Benefits Reconciliation 101
Agenda

- Introductions
- Overview
- Process (Process Flows & Calendar)
  - Receiving Alight files
  - Automated Adjustments
- Common Challenges
- Resources/Tips
  - Reconciliation Timing
  - Queries
  - Auditing (Payroll Accounting & Receivable Accounts)
Overview

- **Purpose:** Share a comprehensive understanding of processing schedule and to review steps for to be successful in reconciling on a regular basis
- Review scenarios to describe how changes and timing flows through the entire process that generates reconcile input files
- Share key challenges with root cause, impact and general approach for managing
- Discuss resources and tips that are helpful to complete routine reconciliation
Process

BENEFIT ACCOUNTING PROCESS FLOW
# Process Flow Critical Path

**Example Month: October 2019** – Schedule available in Practitioner Services on OneUSG Benefits Connect website

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<td>☢️ Ongoing DBP Bills creation</td>
<td>☢️ SCAF, All Detail Reports, and BCR Select, delivered</td>
<td>☢️ DBP Funding sent to USG - 7th bus day</td>
<td>☢️ Cutoff for submission of adjustment requests from USG by EOB – Fri 2 wks prior to Calc</td>
<td>☢️ Prem drafted and Carriers Funded</td>
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<td>☢️ Premium Calc Process Starts</td>
<td>☢️ Premium Calc output creation and Alight review</td>
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periences:

- **Green**: Previous Month
- **Blue**: Current Month
- **Orange**: USG Fin Recon
- **Red**: Critical Milestone

![interactUSG logo]
**Example Description** – Active/Eligible employee has no adjustments on their account for the month of September and the Premium Calc runs on the Sunday after the 3rd Saturday of the month, September 22nd 2019.

08/26/2019: Employee hired

09/02/2019: Alight Receives HR data from USG

09/02/2019: Newly Eligible enrollment triggered and employee enrolls into Medical, and Dental for You Only effective 9/1/2019

09/22/2019: September Premium Calc runs. Employee picked up in the process with no adjustments

10/07/2019: Employee is picked up on the BCAF, All Detail Report and Invoice Reports and sent to institutions
Example Description – Active has an adjustment that is processed on Wednesday the 25th, after the Premium Calc is run.

09/17/2019: Active employee Jane Doe is Pregnant

09/22/2019: September Premium Calc runs. Employee is picked up for You + Spouse for Medical, Dental and Vision.

09/25/2019: Employee gives birth and calls to add newborn child to Medical only. She is also permitted to change the option she is enrolled into.

10/07/2019: Employee is picked up on the BCAF, All Detail Report and Invoice Reports and sent to institutions.

10/07/2019: Employee is picked up in the September process for (You + Spouse) BCAF, All Detail Report and Invoice Report and sent to institutions.

10/20/2019: October Calc runs and changes are picked up for Employee for Medical to You + Family. Dental and vision still You + Spouse.

- Retro (R) row
- Credit (C) row for the previous amount charged
- Normal (N) row for new ongoing amount
On BCAF, All Detail, and Invoice Reports.
**Premium Example – Late Termination**

*Example Description* – Active employee was retroactive termed from a University back in March of 2019 without notification to Alight of this termination until September 12th. As this is a late notice termination greater than 60 days, it will not flow through the normal premium process.

- **03/xx/2019**: Employee is terminated from USG
- **09/04/2019**: Alight is notified of Termination on the HR File From USG.
- **09/22/2019**: Premium Calc for September runs and Termination is picked up
- **10/07/2019**: Credit Rows are sent on September Premium Report for August and July marked as a “C” on BCAF, All Detail and Invoice Reports
- **10/07/2019**: Employee is picked up on the BCAF, All Detail Report and sent to institutions
- **10/09/2019**: Current rule is that USG will only be refunded back 60 days on the premium reporting, moving to 90 days for October process*

*After the code update on 10/09, adjustments will be retro up to 90 days. For example, if the late termination was sent to Alight on 10/14 instead, the retro adjustments would be calculated in the October process for the months of July, August and September.
Underlying Factors & Challenges

Data Entry
- HR Job Data
- HRID

Timing
- Retro Adjustments

Pay – Deduction
- Panels

PIF Files

Payroll – Alight
- Process Timing
Impacting HR Data Fields /Alight

- First Name <= 20 characters
- Birthdate & Gender
- SSN
- Address Type, Address, ST & Zip
- Citizenship Data
- Organizational Relationship
- Action Reason Codes for rehired retirees
- Primary Job Indicator
- Intent to Retire
- Job Codes (GRA & REH RET)
- Reg/Temp
- Standard Hours / Combined FTE
- ABBR
- Benefits Program / EFFDT
- Grandfathered SUPL Plans
- REH RET Flag

