key employee test, you specify the criteria that identify HCEs.

Entering Key Test Criteria

Governmental regulations prohibit HCE from taking unfair advantage of 401(k) contributions. To determine HCE, you must first set up the criteria that the system uses to differentiate between HCE and NHCE.

You define the employees, pay type, deduction, benefit, and accruals (PDBAs), and companies that will be used as the criteria for NDT. This program uses these tables:

- Employee Master Information (F060116).
- Employee Transaction History Summary (F06146).
- User-Defined Code (UDC) Types (F0004).
- UDCs (F0005).
- NDT - Company Selection Criteria (F08367).
- DBA Pay Type Tables (F083931).
- NDT - Criteria Heading (F08365).
- NDT - Key Employee Detail (F08366).

Reviewing Historical Test Data

You can review the results of previous NDTs. You might want to compare the results of a particular test from year to year, or compare the results of various tests within the same year. Government regulations allow some flexibility in how

the NDTs are performed. By reviewing the results of various tests, you can select the testing method that works best for the organization.

Prerequisites

Before you complete the tasks in this section, you must:

- Verify that you have set up:
 - Test name codes for NDT.
 - Compensation/contribution PDBA codes (UDC 08/TU - DBA Pay Type Tables).
 - Test category codes (UDC 08/EC - NDT Codes).
 - Plan control group.
- Specify that the button that follows the Select Pre-Tax Deduction Type or Fringe Taxable Benefit Type section is set to **401(k)** for the employee deferrals PDBAs and employer contribution PDBAs in the PDBA Setup/ U.S. Leg/Reg program (P059116).

Forms Used to Enter Key Test Criteria

Form Name	Form ID	Navigation	Usage
Define Test Criteria	W08365A	<p>Government Reporting (G05BG), Nondiscrimination Reporting</p> <p>On the Non-Discrimination Testing Process form, select Enter Key Test Criteria from the Define Key Employee Tests (Companies, PDBAs and Criteria) section.</p> <p>On the Work With Test form, click Add.</p>	Enter key test criteria.
Define Test Criteria	W08365A	<p>On the Work With Test form, complete the Test Name and Test Year fields and click Find. The system completes the detail area with historical data for the specified NDT, test year, or both.</p> <p>Select a test, and then select Define Criteria from the Row menu.</p>	Review historical test data.

Entering Key Test Criteria

Access the Define Test Criteria form.

1. Complete these required fields:

- Test Name
- Test Year/Basis
- Compensation Basis
- Number of Years Tested
- Total Compensation Table
- Employee/Employer Contribution Table

2. Complete the And/Or field.

When you select And, the system requires that an employee pass both criteria records that you enter. When you select Or, the system requires that an employee pass only one criteria record. The system value is And.

3. Complete these fields in the combinations that you require for the organization:

- Compensation Limit
- Top Pd
- M T
- Description
- NDT Code
- NDT Code Description
- NDT Code Value
- NDT Value Description

For example, you can enter criteria for Compensation Limit and Top Pd based on rank, or Compensation Limit and Top Pd based on percentage. Alternatively, you can enter criteria for Compensation Limit or NDT Code. You cannot, however, combine Compensation Limit and NDT Code.

- 4.** To specify the companies that you want included in this test, select Company Selection from the Form menu.
5. On the Company Selection Overrides form, complete the Co field and click OK.

Leave this field blank to include all companies in the test.

- 6.** On the Define Test Criteria form, select Pay Type Table from the Form menu to define the compensation or contribution tables and associate pay types with them.
7. On the Work With PDBA Table for NDT form, click Add.
8. On the PDBA Tables for NDT form, complete these fields and click OK:
- Pay Type Table
 - From Trans
 - Thru Trans
- 9.** On the Work With PDBA Table for NDT form, click Close.
10. On the Define Test Criteria form, click OK.

- o **Test Name**

Enter the UDC 08/TN that identifies a test used to segregate key and non-key employees for the purposes of benefit NDT.

- o **Test Year/Basis**

Enter the calendar year for which the rules of an NDT are in effect.

- o **Compensation Basis**

Enter a **1** to calculate employee compensation based on the calendar year.

- o **Number of Years Tested**

Enter a **1** to indicate a test for the current calendar years.

- o **Total Compensation Table**

Enter the table that determines an employee's total annual compensation. All PDBAs that make up the employee's compensation should be included in this table setup.

This table is defined in the DBA Pay Type Tables program (P083931).

- o **Employee/Employer Contribution Table**

Determines employer and employee 401(k) contributions. All DBAs that make up this contribution should be included in the table setup.

This table is defined in the DBA Pay Type Tables program (P083931).

- o **And/Or**

Enter a code to designate whether the test parameters or criteria are based on an AND condition or an OR condition.

- o **Compensation Limit**

Enter the minimum amount of annual pay that indicates that an employee is a key employee for the purposes of a benefit NDT. That is, any employee who earns this amount or more is considered a key employee or HCE. The types of pay which contribute to an employee's compensation can be restricted using the compensation pay type table (see data item PTCL). This field can be used in conjunction with the **Top Pd** field (data item TPP) to specify that an employee must earn a specified amount and be in the top paid group in order to be a key employee.

- o **Top Pd** (top paid)

Enter a number that indicates the top paid group of employees who are considered key employees or HCE for a benefit NDT. The number can refer either to a top paid percentage or a top paid number of employees, depending on the code, if any, in the **MT** (Method for Top Group) field (data item TPM). For example, a value of **20** in this field and **%** (percent) in the **MT** field indicates that employees who

are among the top paid 20 percent of all employees tested are considered key employees for the test. However, if the **MT** field is blank, the top paid 20 employees tested are considered key employees.

This field can be used in conjunction with the **Amount** field (data item CMPL) to specify that an employee must earn a specified amount and be in the top paid group in order to be a key employee.

