



HRA Training

Centralized Payroll

Workers' Compensation:
Timesheet & Payroll Transaction Processing

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Resources & General Information:

- ▶ Workers Compensation rules are administered by Iowa Workforce Development. See Iowa Code Chapter 85.
- ▶ See Managers & Supervisors Manual Section 6.20 for State of Iowa policies/procedures on this mandated benefit.
- ▶ DAS-HRE is the Administrator of the State of Iowa plan.
- ▶ Sedgwick CMS is the 3rd party provider for the self-funded State of Iowa Workers' Comp benefit plan.
- ▶ Sedgwick (Sheila Grech) sends out a weekly email with an Indemnity lost time benefit payment spreadsheet attached. Make sure you are on this email notification listing. The weekly email from Sheila usually arrives on Thursdays. Make sure you scan this list thoroughly, to look for any Agency employees who received benefits. Handle and followup with payroll transactions as needed.
- ▶ FMLA Impact: It is the Agency's responsibility to designate FMLA if the Agency knows that FMLA applies to the absence. FMLA leave runs concurrently with a workers' compensation absence when the absence is one that meets FMLA criteria.
- ▶ Agency FMLA designation determines which time types to use on HRIS timesheets to record time missed from work. Centralized Payroll agencies should also report FMLA absences due to WC to Reed Group if this has not already been done by the employee.
- ▶ Generally speaking, normal work comp weekly benefit payments are not reported as taxable income to the employee. No W-2s or 1099s are issued by State of Iowa or by Sedgwick CMS to report weekly benefits as income. However, lump sum settlements or payments for damages may be treated differently. Claimants should be advised to consult their tax preparers or personal attorneys if they have questions. Sedgwick may be able to provide more information on a specific case, if needed.
- ▶ Special workers' comp rules may apply for SPOC employees who are on leave. DNR and Public Safety staff should refer to SPOC contract Article IX, Section 8G.
- ▶ To fund the workers' comp program, charges are calculated by DAS-HRE and entered on the EDAS system to bill each Agency for their share of workers comp premiums. The budget to pay for claims and administration is projected based on actuarial analysis of state claims experience. That cash need is then allocated to agencies based on their share of claims experience over the last 5 years (limited to \$200,000 per claim) relative to the remaining agencies in the state.

HRA Training Materials for Work Comp:

- ▶ DAS-SAE Workers' Comp Narrative: This Word document was developed to expand upon the information provided in the Mgrs/Supv manual Section 6.20, to help HRA's navigate through the process for employees who are on Work Comp leave each pay period. (Note: This information is not a published DAS policy manual. It is simply a resource that is meant for HRA use only. Do not provide this narrative to employees. SAE sends out this narrative once per year, and as needed, per Agency request.
- ▶ P17 Electronic Workers Comp Supplemental Calculation form. The DAS-SAE/Central Payroll website version of P17 Electronic Workers Comp Supplemental Calculation form is a protected spreadsheet, that only allows data entry into certain fields (in red). Formulas in other fields cannot be over-written. See <https://das.iowa.gov/state-accounting/centralized-payroll/payroll-forms-and-publications> to print an updated electronic (protected) version of P17 Work Comp Supplemental Calculation form.
- ▶ HRE Workers' Compensation Benefit Election form, to be completed and submitted to your Agency by employee after more than 3 days have been missed from work due to the injury. Keep the Election form in Personnel file, and send a copy to Sedgwick. SAE does not need copy of form, but will need to know if EE elected to supplement vs not supplement.

Workers' Comp benefit types:

- ▶ TTD – Temporary Total Disability – EE can elect to supplement this benefit with paid leave time.
- ▶ TPD – Temporary Partial Disability – EE can elect to supplement this benefit with paid leave time.

- ▶ TTD/TPD Benefits are roughly 66% of EE average weekly wage (Sedgwick determines AWW and Daily rate, based on 13-week wage statement that is submitted by HRA). Once Daily rate is determined, it does not change.
- ▶ Daily rate/Weekly benefits are determined & paid using 14 days in each PP (this includes days off + holidays).

