Overview

Ohio State continues to enhance cost-effective health care strategies for faculty and staff. The Office of Human Resources will implement a Benefits Billing process to identify individuals who missed a benefits payroll contribution, either due to an unpaid Leave of Absence (LOA) or not having enough net pay for a deduction to occur. Individuals will be responsible for paying their normal premium deduction. This will help us continue to mitigate overall health care costs that are passed on to employees through premium contributions and ensure equal and consistent treatment of faculty and staff, regardless of years of service or type of LOA.

We also will begin taking partial deductions and collect premiums for specific coverage as funds are available; deductions will be prioritized and taken in a specific order. Individuals will be billed for any uncollected premiums and these individuals may experience substantially reduced net pay.

The Office of Human Resources will identify individuals who missed premium contributions in April. These individuals will receive a letter early May to inform them of the new process. This letter will include a sample of their individual invoice; however no payment will be due at this time.

The first week of the month (June), faculty and staff will be invoiced for missed contributions from the prior month (May). Payment is due the last day of the month in which they are invoiced. If payment is not received, coverage will be cancelled the first of the following month.

The consequences for nonpayment are significant. If someone on a leave of absence is cancelled for nonpayment wishes to reinstate coverage, they can do so upon their return to work. However, if someone is cancelled for nonpayment as a result of not having enough net pay, they will be required to wait until the following open enrollment or experience a qualifying status change to re-enroll in coverage; COBRA is not an option for coverage because termination of coverage for lack of payment is not a COBRA-qualifying event, and COBRA cannot be offered to active employees.

A few notes:
- Individuals who remain on LOA beyond eight continuous months will be required to pay the full funding rate (employee and employer portion) for benefit coverage.
- Individuals who were on LOA prior to January 1, 2013, and have been employed for 12 months or more will be grandfathered and will not be required to pay premiums for the duration of their current LOA.
- Premiums for short-term disability will be waived for individuals who are on LOA and have an approved short- or long-term disability claim due to the structure of this benefit; all other benefits will be billed.

The Process

Beginning in June 2013, this process will take place on a monthly basis:
- **First week of May:** Faculty and staff will be mailed a letter and a sample invoice for missed April contributions. Payment is not due
- **First week of June:** Faculty and staff will be invoiced for missed May contributions
- **First week of June:** Senior HR Staff will receive a list of faculty and staff in their area who received an invoice
- **June 15:** Faculty and staff who are invoiced will receive a reminder letter and/or email
- **June 30:** Payment is due
- **June 30:** Payment is due
  - **July 1:** Benefits are cancelled effective immediately if payment is not received; individuals are still responsible for premiums due prior to coverage being cancelled and will be billed for these premiums.
  - **Ongoing:** Upon 90 calendar days from the original invoice date, any/all unpaid premiums not received will be sent to collections with the Ohio Attorney General.

**Your Role**

1. PeopleSoft must accurately reflect the employee status to ensure individuals are billed correctly. Work with supervisors and Service Centers to review those who are not currently working to ensure PeopleSoft reflects accurate job status, both for this implementation, and ongoing.

2. As you help faculty and staff prepare for a LOA, refer them where to go to review [Continuation of Benefits While on Leave](#) options while on a LOA, advise them to watch for the invoice, and ensure they understand the implications of not paying.

3. If faculty and staff in your area are temporarily working intermittent schedules and therefore have low net pay, they may be invoiced for missed contributions, and may see reduced or a zero net pay as partial deductions are taken. Reach out to faculty and staff who are in this situation to advise them to watch for the invoice, and ensure they understand the implications of not paying.

**Action you need to take**

Due to the severity of the consequences if premiums are not paid by the due date, it is **extremely** important that you understand the process, and help communicate it to affected individuals. Here are the steps you need to take:

**Immediately**

1. Review this information to fully understand the change.

2. Review and update your processes and communications, as necessary, to reflect these changes.

3. Share this information with faculty and staff who are currently taking or preparing to take an unpaid LOA and refer them where to go to review benefits continuation options while on a LOA, advise them to watch for invoices beginning in June. These [Frequently Asked Questions](#) can help you answer questions.

   **Note:** Be sure to remind faculty and staff who are going on leave to verify that their address is current – they should review and update their personal information via Employee Self Service. Incorrect addresses will result in a delay in receiving invoices.

4. Work with supervisors and Service Centers to review those who are not currently working to ensure PeopleSoft reflects accurate job status.

**Ongoing**

1. **Immediately and Monthly:** Review the list of faculty and staff who received an invoice for missed contributions the previous month, and follow up with them to ensure they are aware of the invoice, and implications for nonpayment. You can follow up via telephone, or send this memo via email or U.S. mail.
2. **Monthly:** Review those faculty and staff in your college/unit who are currently on leave, and ensure the leave is accurately reflected in PeopleSoft.

3. **As needed:** Work with faculty and staff who are preparing to take a leave, or who have low net pay, to advise them to watch for invoices, and the implications for not paying the invoice.

### Where to Go for Help

- For more information about Ohio State’s disability benefits, including Long- and Short-Term Disability and Workers’ Compensation: [hr.osu.edu/benefits/disabilitybenefits.aspx](http://hr.osu.edu/benefits/disabilitybenefits.aspx) and [hr.osu.edu/benefits/db_workerscompensation.aspx](http://hr.osu.edu/benefits/db_workerscompensation.aspx)
- For information about leave programs: [hr.osu.edu/benefits/pu_leaves.aspx](http://hr.osu.edu/benefits/pu_leaves.aspx)
- To view a sample invoice: [hr.osu.edu/benefits/BrutusBuckeyeBenefitsBillingStatement.pdf](http://hr.osu.edu/benefits/BrutusBuckeyeBenefitsBillingStatement.pdf)
- To view a Reminder Notification: [hr.osu.edu/hrpubs/ben/remindernotification.doc](http://hr.osu.edu/hrpubs/ben/remindernotification.doc)
- For more information about the Benefits Billing project: [Frequently Asked Questions](http://hr.osu.edu/hrpubs/ben/remindernotification.doc)
- To speak with HR Customer Service: 614-292-1050 or [service@hr.osu.edu](mailto:service@hr.osu.edu)