- o **MT** (method)

Enter a qualifier for the **Top Paid** field (data item TPP) that indicates whether the number is a percentage or a flat amount. A value of % (percent) in this field indicates that top paid refers to a percentage group of employees. A value of blank indicates that top paid refers to employees by their rank (data item ERNK).

Examples:

Top paid 20 using percent method means the top paid 20 percent of employees tested.

Top paid 15 using rank method (blank) means the top paid 15 employees tested.

- o **NDT Code** (nondiscrimination testing code)

Enter the NDTcode (K001–K010) you select to use when setting up a test specification. You specify category codes that have been updated in the process of running a previous test.

- o **NDT Code Description** (nondiscrimination testing code description)

Enter a user-defined name or remark.

- o **NDT Code Value** (nondiscrimination testing code value)

Enter the value of the NDT code in the employee master. For example, values for the **Owner/Officer** field (K001) are defined in UDC 06/OO. This value enables the description to be printed for the field value.

The values for the remaining NDT codes (K002–K010) are either defined as values for the data item as Y for yes or _ for blank.

- o **NDT Value Description** (nondiscrimination testing value description)

Enter a user-defined name or remark.

- o **Co** (company)

Enter the company number where the employee records generally reside.

- o **Pay Type Table**

Enter the name of the table you defined in UDC 08/TU.

- o **From Trans**

Enter the number and description of the PDDBA that you want the system to use to calculate the corresponding PDDBA. This number is the beginning number in the range that is the basis of the calculation.

- o **Thru Trans**

Enter the number and description of the PDDBA that you want the system to use to calculate the corresponding PDDBA. This number is the ending number in the range that is the basis of the calculation.

Review Historical Test Data

Access the Define Test Criteria form.

Running the NDT - Determine Key Employees Program (R08365)

Select Government Reporting menu (G05BG), Nondiscrimination Reporting. On Non-Discrimination Testing Process, select Create Key Employee Test from the Define Key Employee Tests (Companies, PDBAs and Criteria) section.

The tests that you use to determine key employees or HCE are versions of the NDT - Determine Key Employees batch program (R08365) that use the key criteria that you defined earlier. The test versions define which test you are using and whether it is for the determination year or look-back year.

You might need to run multiple tests to determine which employees are highly-compensated.

Setting Processing Options for the NDT - Determine Key Employees Program (R08365)

Processing options enable you to specify the processing for programs and reports.

Compensation Information

These processing options specify how the system handles compensation amount information.

1. Employee Compensation Amount

Specify whether to print the employee compensation amount on the report. Values are:

Blank: Print the employee compensation amount (default)

1: Do not print the employee compensation amount

2. Compensation Amount Accrued

Specify the maximum eligibility compensation amount accrued.

Category Code Information

These processing options specify the information that is updated on the Employee Master Information table (F060116) regarding NDT.

1. Employee Master NDT Code

Specify the NDT category code from UDC 08/EC that the system updates in this batch test process (K001–K010).

2. New Employee NDT Code

Specify the new Employee NDT code value.

3. Clear Employee Master NDT Code before Update

Enter a UDC 00/NY to specify whether to clear the employee master NDT code before update. Values are:

0: Do not clear.

1: Clear.

Track NDT History

This processing option specifies whether the system tracks NDT history.

1. Would you like to track Nondiscrimination Test History

Specify whether to track NDT history. Values are:

Blank or **0:** No

1: Yes

Processing NDT

This section provides an overview of NDT processing, lists prerequisites, and discusses how to:

- Process an NDT using the current year testing method.
- Process an NDT using the prior year testing method.

Understanding NDT Processing

After you have defined the NDTs, you group and process the tests and review the test results.

The Key Employee Test Association, Selection & Processing program (P083601P) groups the NDTs that you have defined and provides access to these tests through a centralized point of entry that functions like a workbench. You can use this workbench to run tests in the order that best suits the needs of the organization. You can review and analyze reports that include the results of the tests. If the results do not meet the needs, you can change the order of the tests or perform additional tests.

The workbench also provides a visual representation of current and historical test scenarios, the results of the tests, and the various stages of a current testing process.

Prerequisites

Before you complete the tasks in this section, you must:

- Verify that you have defined the various NDTs that you will be using.
See *Defining Key Employee Tests*.
- To successfully complete the prior year testing method you must first run the current year testing method for ADP/ACP.

For example, to test for plan year 2008 run the current year testing method for 2007, ADP/ACP (if you have not already done so), run the current year testing method for 2008 ADP/ACP, then run the prior year testing method.

Forms Used to Process NDTs

Form Name	Form ID	Navigation	Usage
Work with Test Association and Processing	W083601PA	Government Reporting (G05BG), Nondiscrimination Reporting On the Non-Discrimination Testing Process form, select Key Employee Test Association, Selection & Processing from the Associate, Process and Review Tests section.	Process an NDT using the current year testing method.
NDT - Prior Year Testing Method Selection Criteria	W083675B	On the Non-Discrimination Testing Process form, select Prior Year Testing Method Test Selection from the Associate, Process and Review Tests section. On the Work with Prior Year Testing Method Test form, click Add.	Process an NDT using the prior year testing method.

Processing an NDT Using the Current Year Testing Method

Access the Work with Test Association and Processing form.

1. Complete these fields and then click Find:
 - o Test Name
 - o Test Year
 - o Plan Identification

The system displays the tests that you have previously defined in the Non Discrimination Tests Defined section (left side of the form). This side of the form is for review only; you cannot complete any functions

from this side. You must first transfer selected tests to the Select & Sequence Tests Associated to the Plan section (right side of the form).