- ▶ PTD – Permanent Total Disability – EE cannot elect to supplement/must treat as NOT supplementing
- ▶ PPD – Permanent Partial Disability – EE cannot elect to supplement/must treat as NOT supplementing
- ▶ If/when PTD or PPD benefits are paid, hours missed from work should all be recorded on timesheet as either WC LWOP or FMLA WC LWOP. Employee probably needs to be placed in a leave code as well. Contact HRE to determine applicable Leave codes to be used.

- ▶ Medical Care Benefits – Provider submits claims and Sedgwick issues payment to provider for covered services.

- ▶ Mileage & Travel Reimbursement – A claim form is submitted by claimant directly to Sedgwick, either by fax or mail. Sedgwick issues reimbursement payment directly to employee. This is not an indemnity payment, so no action needs taken for Payroll processing.

Workers' Comp timeline example

Regular full-time employee, with a Monday – Friday work schedule, working 8 hrs per day

Date of Injury: Friday, which is 1st day of Pay Period
 Next 3 days are wait period: Saturday, Sunday, Monday
 Benefits (lost time) period begins Next 8 days in PP: Tuesday – Thursday

If employee remains off work after 3 days, then lost time/healing benefits typically begin. Work with Sedgwick if you have a question on which days are waiting period days.

EEs should be charged regular banked leave (non-FMLA time types) if they want to be paid for time missed from work during their waiting period. Reason: A work comp determination may not yet have been made. Per Mgr/Supv manual, EE can choose to take wait period days as unpaid leave. If so, then record hrs as normal LWOP on timesheet.

If EE remains off work after the 3 day waiting period, they should immediately complete/submit a HRE Workers' Comp Benefit Election form to your Agency, so that HRA can determine the transactions needed for BW payroll processing.

Keep the completed HRE Benefit Election form in Personnel file. SAE does not need a copy of the form, but you should inform SAE on whether EE has elected to supplement or not. A copy of Benefit Election form goes to Sedgwick, per Mgr/Supv manual instructions. If HRA cannot get a Benefit Election form completed right away, at a minimum you should get a verbal confirmation from EE and document this information for Personnel file, until a signed form is submitted.

Workers' Comp timeline example

<u>Day in PP</u>	<u>Day of Week</u>	<u>Timesheet information/Comments</u>
1	Friday	Date of injury
2	Saturday	Scheduled day off
3	Sunday	Scheduled day off
4	Monday	Normal scheduled workday
5	Tuesday	Normal scheduled workday
6	Wednesday	Normal scheduled workday
7	Thursday	Normal scheduled workday
8	Friday	Normal scheduled workday
9	Saturday	Scheduled day off
10	Sunday	Scheduled day off
11	Monday	Normal scheduled workday
12	Tuesday	Normal scheduled workday
13	Wednesday	Normal scheduled workday
14	Thursday	Normal scheduled workday
<p>-----</p>		
1	Friday	EE is released to return to work full-time, but EE has a 2 hr work comp medical appt scheduled at end of the day. On HRIS timesheet, EE should be paid 6 hrs regular time + 2.0 hrs WC Medical Appt (using either FMLA or non-FMLA time types applicable: 267/937).

Reason: Lost time benefits stopped when EE was released to return to work. Therefore, wages should be paid at regular rate of pay. EE is not to be charged with banked leave for work comp related appts, per Mgr/Supv manual 6.20.08.

HRE Workers' Comp Benefit Election form

- ▶ Election form needs completed when EE has missed more than 3 days from work (per Mgr/Supv Manual 6.20.11)
- ▶ EE can initially elect to NOT supplement, then change their election to supplement later on.
- ▶ However, once a supplemental election is made, the election continues until the selected leave is depleted.
- ▶ EE may remove hrs selected on the supplemental form (if not used yet), only if there is ample notice provided to reasonably allow for administrative processing changes for the PP.
- ▶ This election form is available on the DAS-HRE website.
- ▶ Pro-rated sick/vacation leave accruals will occur each PP for those who elect to supplement.
- ▶ Pro-rated leave accruals are calculated using adjusted gross pay as a % of normal gross pay.



