

Release 1672
Service Request 81301

The “T” Dependent for WFTRA

DETAIL DESIGN

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Introduction

Background

The University's definition of a natural or adopted child for group health and welfare eligibility (see Appendix A of SR for Eligibility of Child Dependent in the *Your Group Insurance Plans*) is generally broader than the tax laws allow under the definition of "qualifying child" and "qualifying relative" in the Internal Revenue Code (IRC) Section 152. This was revised by WFTRA (Working Families Tax Relief Act of 2004) and signed by President Bush in October 2004. The revised definition of "qualifying child" announced in the WFTRA includes stipulation on residency, taxpayer support, student status, age and income limit for this group of children that may not be required by UC.

For individuals who are not qualifying dependents under IRC Section 152 and as such the employees are not entitled to the tax exemption on the premium for the dependents, the University must calculate imputed income on the employer's contributions for health coverage (medical, dental and vision) and must make TIP adjustments to the employee's contribution. The Office of General Counsel and Aon Consulting concur that UC should take one of 2 options: 1) revise their definition of eligible dependent to align with WFTRA or, 2) impute income for this group.

HR&B Policy has determined that:

- There will be no change to UC Group Eligibility Requirements for dependents
- UC should impute income and/or make TIP adjustments on UC dependents that are non tax dependent as soon as possible (01/01/2006)
- UC should ask employees to self identify whether any of their children are non tax dependent children.

Current Process

Currently, all natural and adopted child dependents under age 23 are eligible without any additional requirements.

Proposed Process

A new relationship code "T" will be used to identify a natural or adopted child non tax dependent while the code "C" will remain the same for a natural or adopted child tax dependent.

For all dependents currently enrolled in health plans, employee must self identify their children who are non tax dependent. The relationship codes of these non tax dependents must be updated manually in the EDB. For new dependents added after 01/01/2006, the online enrollment application will offer the choice of natural or adopted child non tax dependent as an enrollment option. Effective 01/01/2006, the payroll computation cycle should impute income on the University's contribution to medical, dental or vision premiums for the dependents with a relationship code "T". It should also make TIP adjustments to the employee's contribution when there is one.

This service request asks that the following changes be made:

1. Table changes will be made to add appropriate error messages, code translations and value ranges for the new relationship code.
2. EDB maintenance edits will be added to perform the following edits:
 - If a family member has a relationship of "T", the De-enrollment Control Indicator (EDB0638) is set to "N" or Blank and the age is 23 or greater, block enrollment and issue message "Dependent enrollment blocked because age is 23 or older".
 - If a family member has a relationship of "T", the De-enrollment Control Indicator (EDB0638) is set to "Y" and the age is 23 or greater, block enrollment and issue new message "Use "N" for non tax dependent overage disabled child".

- If a family member has a relationship of "T", the De-enrollment Control Indicator (EDB0638) is set to "M" (New Mexico only) and the age is 25 or greater, block enrollment and issue message "De-enrollment control code not valid, dependent age is 25 or older".
3. Modify the implied maintenance process to derive the appropriate Medical, Dental, and Vision Coverage Without Domestic Partner (WOD) codes (EDB0285, 0286, 0287) when "T" is presented for a dependent relationship code. The value of "T" should be treated like the value of "K" when deriving WOD codes.
 4. Modify the periodic monthly maintenance process as follows.
 - Currently, if a child dependent (EDB0635 = C, O, P, G, or K) will become 23 years old in either the month of the SCR Current Date or in the month following the SCR Current Date, the Coverage Effective Date (EDB0639) is not initial values and the Dependent De-enrollment Control Code (EDB0638) is "N" or Blank, the Medical Dependent Coverage End Date (EDB0659), Dental Dependent Coverage End Date (EDB0656), Vision Dependent Coverage End Date (EDB0657) and Legal Dependent Coverage End Date (EDB0658) will be set equal to the last day of the month in which the child turns 23. The new dependent code "T" will be added to this list of dependent types that are de-enrolled at age 23.
 - If a child dependent (EDB0635 = C, O, P, G, or K) will become 25 years old in either the month of the SCR Current Date or in the month following the SCR Current Date, the Coverage Effective Date (EDB0639) is not initial values and the Dependent De-enrollment Control Code (EDB0638) is "M" (New Mexico only), the Medical Dependent Coverage End Date (EDB0659), Dental Dependent Coverage End Date (EDB0656) and Vision Dependent Coverage End Date (EDB0657) will be set equal to the last day of the month in which the child turns 25. The new dependent code "T" will be added to this list of dependent types that are de-enrolled at age 25.
 5. Modify imputed income calculations so that non tax dependent natural or adopted child "T" is treated the same as other eligible children subject to imputed income. Currently, non tax dependent overage disabled child "N" and Child/Grandchild of Domestic Partner "K" are subject to both state and federal imputed income. The compute process must calculate any imputed income (DPI) and/or TIP adjustments that result from the enrollment of a non tax dependent natural or adopted child.
 6. The UPAY 850 (R10/03) Enrollment, Change, Cancellation or Opt-Out — For Employees Only form should be modified to include the new relationship code. UCOP Benefits will coordinate the required changes to this form.