The middle section of the form displays a vertical row of buttons that perform these functions:

- Add a Test
- Remove a Test
- Delete (All) Selected Tests
- Enter Key Test Criteria
- Test Results Review
- Submit the Selected Report
- Submit All Plan Reports
- Create a Version
- Submitted Jobs

2. To set up the test format, select the test on the left side of the form, and then click the Add a Test button.

You can select one test. The system prompts you to select one of the versions that you set up earlier.

3. To remove a test from the testing sequence, select the test on the right side of the form and click the Remove a Test button.

The system returns the test to the left side of the form and deletes all test results from the system.

4. To remove all tests from the testing sequence, click the Delete (All) Selected Tests button.

Note: If you click the Delete (All) Selected Tests button, you will delete all of the test results from the system.

5. To process one or more tests, complete one of these methods:

- To process a single test, select the test on the right side of the form and click the Submit the Selected Report button.
- To process all of the tests that you have added to the right side of the form, click the Submit All Plan Reports button.

The system processes the tests in the sequence in which they appear.

6. On the Report Output Destination form, select one of these options and click OK:

- On Screen
- To Printer
- Export to CSV

7. To change or complete setup procedures, select a test from the right side of the form and use the Enter Key Test Criteria and Create a Version buttons.

Note: When you set up NDT, you entered key test criteria and created versions.

See *Defining Key Employee Tests*

Running the NDT - Determine Key Employees Program (R08365).

8. To review test results, select the test and click the Test Results Review button.
9. On the Work with Employee Test Results form, review the information in the detail area, and then click Close.
10. To review the processing status of the submitted tests, click the Submitted Jobs button.

11. On the Work With Servers form, select the batch program and Click Select.
12. On the Submitted Job Search form, review the value in the Status field.
13. When the job is complete, select the record in the detail area and then select View PDF from the Row menu to review the results.

Processing an NDT Using the Prior Year Testing Method

Access the NDT - Prior Year Testing Method Selection Criteria form.

HCE Test Name (highly compensated employee test name)

Enter a UDC 08/TN that specifies the test name from which to retrieve data for HCEs when using the prior year testing method for NDT.

HCE Test Year (highly compensated employee test year)

Enter the calendar year from which to retrieve data for HCEs when using the prior year testing method for NDT.

NHCE ADP Test Name (non-highly compensated employees ADP test name)

Enter a UDC 08/TN that specifies the test name from which to retrieve the ADP and related data for NHCEs when using the prior year testing method for NDT.

NHCE ADP Test Year (non-highly compensated employees ADP test year)

Enter the calendar year from which to retrieve the actual deferral percentage (ADP) and related data for NHCEs when using the prior year testing method for NDT.

NHCE ACP Test Name (non-highly compensated employees ACP test name)

Enter a UDC 08/TN that specifies the name of the test from which to retrieve the actual contribution percentage (ACP) and related data for NHCEs when you are using the prior year testing method for NDT.

NHCE ACP Test Year (non-highly compensated employees ACP test year)

Enter the calendar year from which to retrieve the actual contribution percentage (ACP) and related data for NHCEs when using the prior year testing method for NDT.

Reviewing Test Results

This section provides an overview of NDT results, lists prerequisites, and discusses how to:

- Review test results.
- Run the 401(k) Discrimination Results program (R083675).
- Set processing options for the 401(k) Discrimination Results program (R083675).
- Run the NDT - 415 Nondiscrimination Testing Report (R083676).
- Set processing options for the NDT - 415 Nondiscrimination Testing Report (R083676).

Understanding NDT Results

Review the results of each NDT to identify compliance issues. Identifying compliance issues in a timely manner enables the employer to make corrections that might cause a failed test result at the conclusion of the plan year, including disqualification of the plan.

The NDT - Individual Test Results program (P08365R) is an online version of the reports generated by the NDT - Determine Key Employees program (R08365) and the 401(k) Discrimination Results program (R083675).

Running the 401(k) Discrimination Results Program (R083675)

Select Government Reporting menu (G05BG), Nondiscrimination Reporting. On Non-Discrimination Testing Process, select Run Pass/Fail Test Report from the Final Pass/Fail Test Processing and Review section.

After you run the tests to determine key employees and the test that accumulates the results of all previous tests for the current year (ADP/ACP), you run the 401(k) Discrimination Results report (R083675) to determine compliance with governmental regulations for qualified plans.

The 401(k) Discrimination Results report (R083675) performs two tests. In the first test, the ADP and ACP of the NHCE is multiplied by the multiplier that you entered in the first processing option. If the ADP and ACP of the HCE is less than the result, the organization passes the test, and the report indicates that the HCE are not overly contributing to a 401(k) plan.

If the first test fails, the system initiates the second test. This test has two parts. To meet the government requirements for NDT, the organization must pass both parts of the second test.

The first part of the second test multiplies the ADP and ACP of the HCE by the multiplier that you entered in the second processing option. If the ADP and ACP of the HCE is less than the result, the report results indicate that the HCE are not overly contributing to a 401(k) plan.

The second part of the second test adds the ADP and ACP of the nonhighly-compensated group to the factor that you entered in the third processing option. If the ADP and ACP of the HCE is less than the result, the report results indicate that the HCE are not overly contributing to a 401(k) plan.

Note: Data selection for this Final Pass/Fail test must be based on the ADP/ACP test for the test year when using the Current Year Testing Method. However, when running this test using the Prior Year Testing Method, data selection should be based on the test name specified in the prior year testing method program (P083675). For example, a test name may be PRIOR05.

Running the NDT - 415 Nondiscrimination Testing Report (R083676)

Governmental regulations specify the maximum percentage that an employee can contribute to deferred plans. To identify employees who contribute more to their deferred plan than the government allows, run the NDT - 415 Nondiscrimination Testing report (R083676). You can print or view the report and review the results each pay period to ensure that all employees remain in compliance. You should run this report after pre-payroll processing is complete.