Iowa Department of Administrative Services –
Human Resources Enterprise
Workers' Compensation Benefit Election

As the result of an injury on _____, assuming this injury arose out of and in the course of employment, I am entitled to Workers' Compensation benefits, and may choose to supplement these benefits with accrued leave.

My choice is as follows:

Please supplement my Workers' Compensation benefits with my accrued (indicate the order to be used by marking the blank with 1, 2, and 3):

- Sick Leave
- Vacation Leave
- Compensatory Time

I decline to supplement my workers' compensation benefits at this time.

(Note: You may choose one option initially, and add additional options later by filling out a new form, but you may not remove options to supplement unless you do so in or before the pay period within which that option would otherwise commence.)

I understand that any supplemental pay over and above my Workers' Compensation Benefit will be subject to all withholding taxes (Federal, State, FICA, and Retirement). I further understand that my accrued leave will be reduced by an amount proportionate to the amount of supplemental pay I receive. My total compensation will not exceed my regular salary.

Signature of employee (or person communicating with the employee).

Date and time of above signature.

Complete this form on the fourth day after injury, attach to the "First Report of Injury" and fax to Sedgwick CMS (claims administrator for the State) at (515) 327-4899.

Distribution:

- Original to Employee's Department
- Copy to Employee
- Fax or Copy to Sedgwick CMS

Supplementing vs Not Supplementing

If EE elects TO NOT supplement work comp benefits received:

- 1) EE should be placed into a leave code (54-Medical LWOP or 57-Medical Intermittent Leave) if he/she will remain off work for more than 1 full pay period. Consult with HRE if questions.
- 2) Unless EE is released to work partial days, EE is not in 'paid' status during the leave period. Therefore, the EE is not eligible for holiday benefits.
- 3) EE receives lost time benefits (replacement wages) payments directly from Sedgwick.
- 4) EE is only paid wages for the hours that are actually worked. EE cannot use banked leave during leave period. However, EE may need to be paid out for remaining sick/vacation hrs, in order to become eligible for Catastrophic leave benefits.
- 5) During w/c leave period, all timesheet hrs should be coded as either 268-WC LWOP or 938-FMLA WC LWOP. Timesheet remarks are helpful. Example: "W/C Benefits pd 7/1-7/14/16 EE not supplementing."
- 6) EE does not earn sick/vacation accruals on LWOP hours. Sedgwick benefits are not IPERS covered wages.
- 7) All State sponsored insurance coverage (Health, Dental, Life, LTD) remains in place for 4 months beyond when EE does not or cannot supplement. EE must still pay their share.
- 8) Insurance billing adjustments may be needed if no pay warrant is issued. Consult with Sandy Mezera if HRA has questions.
- 9) EE should be advised they may want to make alternate payment arrangements with other vendors to replace missed deductions on their paycheck (ie. Credit union, AFLAC, Org dues).

Supplementing vs Not Supplementing

If EE elects TO supplement work comp benefits received (Mgr/Supv Section 6.20.11):

- 1) An election to supplement does not make an employee "whole". This is not the intent of the benefit offered by State of Iowa. However, there are advantages for EE who choose to supplement.
- 2) EE remains in 'paid' status during the leave period while supplementing. Therefore, the EE is eligible for holiday benefits.
- 3) EE still receives lost time benefits paid directly from Sedgwick, but those payments are forfeited.
- 4) EE is paid full wages for all hrs missed from work during leave period. EE must be charged a supplemental % of hrs missed from work (State share % is calculated using Daily rate * 14 days in PP / Normal Gross BW pay (BW Base + Shift diff + Medpasser, etc). EE share = 100% less State share %.
- 5) During leave period, all timesheet hours should be coded/split between EE WC Banked leave & State Share WC Paid. Time types to record are either FMLA or Non-FMLA. Timesheet remarks are helpful.
- 6) EE does earn pro-rated sick/vacation accruals for the pay period. Additionally, supplemental wages paid are treated as IPERS covered wages.
- 7) All State sponsored insurance coverage (Health, Dental, Life, LTD) remains in place while EE is supplementing. EE deductions and State Shares are auto-calculated when pay warrant is processed.
- 8) Because a pay warrant is processed, typically there are no Insurance billing adj needed for EE/SS.
- 9) If any other EE deductions are missed due to insufficient gross pay, EE should be advised they may want to make alternate payment arrangements with other vendors to replace the missed deductions from their paycheck (ie. Credit union, AFLAC, Org dues, etc).