Differences from Requirements

During analysis it was determined that an additional relationship edit is required. For the new relationship code "T" the De-enrollment Control Indicator (EDB0638) cannot be "I", Ineligible for Medicare, since "I" applies only to adult dependent relationships.

Overview of PPS Modifications

The PPS modifications required to perform the requirements specified will include updates to the control tables, programs and CICS Help.

1. The CTL control tables will be updated to include
 - The new entry into the Code Translation Table for the "T" relationship
 - The new error message on the System Messages Table to prevent a "T" relationship and "Y" de-enrollment code combination
 - An additional value, "T", in the list of valid values for the Dependent Relationship to Employee Code in the Data Element Table
2. The file maintenance programs will be modified to handle the new "T" code the same as the other child relationship codes. One additional edit will be made to insure that a "T" relationship code and "Y" de-enrollment code combination cannot be made. The Implied maintenance will be changed to include the "T" when deriving the WOD code used in calculating imputed income. The periodic monthly maintenance program that de-enrolls dependents upon reaching an age limit will be changed to include the new "T", treating it the same as the other child relationships.
3. The CICS Help text for the Dependent Relationship to Employee Code will be updated to include the new code "T", Non Tax Dependent Child (natural or adopted).

Programs

PPCOVEDB

PPCOVEDB is the program called to calculate an employee's Medical, Dental, Vision or Legal Coverage Code as of a passed date for the EDB File Maintenance process.

The new relationship code "T" used to identify a non tax dependent natural or adopted child will be added to this program. This new dependent relationship will be treated the same as "K", child of a domestic partner, when deriving the Coverage Without Domestic Partner (WOD) code. This will cause imputed income to be calculated for relationship "T" the same as for other eligible children subject to imputed income.

PPCOVRGE

PPCOVRGE is the program called to calculate an employee's Medical, Dental, Vision or Legal Coverage Code as of a passed date for other PPS processes.

The new relationship code "T" used to identify a non tax dependent natural or adopted child will be added to this program. This new dependent relationship will be treated the same as "K", child of a domestic partner, when deriving the Coverage Without Domestic Partner (WOD) code. This will cause imputed income to be calculated for relationship "T" the same as for other eligible children subject to imputed income.

PPEC704

PPEC704 is the program that performs the basic consistency edits for benefits dependent data.

The new relationship code "T" used to identify a non tax dependent natural or adopted child will be added to the edit process which insures that the disabled code is not equal to "I", Ineligible for Medicare, for other than an adult relationship. If the relationship is "T" and the de-enrollment is "I", an override message will display and the "I" will be changed to a blank.

PPEC705

PPEC705 is the program that performs the consistency edits for the dependent/employee membership medical plan data.