You run this report when you process a payroll cycle. Coordinate with the payroll department to ensure that the report is set up to run as part of the payroll cycle.

See *"Setting Up Pay Cycle Reports"* in the *JD Edwards EnterpriseOne Applications Payroll Implementation Guide* and *"Reviewing Payroll Cycle Reports"* in the *JD Edwards EnterpriseOne Applications Payroll Implementation Guide*.

Prerequisites

Before you complete the tasks in this section, you must:

- Verify that the 415 Testing Code field under the Year End Info section of the PDBA Setup/ U.S. Leg/Reg program (P059116) is set to either **45A** for the employee deferrals PDBAs and **45E** for employer contribution and employee after-tax contributions.
- Verify that the NDT - 415 Nondiscrimination Testing Report (R083676) is set up in UDC 07/RJ.

See *"Setting Up Pay Cycle Reports" in the JD Edwards EnterpriseOne Applications Payroll Implementation Guide* .

Form Used to Review NDT Test Results

Form Name	Form ID	Navigation	Usage
Work with Employee Test Results	W08365RB	<p>Government Reporting (G05BG), Nondiscrimination Reporting</p> <p>On the Non-Discrimination Testing Process form, select Test Results Review Report from the Final Pass/Fail Test Processing and Review section.</p> <p>On the Work With Employee Test Results form, complete the Test Name and Test Year fields, and then click Find.</p>	Review test results.

Reviewing Test Results

Access the Work with Employee Test Results form.

Running the 401(k) Discrimination Results Program (R083675)

Select Government Reporting (G05BG), Nondiscrimination Reporting. On Non-Discrimination Testing Process, select Run Pass/Fail Test Report.

Setting Processing Options for the 401(k) Discrimination Results Program (R083675)

Processing options enable you to specify the processing for programs and reports.

Default

These processing options specify the values for the tests that the report performs. Processing options 1, 2, and 3 are the current percentages used for final ADP/ACP testing. By federal regulation, the ADP of HCEs cannot exceed the greater of 1.25 times the ADP of the NHCEs, or the lesser of both:

- 2 plus the percentage points of the ADP of the NHCEs.
- 2 times the ADP of the NHCEs.

The same rules apply when testing the ACP. The system calculates both the ADP and ACP tests together. You complete the processing options as described for the current percentages:

1. Processing option #1 - **1.25**
2. Processing options #2 - **2**
3. Processing option #3 - **2**

- **1. Multiplier - First Test**

Specify the multiplier related to the first test.

- **2. Multiplier - Second Test**

Specify the multiplier related to the second test.

- **3. Factor - Second Test**

Specify the factor related to the second test.

- **4. Print Employee Number and Name**

Specify whether to print the employee name and number on the report. Values are:

Blank: Print. (default)

1: Do not print.

Running the NDT - 415 Nondiscrimination Testing Report (R083676)

You run this report when you process a payroll cycle. Coordinate with the payroll department to ensure that the report is set up to run as part of the payroll cycle. Verify that the NDT - 415 Nondiscrimination Testing Report (R083676) is set up in UDC 07/RJ.

Note: Running this report outside of the payroll cycle may yield inaccurate results.

See *"Setting Up Payroll Cycle Information, Setting Up Pay Cycle Reports"* in the *JD Edwards EnterpriseOne Applications Payroll Implementation Guide* .

Setting Processing Options for the NDT - 415 Nondiscrimination Testing Report (R083676)

Processing options enable you to specify the processing for programs and reports.

Defaults

This processing option specifies the year to use when selecting history records for the NDT - 415 Nondiscrimination Testing report (R083676).

1. Enter the year (CCYY) to use when selecting history records from F06146.

Specify the year (CCYY) to use when selecting records from the Employee Transaction History Summary table (F06146). If you leave this processing option blank, the system date is used.

15 Appendix A - Benefits Reports

Benefits Reports: A to Z

The reports listed in each table are sorted alphanumerically by report ID.

Report ID and Report Name	Description	Navigation
R080405 Dependent/Beneficiary Data by Data Type	Lists all supplemental data for dependents and beneficiaries, organized by data type.	Dependent Beneficiary Supplemental Data (G08BSDD2), Dep/Ben Data by Data Type
R080415 Dependent/Beneficiary Supplemental Data	Lists complete supplemental information for one or more dependents or beneficiaries in an easy-to-read format.	Dependent Beneficiary Supplemental Data (G08BSDD2), Dep/Ben Supplemental Data Report
R083450 Mandatory Participation Exception	Lists all employees who, because of their group status or the requirements of the plan, are not enrolled in the mandatory benefit plans but should be.	Periodic Processing (G08BB2), Mandatory Participation Exception Report
R083460 Dependent/Beneficiary Exception	Lists employees who are actively enrolled in benefit plans but who have not provided the required information about dependents or beneficiaries.	Processing (G08BB2), Dep/Ben Exception Report
R083675 (USA) 401(k) Discrimination Results	Lists the results of each nondiscrimination test (NDT) to identify compliance issues. Identifying compliance issues in a timely manner enables the employer to make corrections that might prevent a failed test result at the conclusion of the plan year, including disqualification of the plan.	Government Reporting (G05BG), Nondiscrimination Reporting On Non-Discrimination Testing Process, select Run Pass/Fail Test Report.
R083676 (USA) NDT - 415 Nondiscrimination Testing	Lists employees who contribute more to their deferred plan than the government allows.	You run this report when you process a payroll cycle. Coordinate with the payroll department to ensure that the report is set up to run as part of the payroll cycle.
R083470 Benefit Enrollment Outside Group	Lists all employees who are enrolled in benefit plans that are not available to members of their benefit group. After you identify employees who are enrolled in the wrong benefit group, you can enroll them in the correct benefit plans.	Periodic Processing (G08BB2), Benefit Enrollment Outside Group