Timesheet & P1 Remarks (sample)

For EEs on work comp leave, examples of good remarks to use on both HRIS timesheets and P1s are:

Date of injury: mm/dd/yy Waiting period dates: mm/dd/yy

Lost time benefits paid by Sedgwick for xx/xx/xx – xx/xx/xx \$\$\$.\$\$

EE has elected to supplement benefits or EE has elected to NOT supplement benefits

EE released to return to work on mm/dd/yy

Addl comments: xxxxxxx

Examples of good remarks to use on HRIS timesheets to document all work comp medical appt hours (time types 267/937) are:

Work Comp Medical Appt times during PP mm/dd/yy:

mm/dd/yy xx.xx hrs Dr. Smith Reason: Followup appt 3-4 pm

mm/dd/yy xx.xx hrs ABC Rehab Reason: Physical therapy 2-4pm

Addl comments: xxxxxxx

Note: After EE is released to return to work, if he/she doesn't feel well enough to do so, the EE must use 100% regular banked leave time if they want to be paid.

General Example – Not Supplementing

Employee is full-time, with a Monday – Friday work schedule, 8 hrs scheduled per day.

Date of Injury: 07/01/16 Friday (All SW hrs are paid as Regular time on DOI)

Wait period days: 07/02/16 – 07/04/16 Saturday, Sunday, Monday (holiday)

Benefit (lost time) period 07/05/16 – 07/14/16 remainder of pay period

Saturday and Sunday are days off, and Monday is a holiday date.

Since EE elected to NOT supplement benefits, the employee is NOT entitled to holiday pay for 07/04/16, since EE is not in 'paid' status after the holiday, on 07/05/16.

HRA would delete the line for Holiday pay on HRIS timesheet. Timesheet remarks s/be entered on HRIS timesheet to explain why no holiday pay.

During the leave/benefits period, the EE receives Sedgwick lost time benefit payments only.

- ▶ No wages are paid to EE for the pay period unless EE actually works.
- ▶ All hrs missed from scheduled work time s/be recorded as 268-WC LWOP or 938-FMLA WC LWOP. It is the HRA's responsibility to make sure HRIS timesheet or PAYN hrs are properly recorded.
- ▶ EE should be placed in a leave code if they remain off work for an extended period (usually 57-Intermittent Leave or 54-Medical LWOP, depending on circumstances).
- ▶ **No P17 form completed. No P1 type 844 keyed to forfeit work comp pay - EE is not supplementing.**

General Example – Not Supplementing

```

D3313261  ACT: _  +---- PAYROLL TIME SHEET ----+-----
                |XXXXXXXXXXXXXXXXXXXX|  EMPL SU
+WK REG  OVT  HOLI  |FOR 07/01/2016 - 07/14/2016|  NO  NO
|1  8.00  0.00  0.00 |TIME SHEET: 16-06760162|  PENDING
|2  0.00  0.00  0.00 |COST CENT : 005-410010 101|  PROOFRE
    
```

