



CIRCULAR

STATE OF NEW JERSEY DEPARTMENT OF THE TREASURY

NO: 25-07-OMB	ORIGINATING AGENCY: OFFICE OF MANAGEMENT AND BUDGET	PAGE 1 OF 3
EFFECTIVE DATE: IMMEDIATE	EXPIRATION DATE: INDEFINITE	SUPERSEDES: 23-18-OMB
SUBJECT: HEALTH BENEFIT/PRESCRIPTION AND DENTAL GUIDELINES FOR PROCESSING PREPAYMENTS AND OUTSTANDING BALANCES DUE		
ATTENTION: ALL DEPARTMENT PERSONNEL AND PAYROLL OFFICERS		
FOR INFORMATION CONTACT: REBECCA PROCACCINI		PHONE: (609) 984-4090

This Circular contains information regarding the processing of prepayments for employees on an unpaid Leave of Absence (LOA). The below will provide instructions of how prepayments should be handled.

PERSONNEL MANAGEMENT INFORMATION SYSTEM (PMIS)

All leave types must be entered into PMIS and should agree with what is entered into the portal on the Payroll Application on Employee Self Service (ESS). It is imperative that PMIS reflects this information for auditing purposes. Failure to enter this information in PMIS could delay processing of the prepayment and cause the employee's benefits to terminate.

PORTAL ENTRIES

Entries into the portal should be made for the current calendar year only. Do not cross years. Once the portal has been updated for open enrollment, the new calendar year may be entered. Entries into the portal should be made with physical payments in hand by the close of business Tuesday of supplemental week (see schedule for cut off dates). Prepayments will not be accepted once the portal closes. Failure to enter the prepayment will result in the automatic termination of an employee's benefits. Prepayments, except in the case of a reinstatement, can be accepted in the form of a personal check, money order, or bank check. Post-dated prepayments should not be accepted.

NEGATIVE BALANCES

All negative balances must be paid in full prior to entering current prepayments or requesting reinstatements (both portal reinstatements and return to work). Back deductions cannot be taken for negative balances.

LOA PREPAYMENT

In order to maintain one's Health/RX and Dental Benefits while on a LOA for all leave types, employees are required to submit prepayments to the Leave Management Unit/Human Resources (LMU/HR) by the due dates set forth on the Health/RX/Dental Date Schedule posted on the portal. Follow the date schedule and enter the payments into the portal using the correct leave types, and submit them to Centralized Payroll by the due date. If an employee elects not to prepay, fails to submit their prepayment timely, or the prepayment is not entered in the portal, their benefits will automatically be terminated in Benefitsolver.

SUMMARIES

In order to avoid delinquent payments, you must adhere to the due date on the schedule. Payments should be separated by type (Dental and Health/RX) as they are listed in the order on the summaries.

REINSTATEMENTS

Only one reinstatement per employee for the entirety of their current leave is allowed. PMIS must be updated with the current leave reason. Use the fillable forms when requesting a reinstatement. Payments for reinstatements must be in the form of a money order or cashier's check and be clearly marked as such by the bank on the physical payments and need to be received by Friday of supplemental week in order to be reinstated the following pay week. Incomplete forms and payments not clearly marked will be returned, delaying the reinstatement process. Ensure all payments required are included. The time in which a reinstatement will become effective is determined by having all the necessary documents, payments, and terminations in place. Reinstatements are processed bi-weekly on pay week; however, they may take longer should any one requirement be missing.

WAIVER OF COVERAGE WHILE ON LOA

If the employee elects to waive their coverage while on a LOA, the employee must enter the waiver in Benefitsolver and the LMU/HR must certify it in Benefitsolver. Upon returning to work, the employee must re-enroll within 60 days. If the employee does not re-enroll within 60 days, they will be required to wait until open enrollment.

RETURNED/REJECTED CHECKS FROM THE BANK

If an employee's payment is returned by the bank for any reason (i.e., insufficient funds, closed account, stop payment, etc.), please adhere to the due date and amount due that is on the memo provided to you by our office. All payments from that point on must be made with a bank check (i.e., money order or cashier's check). Payments that have been received but not deposited for the current and future pay periods will be returned for replacements in the form of a bank check. The State will no longer carry the liability of payments not received by the due date and will cause the employee's benefits to be subject to retroactive termination. A copy of the returned document from the bank will be provided to the LMU/HR along with the reason for the rejected payment. Any further questions regarding the reason for the rejected payment should be directed to the financial institution. No current prepayments are to be entered into the portal until the rejected payment has been satisfied.

SALARY ACCOUNT CHARGES

Outstanding balances that are not paid in full by the due date will be subject to a salary account charge. The agency will then be responsible for recouping the funds directly from the employee.

BACK DEDUCTIONS

Back deductions are only withheld from employees who are currently active, receiving pay time, and where premiums are being collected for coverage with a retroactive effective date. Back deductions are not withheld from employees as a form of recoupment for rejected payments or negative balances. Back deductions cease when an employee waives their benefits, however, the outstanding balance is still required to be paid. The salary account will be charged to recoup these funds.

OUTSTANDING BALANCES AT RETIREMENT

Extra Health Benefit Balances:

Employees with Extra Health/Rx/Dental balances upon retirement will have thirty (30) days after their separation date to satisfy the balances. Payment must be received by Centralized Payroll within thirty (30) days after their separation date. Balances not satisfied within this time frame will be forwarded to the Division of Pension and Benefits to be applied to the employee's Pension check and a monthly deduction will be withheld until the balances are satisfied. Agency representatives should review employees' pay stubs prior to their retirement to obtain these balances. If an employee is in zero (0) pay status and a paystub is unavailable, the Agency representative should contact Centralized Payroll's Health Benefit Unit to obtain the balances. Once the balances are forwarded to the Division of Pension and Benefits, Centralized Payroll will not be able to intervene on the employee's behalf. Please see the interoffice memo that is posted on the portal for any further questions or concerns regarding instructions or implementation.

CONTACTS FOR HUMAN RESOURCES LEAVE MANAGEMENT UNIT ONLY

Division of Pensions and Benefits: HBCStateActive@treas.nj.gov; HBCobra@treas.nj.gov; HBRetired@treas.nj.gov

Benefitsolver: stateofnj@businessolver.com

Centralized Payroll - Dental: Diane.Smires@treas.nj.gov; Health: Antonina.Lombardo@treas.nj.gov

Health Summaries/Returned Checks: Janel.Frink@treas.nj.gov

Supervisor: Rebecca.Procaccini@treas.nj.gov



Tariq Shabazz
Acting Director