Report ID and Report Name	Description	Navigation
R083480 Required Elections in Benefits	Lists all employees who are not enrolled in any benefit plan within a category that requires plan participation.	Periodic Processing (G08BB2), Required Elections in Benefits
R083490 Dep/Ben by Plan ID and Employee	Lists the employees who have dependents or beneficiaries enrolled in each benefit plan and includes information about each dependent, such as the relationship to the employee and the dependent or beneficiary type.	Periodic Processing (G08BB2), Dep/Ben by Plan ID and Employee
R083491 Dependent/Beneficiary Missing Tax ID, Gender, or DOB	Lists dependent or beneficiary records that do not contain a tax ID, gender, or date of birth. You should notify the appropriate employees so that they can provide this information.	Periodic Processing (G08BB2), Dep/Ben Missing Tax ID, Gender or DOB
R083492 Employee List by Benefit Group	Lists all of the benefit groups and the employees who are enrolled in those benefit groups and includes information about each employee's job type, job step, pay frequency, pay class, and employment status.	Periodic Processing (G08BB2), Employee List By Benefit Group
R083493 Benefit Enrollment by Plan	Lists each plan and the employees enrolled in each plan and includes previously enrolled employees, the ending status, and the ending date.	Periodic Processing (G08BB2), Benefit Enrollment by Plan
R083494 Plans/Options by Group and Category	Lists all benefit groups and benefit categories that are assigned to each group, as well as the benefit plans and options that are assigned to each benefit category. This report includes the plan ID and description for each benefit plan that you set up. It also includes information from the Plan Master program (P08320), including the employee and employer deduction, benefit, accrual (DBA) codes.	Periodic Processing (G08BB2), Plans/Options By Group and Category
R083496 Non-Qualifying Dependents	Lists dependents age and student status, which allows you to determine if they are eligible for benefits.	Periodic Processing (G08BB2), Non-Qualifying Dependents Periodic Processing (G08BB2), All Dependents Over Maximum Age Periodic Processing (G08BB2), Check Student Institutions

This table lists reports that are related to Consolidated Omnibus Budget Reconciliation Act (COBRA):

Report ID and Report Name	Description	Navigation
R08994 (USA) COBRA Payments	Lists all COBRA payments received and compare the payments with their amounts due and payment due dates. Information in the report is based on data in the COBRA Coverage (F08920) and COBRA Payment History (F08994) tables.	Periodic Processing (G05BCOB3), Payments
R089201 (USA) Election Coverage by Type	Lists all types of coverage that are available for a qualified beneficiary. This report includes data from these tables: <ul style="list-style-type: none"> • COBRA Coverage (F08920) • Benefits Plan Master (F08320) • Plan Additional Options (F083202) 	Periodic Processing (G05BCOB3), Election Coverage By Type
R089202 (USA) Elected Plan Premium	Lists premiums for all plans and plan options that a participant elected for COBRA coverage	Periodic Processing (G05BCOB3), Elected Plan Premium
R089203 (USA) COBRA Elected Coverage by Beneficiary	Lists all of the plans and plan option coverages that a dependent or beneficiary has chosen.	Periodic Processing (G05BCOB3), Election Coverage By Beneficiary
R089204 (USA) COBRA Print Election Form	Lists all plans and plan options that a participant is eligible to receive, as well as the cost for each plan.	Daily Processing (G05BCOB2), Print Election Form
R089205 (USA) Dependent Coming of Age	Lists dependents that have reached the age when they are no longer eligible for regular benefits coverage. This age is determined by the criteria that you set up in the processing options.	Periodic Processing (G05BCOB3), Dependent Coming Of Age
R089909 (USA) General Constants	Use this program after you set up the General Constants program (P08990) to print the general constants setup information, including effective dates, coverage information, and grace periods.	Periodic Processing (G05BCOB3), General Constants
R089919 (USA) Qualifying Events Constants	Use this program after you set up information in the Qualifying Event Constants program (P08991) to print a copy of this information.	Periodic Processing (G05BCOB3), Qualified Event Constants

Report ID and Report Name	Description	Navigation
R089941 (USA) Received Payment	Lists all of the payments received that do not match the amount due for that participant.	Periodic Processing (G05BCOB3), Received Payments

Benefits Reports: Selected Reports

Some reports include a more detailed description, as well as information about processing options. These reports are listed alphanumerically by report ID in this appendix.

R080415 - Dependent/Beneficiary Supplemental Data

To review complete supplemental information for one or more dependents or beneficiaries, run the Dependent/Beneficiary Supplemental Data report. This report compiles all of the supplemental data for a dependent or beneficiary into an easy-to-read format.

Processing Options for the Dependent/Beneficiary Supplemental Data Report (R080415)

Processing options enable you to specify the default processing for programs and reports.

Processing

These processing options specify the information that prints on the report.

1. Tax ID

Specify whether the Tax ID is printed on the report. Values are:

Blank: Print.

1: Do not print.

2. Text Information

Specify whether text information is printed on the report. Values are:

Blank: Print.

1: Do not print.

R083450 - Mandatory Participation Exception

Companies often have one or more benefit plans that are mandatory for some or all employees. The Mandatory Participation Exception report lists all employees who, because of their group status or the requirements of the plan, are

not enrolled in the mandatory benefit plans but should be. You can use the report to identify the employees who are not enrolled in the mandatory plans, and then you can enroll them.

Processing Options for the Mandatory Participation Exception Report (R083450)

Processing options enable you to specify the default processing for programs and reports.

Options

This processing options enable you to specify the As Of date.

1. As Of Date

Specify the date to use for processing active employees. If you leave this processing option blank, the system will use the system date.