REMARKS: W/COMP INJURY 7/1/16; WAIT PD 7/2-7/4/16-NOT SUPPL

07/04/16 Holiday date has been deleted from timesheet

```

ACT  HOURS  ----  TYPE OF TIME  ----  ----DATE----  -----
-    8.00  010 - REGULAR TIME  FRI 07/01/2016
-    8.00  268 - WC LWOP      TUE 07/05/2016
-    8.00  268 - WC LWOP      WED 07/06/2016
-    8.00  268 - WC LWOP      THU 07/07/2016
      === > WEEK TWO < ===
-    8.00  268 - WC LWOP      FRI 07/08/2016
-    8.00  268 - WC LWOP      MON 07/11/2016
-    8.00  268 - WC LWOP      TUE 07/12/2016
-    8.00  268 - WC LWOP      WED 07/13/2016
-    8.00  268 - WC LWOP      THU 07/14/2016
    
```

General Example – Supplementing

Employee is full-time, with a Monday – Friday work schedule, 8 hrs scheduled per day.

Date of Injury: 07/01/16 Friday (All SW hrs are paid as Regular time on DOI)
 Wait period days: 07/02/16 – 07/04/16 Saturday, Sunday, Monday (holiday)
 Benefit (lost time) period 07/05/16 – 07/14/16 remainder of pay period

Saturday and Sunday are days off, and Monday is holiday.

Since EE elected to supplement benefits, the EE is entitled to receive holiday pay for 07/04/16, since EE is in a 'paid' status on the day after the holiday, on 07/05/16.

HRA may need to update HRIS timesheet line to change default time type 250-Holiday to 950-FMLA Holiday (if applicable). HRIS timesheet remarks are helpful.

P17 Supplemental Work Comp form is completed and submitted to Centralized Payroll showing 64.0 hrs SW + 8.0 Regular Hrs + 8.0 Holiday Hrs for the pay period.

P17 formula calculations will show 64.0 hr SW * 37.5% supplem rate = 24.0 hrs chgd to EE.

Each day on HRIS timesheet is updated to reflect the 'split' between EE WC Hrs (37.5%) vs State Paid WC Hrs.

HRA enters work comp pay \$\$ on P1 type 844 to forfeit the Sedgwick benefits rec'd as a gross pay reduction.

EE is paid full 80.0 hrs wages for the pay period.

Normal deductions and State share charges will occur when warrant is processed.

General Example – Supplementing

```

D3313261 ACT: _ +---- PAYROLL TIME SHEET ----+----- AP
XXXXXXXXXXXXXXXXXXXXX EMPL SUPR
+WK REG OVT HOLI FOR 07/01/2016 - 07/14/2016 NO NO
1 40.00 0.00 0.00 TIME SHEET: 16-06760162 PENDING E
2 40.00 0.00 0.00 COST CENT : 005-410010 101 PROOFREAD
-----+-----+-----
REMARKS: W/COMP INJURY 7/1/16; WAIT PD 7/2-7/4/16-EE SUPPLEMENTING
    
```

ACT	HOURS	----	TYPE OF TIME	----	----	DATE----	-----	M
-	8.00	010	- REGULAR TIME		FRI	07/01/2016		
-	8.00	250	- HOLIDAY		MON	07/04/2016	←	EE gets 07/04/16 Holiday pay, since supplementing keeps them in 'paid' status.
-	3.00	260	- WC EE SICK LEAVE		TUE	07/05/2016		
-	5.00	266	- WC STATE PD HRS		TUE	07/05/2016		
-	3.00	260	- WC EE SICK LEAVE		WED	07/06/2016	←	Hours for each day are 'split' to charge EE banked leave and State Share work comp hrs.
-	5.00	266	- WC STATE PD HRS		WED	07/06/2016	←	
-	3.00	260	- WC EE SICK LEAVE		THU	07/07/2016		
-	5.00	266	- WC STATE PD HRS		THU	07/07/2016		
==== > WEEK TWO < ====								
-	3.00	260	- WC EE SICK LEAVE		FRI	07/08/2016		Totals on Hours Summary (HS) timesheet screen should reconcile to P17 form totals.
-	5.00	266	- WC STATE PD HRS		FRI	07/08/2016		
-	3.00	260	- WC EE SICK LEAVE		MON	07/11/2016		Regular Hrs 8.0
-	5.00	266	- WC STATE PD HRS		MON	07/11/2016		Holiday 8.0
-	3.00	260	- WC EE SICK LEAVE		TUE	07/12/2016		WC EE Sick 24.0
-	5.00	266	- WC STATE PD HRS		TUE	07/12/2016		WC State Pd 40.0
-	3.00	260	- WC EE SICK LEAVE		WED	07/13/2016		
-	5.00	266	- WC STATE PD HRS		WED	07/13/2016		
-	3.00	260	- WC EE SICK LEAVE		THU	07/14/2016		
-	5.00	266	- WC STATE PD HRS		THU	07/14/2016		