The new relationship code "T" used to identify a non tax dependent natural or adopted child will be added. This new dependent relationship will be treated the same as the other child relationships that have an age limit. Coverage will not be allowed for a "T" if the dependent's age is 23 or greater and the Dependent De-enrollment Control Code is "N" or blank. Coverage will not be allowed for a "T" if the dependent's age is 25 or greater and the Dependent De-enrollment Control Code is "M". Coverage will not be allowed for a "T" if the dependent's age is 23 or greater and the Dependent De-enrollment Control Code is "Y". This last condition will cause the display of a new message, *Use "N" for non tax dependent overage disabled child.*

PPEC706

PPEC706 is the program that performs the consistency edits for the dependent/employee membership dental plan data.

The new relationship code "T" used to identify a non tax dependent natural or adopted child will be added. This new dependent relationship will be treated the same as the other child relationships that have an age limit. Coverage will not be allowed for a "T" if the dependent's age is 23 or greater and the Dependent De-enrollment Control Code is "N" or blank. Coverage will not be allowed for a "T" if the dependent's age is 25 or greater and the Dependent De-enrollment Control Code is "M". Coverage will not be allowed for a "T" if the dependent's age is 23 or greater and the Dependent De-enrollment Control Code is "Y". This last condition will cause the display of a new message, *Use "N" for non tax dependent overage disabled child.*

PPEC707

PPEC707 is the program that performs the consistency edits for the dependent/employee membership vision plan data.

The new relationship code "T" used to identify a non tax dependent natural or adopted child will be added. This new dependent relationship will be treated the same as the other child relationships that have an age limit. Coverage will not be allowed for a

"T" if the dependent's age is 23 or greater and the Dependent De-enrollment Control Code is "N" or blank. Coverage will not be allowed for a "T" if the dependent's age is 25 or greater and the Dependent De-enrollment Control Code is "M". Coverage will not be allowed for a "T" if the dependent's age is 23 or greater and the Dependent De-enrollment Control Code is "Y". This last condition will cause the display of a new message, *Use "N" for non tax dependent overage disabled child.*

PPEC708

PPEC708 is the program that performs the consistency edits for the dependent/employee membership legal plan data.

The new relationship code "T" used to identify a non tax dependent natural or adopted child will be added. This new dependent relationship will be treated the same as the other child relationships that have an age limit. Coverage will not be allowed for a "T" if the dependent's age is 23 or greater and the Dependent De-enrollment Control Code is "N" or blank. Coverage will not be allowed for a "T" if the dependent's age is 23 or greater and the Dependent De-enrollment Control Code is "Y". This last condition will cause the display of a new message, *Use "N" for non tax dependent overage disabled child.*

PPEI360

PPEI360 is the program that performs the periodic monthly maintenance that performs de-enrollment of a dependent's coverage on a monthly basis based upon reaching a particular age.

The new relationship code "T" used to identify a non tax dependent natural or adopted child will be added to this program. This new dependent relationship will be treated the same as the other child relationships that have an age limit. De-enrollment will occur when the age limit is reached by setting the appropriate Coverage End Date (s) to the last day of the month in which the child reaches the maximum age allowed.

Table Updates

Code Translation Table

A new code translation for the new "T" relationship will be added.

A38 EDB0635 T 20Non Tax Dep NatChild

Data Element Table

The Dependent Relationship to Employee Code, EDB0635, will be changed in order to allow the new value "T"

C063 0635 VSVCVOVPVWVGVDVLVKVAVNVT
C063DM0635 VSVCVOVPVWVGVDVLVKVAVNVT

System Messages Table

New error messages will be added to be displayed when there is an attempt to create a dependent with a "T" Relationship to Employee Code and a "Y" Dependent De-enrollment Control Code.

A08085690113157USE "N" FOR NON TAX DEPENDENT OVERAGE DISABLED CHILD
A08125690113157USE "N" FOR NON TAX DEPENDENT OVERAGE DISABLED CHILD

CICS HELP

A HELPDDSE file will be created with an update to the help text for EDB0635, Dependent Relationship to Employee.
The new "T" code will be added to the list of code interpretations.

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_@T - Non Tax dependent Child (natural or
adopted)

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