R083460 - Dependent/Beneficiary Exception

Some benefit plans require that employees specify dependents or beneficiaries. Run the Dependent/Beneficiary Exception report to identify employees who are actively enrolled in benefit plans but who have not provided the required information about dependents or beneficiaries. You should notify these employees so that they can provide this information.

Plans that are not active on the as of date and employees who are not enrolled on the as of date are not included in the report.

Processing Options for the Dependent/Beneficiary Exception Report (R083460)

Processing options enable you to specify the default processing for programs and reports.

Options

These processing options enable you to specify the default processing for the report.

1. As Of Date

Specify the date to use for the exception report. Values are:

Blank: System date

Enter a date.

2. Print Active Enrollment Records

Specify the enrollment records to include in the report. Values are:

Blank: Print all records

1: Print active enrollment records only.

R083675 - (USA) 401(k) Discrimination Results

After you run the tests to determine key employees and the test that accumulates the results of all previous tests for the current year (average deferral percentage (ADP) and average contribution percentage (ACP)), you run the 401(k) Discrimination Results report (R083675) to determine compliance with governmental regulations for qualified plans.

The 401(k) Discrimination Results report (R083675) performs two tests. In the first test, the ADP and ACP of the nonhighly-compensated employees (NHCE) is multiplied by the multiplier that you entered in the first processing option. If the ADP and ACP of the highly-compensated employees (HCE) is less than the result, the organization passes the test, and the report indicates that the HCE are not overly contributing to a 401(k) plan.

If the first test fails, you run the second test. This test has two parts. To meet the government requirements for NDT, the organization must pass both parts of the second test.

The first part of the second test multiplies the ADP and ACP of the NHCE by the multiplier that you entered in the second processing option. If the ADP and ACP of the HCE is less than the result, the report results indicate that the HCE are not overly contributing to a 401(k) plan.

The second part of the second test adds the ADP and ACP of the nonhighly-compensated group to the factor that you entered in the third processing option. If the ADP and ACP of the HCE is less than the result, the report results indicate that the HCE are not overly contributing to a 401(k) plan.

Note: Data selection for this test must be based on the ADP/ACP test for the test year.

Processing Options for the 401(k) Discrimination Results Report (R083675)

Processing options enable you to specify the default processing for programs and reports.

Default

These processing options specify the default values for the tests that the report performs. Processing options 1, 2, and 3 are the current percentages used for final ADP/ACP testing. By federal regulation, the ADP of HCEs cannot exceed the greater of 1.25 times the ADP of the NHCEs, or the lesser of the following:

- 2 plus the percentage points of the ADP of the NHCEs and
- 2 times the ADP of the NHCEs

The same rules apply when testing the ACP. The system calculates both the ADP and ACP tests together. You complete the processing options as described for the current percentages

1. Processing option #1 - **1.25**
2. Processing options #2 - **2**
3. Processing option #3 - **2**

1. Multiplier - First Test

Specify the multiplier related to the first test.

2. Multiplier - Second Test

Specify the multiplier related to the second test.

3. Factor - Second Test

Specify the factor related to the second test.

4. Print Employee Number and Name

Specify whether to print the employee name and number on the report. Values are:

Blank: Print.

1: Do not print.

R083676 - (USA) NDT - 415 Nondiscrimination Testing

Governmental regulations specify the maximum percentage that an employee can contribute to deferred plans. To identify employees who contribute more to their deferred plan than the government allows, run the NDT - 415 Nondiscrimination Testing report (R083676). You can print or view the report and review the results each pay period to ensure that all employees remain in compliance. You should run this report after pre-payroll processing is complete.

You run this report when you process a payroll cycle. Coordinate with the payroll department to ensure that the report is set up to run as part of the payroll cycle.

Verify that the NDT - 415 Nondiscrimination Testing Report (R083676) is set up in UDC 07/RJ.

See *"Setting Up Pay Cycle Reports" in the JD Edwards EnterpriseOne Applications Payroll Implementation Guide* .

See *"Reviewing Payroll Cycle Reports" in the JD Edwards EnterpriseOne Applications Payroll Implementation Guide* .

Processing Options for the NDT - 415 Nondiscrimination Testing Report (R083676)

Processing options enable you to specify the default processing for programs and reports.

Defaults

This processing option specifies the year to use when selecting history records for the NDT - 415 Nondiscrimination Testing report (R083676).

1. History Records From F06146

Specify the year (CCYY) to use when selecting records from the Employee Transaction History Summary table (F06146). If you leave this processing option blank, the system will use the system date.

R083470 - Benefit Enrollment Outside Group

This report lists all employees who are enrolled in benefit plans that are not available to members of their benefit group. After you identify employees who are enrolled in the wrong benefit group, you can enroll them in the correct benefit plans.

Processing Options for the Benefit Enrollment Outside Group Report (R083470)

Processing options enable you to specify the default processing for programs and reports.

Edits

These processing options specify the effective "as of" date and whether to evaluate all enrollments or only active enrollments.

1. Effective As Of date

Specify the effective As Of date for determining enrollment statistics. A default of blank will use today's date.

2. Evaluate active enrollments

Specify whether all enrollments or only active enrollments should be evaluated. Values are:

0: Evaluate all enrollments based on the As Of date specified in a previous processing option.

1: Evaluate only active enrollments.

R083480 - Required Elections in Benefits

This report lists all employees who are not enrolled in any benefit plan within a category that requires plan participation. Also, if you specify a particular plan in the processing option, you can identify the employees who are missing enrollment in that plan.

Processing Options for the Required Elections in Benefits Report (R083480)

Processing options enable you to specify the default processing for programs and reports.

Options

These processing options enable you to specify the default dates and verify employment.

1. Date for determining enrollment status

Specify the effective As Of date for determining enrollment status. If you leave this processing option blank, the system will use the system date.

2. Verify enrollment

Specify the enrollments to evaluate. Values are:

Blank: Evaluate all enrollments using the specified As Of date.