Patient C. Test example: PP 01/15/16 – 01/28/16

Account Number	Account Name	Claimant Full Name	File Number	Date of Lost	Current Comp Rate - TTD	Pay Code	Beginning	Thru	Date Printed	Amount Paid	Vac.	Sick Comp	Daily Rate
91814xx	MISC DEPT/AGENCY	PATIENT C. TEST	30091264068-0001	XXXXXX	720.16	TPD	01/15/16	01/21/16	XXXXXX	720.16	0	0	102.88
91814xx	MISC DEPT/AGENCY	PATIENT C. TEST	30091264068-0001	XXXXXX	720.16	TPD	01/22/16	01/28/16	XXXXXX	720.16	0	0	102.88

Patient C Test: Date of injury 05/20/15. EE elected to supplement lost time benefits with paid leave. Employee was off work for entire PP 1/15-1/28/16 (80.0 hrs). Sedgwick indemnity reports show weekly amounts paid. The 2 weekly amounts are summarized above. Total lost time benefits for the PP were paid to EE by Sedgwick for 1/15-1/28/16 = \$1440.32

PP 1/15-1/28/16 had a Holiday date that occurred during week #1. Since EE is in 'paid' status, EE is eligible for Holiday benefits (no leave time to be charged to EE for Holiday date).

3 Steps to be completed by HRA each PP:

- 1) P17 form needs completed/submitted to SAE. P17 would show 70.0 hrs SW on Line 1, because the 10.0 hr Holiday is not treated as SW time. EE contributes banked leave hrs at 38% supplemental rate (per formula calcs made on Line 5 on P17 form). 70.0 hrs SW * 38% = 26.60 banked leave hrs to charge to EE on timesheet.
- 2) HRA to complete/approve HRIS timesheet as needed, since EE is generally not at work and cannot approve it. Total timesheet hrs for PP are: 10.0 hr Holiday + 26.60 hr WC EE banked leave + 43.40 hr WC State Paid = 80.0
- 3) HRA to key P1 type 844 to 'forfeit' \$1440.32 work comp benefits rec'd. Record work comp pay as (+) on P1.

Result: EE receives \$2323.20 normal Gross BW pay, less \$1440.32 forfeited w/c benefits = \$882.88 adj Gross pay. Normal EE/SS insurance and other deductions occur, EE receives pro-rated sick/vacation accruals, and supplemental wages received are IPERS covered. Remaining Net Pay goes to EE.

Patient C. Test - P17 form
 STATE OF IOWA
 P-17 WORKERS' COMP SUPPLEMENT CALCULATION FORM P-1#

Employee Name: **Patient C. Test** SSN: **not necessary to complete / or give last 4 digt**
 Dept: **IA Dept of XXX** Payroll #: **not necessary to complete**
 Date of Inury: **5/20/15** V.C. File #: **not necessary to complete**

Date:	1/15/16	1/16/16	1/17/16	1/18/16	1/19/16	1/20/16	1/21/16
	Friday	Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday
Cods:	DD	DD	DD	SW	SW	SW	SW
Hours:				10.00	10.00	10.00	10.00

Codes: CO - Comp Time, RK - Retured to Work, VC - Vastation, DD - Day Off, SK - Sick Leave, WK - Regular Work, HL - Paid Holiday, SW - Scheduled to Work, WP - Waiting Period