✓ (Changes made in Correction Mode should be Promptly communicated to the Benefits Team)

*** IMPORTANT: any data changes that will impact Alight, will not feed through the HRID file if performed in Correction Mode.
Timing

- BCAF generates around the 3rd weekend of the month.
- Alight files are loaded on the 5th business day of the month.
- Reconciliation processes are 30 days behind.
- If there is data conflict, ticket timing will delay your recon further.
- BCAF, DBP or TPA adjustments must be requested to FM by the 12th of the month for adjustments to be included on the next reconciliation month.
- Retroactive rule will change to 90 days (i.e. EE termed 5/31/2019, HR creates term row 8/16/2019).
- Participant /EE election timing – New Hire Effective Coverage Date.
Timing Examples...

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<td>BCAH, All Detail Reports, and BOR Select delivered</td>
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<td>9 DBP Funding sent to USG - 7th bus day</td>
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Reconciliation needs to begin
Panels & Files

- General Deduction panels ➔ If practitioners make manual changes to panels and carrier (Alight) updates the panel, Alight file will supersede.

- ABBR - Impacted by Merit and Position changes. Generally updated by Alight in PIF Files

- PIF Files ➔ Updated every Monday and on Day 1 of monthly pay run.
Benefit Recon Overview

1. BCAF Accounting Load/CES Accounting entries → HRAL → Journal Generate (PS Financials)
3. BCAF Retiree Accounting Load / RB Accounting entries → HRAL → Journal Generate (PS Financials).
4. DBP Accounting Load / SP Accounting entries → HRAL → Journal Generate (PS Financials).
5. Create Benefits Reporting Table (**note: Run status will say “Warning”, this is expected).
7. Download/Save Reconciliation Detail and Third Party Receivable Aging.

*** Always compare HRAL rows and data feeds, through both HCM and PS Financials after each Accounting load process.
*** Verify your accounting entries in PSB by trans type: E%, SP%, R% respectively.
*** Print/download and save your PSB data to support your CES, RB and SP journals.
Tips

- Never key in a manual journal to a benefit payroll liability or receivable.
- If “Correction Mode” is used, data will not feed to the HRID Alight.
- Avoid “Correction Mode” unless instructed to do so by SSC.
- Auditing requires institutions to reconcile payroll liability accounts and benefit receivables every month.
- All payroll interfaces and benefit adjustments for the recon month must be posted before benefit recon processes may begin.
- The Create Benefit Reporting table may be run multiple times and for any available month in HCM.
- The Reconciliation Detail Query (step 38 on Task list) is all you need to reconcile active employee population.
• Old ADP balances on liability and receivables should be gone now. If not, they are losses and need to be removed from your accounts.

• LOA/Retirement billing timing – EE status on 1st of the month determines if DB or Institution needs to deduct.

• Reconciliation is a 3 way tie out for receivable account to general ledger to Alight’s Third Party Receivable Aging data – this is an audit regulation.

• Cobra Admin Fees are included in the Alight Third Party Receivable Aging data but not in the 129230 COBRA receivable account. You will need to account for these differences when reconciling 129230.

• When a direct bill participant passes away the BCAF transaction will have an employee status = D. When the BCAF transactions with employee status = D are processed they post to the 226xxx & 235xxx payroll liability accounts and will need to be moved to the appropriate receivable with a benefit adjustment.

• Employee status (D, R, A, L, RS) on BCAF is what determines what accounts premium charges will hit.
Who to contact

USG Financial Manager Mailbox
- usgfinancialmanager@alight.com
  - Recon inquiries
  - Premium charges
  - Adjustments for BCAF, DBP Fil, TPA an Aging File

OneUSG Connect Escalations
- oneusg.connect.escalations@alight.com
  - Payroll or DBP Item. Charge to employee or retiree.
  - Immediate resolution, due to urgent medical need.

*** When in doubt, submit a ServiceNow (https://usg.service-now.com/navpage.do) ticket and you will be directed accordingly.

When contacting Alight, please do not specific ADP terminology such as:

- Data dump file (BCAF)
- Supplier Deduction File (PIF)

Also note that “terminated” employee status does not apply to “transferred to affiliate” employees.
Resources

ONEUSG CONNECT – BENEFIT RESOURCES

- https://www.usg.edu/oneusg_connect/practitioner_services/benefits
  - OneUSG Benefit Reconciliation User’s Guide
  - Benefits Reconciliation Task List
  - USG 2019 Alight Payment Schedule

HELPFUL QUERIES

- BOR_BN_PIF
- BOR_PY_NEW_HIRE_REPORT
- BOR_HR_FUTUREDATED_ACTIONS
- BOR_BN_PAYGROUP_CHG
- BOR_HR_TERM_EES
- BOR_BN_HRID
- BOR_BN_RET_HRID
Questions & Answers