Enter a plan.

R083496 - Non-Qualifying Dependents

Use any of the three dependent status reports to determine whether dependents are eligible for benefits according to their age and student status:

Report Name	Description
Non-Qualifying Dependents	This report lists all dependents who are over the maximum age for all dependents and are not enrolled as full-time students. This report also lists all dependents who are over the maximum age for full-time students, regardless of student status.
All Dependents Over Maximum Age	This report lists all dependents who are over the maximum age for all dependents. Dependents who are full-time students are listed with the names of the schools in which they are enrolled.
Check Student Institutions	This report lists the schools in which all dependents between the maximum age for all dependents and the maximum age for full-time students are enrolled. You can use this list to verify that the schools are accredited institutions.

Processing Options for the Non-Qualifying Dependents Report (R083496)

Processing options enable you to specify the default processing for programs and reports.

General

Calculate the dependent's age as of the specified date range:

1. Beginning Date

Specify the beginning date to use for calculation. A default of blank will use today's date.

2. Ending Date

Specify the ending date to use for calculation. A default of blank will use one day after the Beginning Date.

Max. Age Range

These processing options enable you to specify the maximum age for dependents.

1. Maximum age for which all dependents are eligible.

Specify the maximum age for which all dependents are eligible. When left blank the system uses age 17.

2. Maximum age for which full time students are eligible as dependents.

Specify the maximum age for which full time students are eligible as dependents. When left blank the system uses age 22.

R089202 - (USA) Elected Plan Premium

The Elected Plan Premium report provides a list of premiums for all plans and plan options that a participant elected for COBRA coverage. You can also use this report as a tool for COBRA compliance analysis. The report is based on data from the COBRA Coverage table (F08920).

Processing Options for the Elected Plan Premium Report (R089202)

Processing options enable you to specify the default processing for programs and reports.

Display

This processing option specifies the coverage information that appears on the report.

1. Display Option

Specify which fields appear on the Election Coverage by Beneficiary report (R089203). Values are:

Blank: All fields appear.

1: DBA details (DBA number and description) are omitted.

2: DBA details and from and through dates are omitted.

R089203 - (USA) Election Coverage by Beneficiary

Review the Election Coverage by Beneficiary report to determine all of the plans and plan option coverages that a dependent or beneficiary has chosen. Depending on the processing options that you select, this report can also list the plans that the dependent or beneficiary did not elect for COBRA coverage.

Processing Options for the Election Coverage by Beneficiary Report (R089203)

Processing options enable you to specify the default processing for programs and reports.

Display

This processing option specifies the coverage information that appears on the report.

1. Display Option

Specify the types of coverages that will be displayed. Values are:

Blank: The coverages not elected by the beneficiary will be displayed.

1: The coverages elected by the beneficiary will be displayed.

R089204 - (USA) COBRA Print Election Form

The COBRA Print Election Form report (R089204) lists all plans and plan options that a participant is eligible to receive, as well as the cost for each plan. Mail this form with the COBRA notification letter so that the participant can make coverage selections from the form. You can also use the report to compare plans and plan options with the COBRA notification letter in order to ensure accuracy.

Processing Options for the COBRA Print Election Form Report (R089204)

Processing options enable you to specify the default processing for programs and reports.

Display

These processing options specify the DBA detail information that appears on the form and the effective date for premium and handling fees.

1. Coverage DBA details and charges

Specify which DBA details and charges appear on the form. Values are:

Blank: All DBA details and charges appear.

- 1:** DBA details (DBA number and description) are omitted.
- 2:** DBA details, premium charges, and handling charges are omitted.

2. Effective Date to print new Premium and Handling charges

Specify which Premium and Handling charges are displayed. Values are:

- Blank: Current records are displayed.
- Any Date: New Premium and Handling charges are calculated and displayed.

R089205 - (USA) Dependent Coming of Age

The Dependent Coming of Age report lists dependents that have reached the age when they are no longer eligible for regular benefits coverage. This age is determined by the criteria that you set up in the processing options.

This report includes data from these tables:

- Participant file (F08901).
- Dep/Ben to Employee Plan X-Reference (F08336).
- Employee Master Information (F060116).
- Address Book - Contact Phone Numbers (F0115).

You must run this program in final mode to create a Dependent Coming of Age qualified event. Simply recording the dependent's birth date in the beneficiary table does not automatically trigger a qualified event when the dependent comes of age. Because this program does not read the event rules, you do not need to set up an event rule for Dependent Coming of Age.

Though the report uses processing options rather than event rules, you must still set up an event constant for DC - Dependent Child in order to define coverage periods and verify that the Send COBRA Letter To Employee option is turned off.

When you run this program, you must also add data selection for Beneficiary Relationship to Employee (BENA) that is equal to the values that you set up in UDC 08/RL for Child or Foster or Step Child. (Generally, these values are C for Child and F for Foster or Step Child). This data selection excludes young spouses that are within the age range of dependent children from being included in the processing.

Processing Options for the Dependent Coming of Age Report (R089205)

Processing options enable you to specify the default processing for programs and reports.

Select

These processing options specify age and qualifying event parameters for the report.

1. Enter Coming of Age for Dependents

Specify the age that defines the legal age (coming of age) of a dependent. When a dependent turns this age, and is not a student, he/she is no longer eligible to be part of an employee's benefits. The dependent may be eligible to pay the premiums for these benefits as part of the U.S. COBRA federal laws.

2. Enter Maximum Age for Dependents

Specify the maximum age of a dependent. When a dependent turns this age, and is or is not a student, he/she is no longer eligible to be part of an employee's benefits. The dependent may be eligible to pay the premiums for these benefits as part of the U.S. COBRA federal laws.

3. Select COBRA Qualified Event for Coming of Age

Specify the COBRA qualifying event that is associated with a dependent coming of age. Values are:

BK: Employer's Bankruptcy

DC: Dependent Child Status

DH: Death

DV: Divorce or Legal Separation

HR: Work Hour Reduction

MC: Medicare Eligibility

TM: Termination of Employment

Process

This processing option specifies whether the process runs in proof or final mode.

2. Proof or Update mode.

Specify whether the report will be run in Proof or Final mode. Values are:

Blank or **0**: Proof Mode. The user may verify the results for accuracy, but no tables are updated.

1: Final Mode. Records are updated in the COBRA Qualified Beneficiary File (F08910) and COBRA Coverage table (F08920).

R089909 - General Constants

After you set up the General Constants program (P08990), you can use this report to print the general constants setup information, including effective dates, coverage information, and grace periods.

Processing Options for the General Constants Report (R089909)

Processing options enable you to specify the default processing for programs and reports.

Process

These processing options specify the general constants appear on the report, according to effective date.

1. Effective Date

Specify the effective date to be used for company constant selection. Only the company constants that are active as of the effective date will be reported. If left blank, the default value is the current system date.

2. Report All Company Constants

Specify all company constants regardless of effective date. A default of blank will print only those company constants active on the effective date defined in processing option 1. Values are:

Blank: Report only those company constants active on the effective date defined in processing option 1.

1: Report all company constants regardless of effective date.

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Amount or Rate

Enter a value that specifies a percentage, a monetary amount, or an hourly rate, depending on where it is used. Values are:

1: For a deduction, benefit, or accrual, (DBA) the meaning of this value depends on the method of calculation. The method determines whether the deduction is a flat monetary amount, a percentage, or a multiplication rate. Table method DBAs, depending on which table method they use, can either use this amount in the calculation or ignore it. If there are exceptions to the table calculation, you can override the table code in the detail area, set up a flat monetary DBA amount, or override the amount with a one time override for a timecard.

2: For a pay type, amounts entered in this processing option override the hourly rate.

Beginning Date

Enter the date on which an address, item, transaction, or table record becomes active. The meaning of this processing option differs, depending on the program. For example, the effective date can represent:

The date on which a change of address becomes effective.

The date on which a lease becomes effective.

The date on which a price becomes effective.

The date on which the currency exchange rate becomes effective.

The date on which a tax rate becomes effective.

Benefit Group

Enter the benefit group to which the employee is assigned. Benefit groups facilitate employee enrollment by categorizing benefit plans and allowing enrollment rules for those categories. For example, assigning an employee to an executive (EXEC) benefit group automatically links the employee to the benefits available to executives in the organization.

Benefit Group Rule

Displays the rule assigned to the benefit group that determines whether the benefit group contains flex plans and whether you want to keep track of flex credits that remain after an employee has enrolled in benefit plans. Values are:

- 0:** Flex plans are not offered.
- 1:** Flex plans are offered. Positive remaining credits are allowed.
- 2:** Flex plans are offered. Positive remaining credits are not allowed.

Benefit Status

Enter a user-defined code (06/EA) that specifies an employee status, such as new hire or rehire. The system uses this value as it searches and tests for benefits eligibility. An ***** indicates that the guidelines refer to all employee statuses that are not otherwise specified.

Do not change the codes that are hard-coded, such as **A** (Active) and **X** (Terminated). These are required codes in the system.

Cont Elig Table (continuing eligibility table)

Enter a code to specify the rules, if any, for an employee's continuing enrollment in the plan.

Even when a plan has no eligibility criteria, you must set up a table, such as None, for continuing eligibility testing.

Employee Identification

Enter the employee number, tax ID, or alternate number, depending on the employee number mode that is set up in the payroll constants for company 00000.

Ending Date

Enter the date on which the item, transaction, or table becomes inactive, or through which you want transactions to appear. This processing option is used generically throughout the system. It could be a lease effective date, a price or cost effective date, a currency effective date, a tax rate effective date, or whatever is appropriate.

Group Category

Enter the category of a benefit group. The category is used to group benefit plans according to the type and the rule. For example:

MEDICAL: Required Medical Selections

DENTAL: Optional Dental Selections

LIFE: Required Life Ins Selections

Categories are set up in the Generic Rate and Message table (F00191) for system 08/type SG. Associated text for categories is stored in the General Message Detail table (F00192). For more information, see program P00191.

Init Elig Table (initial eligibility table)

Indicate the table used to specify the rules, if any, for the employee's initial enrollment in the plan.

Even when a plan has no eligibility criteria, we recommend that you set up a table, such as None, for initial eligibility testing.

Plan ID (plan identification)

Enter an abbreviation or number that identifies a specific employee benefit. Examples of benefits are Employee Health Insurance, Employee Stock Appreciation Rights, or Health Club Expense Reimbursement.

A benefit plan typically is associated with a deduction, benefit, or accrual. For example, a medical plan is a benefit that might also require a deduction to withhold premiums from an employee's pay.

Plan Option

Enter a code that identifies any additional options available for a benefit plan that have been defined in the Plan Additional Options table (F083202).

Note: Additional options must have the same provider, policy number, and enrollment and eligibility rules as the benefit plan to which they are associated.

Plan Option Description

Enter a user-defined name describing the plan option. For example: Medical Employee Only.

Plan Type

Enter a user-defined code (08/ PT) that identifies the type of plan. For example, **L** might be used to identify a life insurance plan.

Provider/Trustee

Enter the address book number for the supplier who receives the final payment.

When using the Benefits Administration feature, this is the address book number of the company that issues the plan and receives premium payments for it.

For wage attachments, payee is the address book number of the agency, company, individual, or court that is to receive the payment of the check.

Seq. Num. (sequence number)

Enter a number to specify the order in which categories appear on the Enrollment with Eligibility form.

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