1. Hours of SW represent above (V) **70.00** hrs.
 2. Worker's Compensation Daily Rate - provided by Sedgwick (A) **\$102.88**
 3. Employee's normal gross bi-weekly pay (B) **\$2,323.20**
 4. Δ Lines 1 & 3 = Percentage that Worker's Compensation Supplement's normal gross pay - State share (C) **62.00%**
 5. 100 minus C - Percentage applied to SW hrs (employee must supplement SW hours using this %). (D) **38.00%**

LEAVE USED THIS PAY PERIOD:

a. Unrelated to Worker's Comp injury (basic sick/vacation day, etc) **0.00** hrs.
 b. Plus leave used if this pay period included waiting period **0.00** hrs.
 c. Plus supplemental leave hours required (SW hours * EE supplement %)
 (D times V) **26.60** hrs.
 (X) **26.60** hrs.

PRIOR PERIOD ADJUSTMENTS - To restore period leave used for waiting period after 14 days

d. Waiting Period Leave used during the prior pay period
 Waiting Period hrs used times D **38%** = hrs a/Wb used (Y) **0.00** Cr diff
 e. Misc. Adjustment (+ or -) (Z) **0.00** hrs.
 (T) = TOTAL Leave to be used this pay period: = (X) + (Y) + (Z) TOTAL **0.00** hrs.

7. P-1 type 844:
 Worker's Comp Benefits paid this pay period (Forfeited) **\$1,440.32**
 Leave Hours to be Charged to Employee this Pay Period **26.60**
 LEAVE BALANCE CORRECTION **0.00**

Timesheet section. Use codes provided.

Line 1: Total SW hrs should match SW hrs entered into Timesheet section above.

Line 2: Daily rate is per Sedgwick indemnity reports

Line 3: Gross BW pay for current PP. This amt may change from PP to PP, like if EE gets a pay increase.

Line 6a: Enter any regular leave hrs used in PP, like if EE was home sick with the flu.

Line 6b: Enter regular leave hrs to be charged if wait period falls in the current PP.

Prior PP hrs adj (wait period) or other hrs corrections - this section not used very often

Line 7: Enter work comp benefits paid to EE. (P1 type 844)

Helpful hints on completing P17 forms

- ▶ P17 form only needs completed/submitted to SAE for EEs who elect to supplement.
 - ▶ P17 form is a tool to help HRA a) calculate & adjust HRIS timesheet hours, and b) document & record work comp benefits to be forfeited by EE (on P1 type 844).
 - ▶ P17 form needs completed & submitted to SAE for each pay period that the EE is on leave. Get HRIS timesheets reviewed/fully approved and key P1s keyed ASAP.
 - ▶ On P17 form, enter information only into fields in **red**.
 - ▶ Line 1: Total SW hrs must equal daily totals entered into timesheet section of the form
 - ▶ Line 2: Daily rate is listed on Sedgwick indemnity reports. Daily rate typically does not change.
 - ▶ Line 3: Normal Gross BW pay = Base + Shift + Medpasser, etc for each PP. If EE gets a pay increase in a PP, line 3 needs changed.
- *****
- ▶ 'Prior Period Adj' section helps you make misc hrs adjustments or retro waiting period hours adjustments. Wait period is paid as lost time benefits after 14 days of disability. Take no action on this form until you see that Sedgwick has paid benefits for these dates!
 - ▶ Wait period benefits are also forfeited by employee (if supplementing) if/when Sedgwick pays benefits for these dates later on.

SAE/Centralized Payroll Audit review:

Each PP, SAE reviews all employees listed on the weekly indemnity benefit report from Sedgwick.

For EE who don't supplement, SAE may monitor Timesheet information to ensure no EE is paid wages while on leave.

For EE who do supplement, SAE audits the P17 forms received from agencies to look for a 3-way match. SAE compares:

- 1) Sedgwick benefit dates/payments reported, 2) SW hrs/dates & benefits shown on P17 forms, and 3) HRIS transactions (P1s and timesheets). If there is not a 3-way match, then we have a problem.

Example: If you have an EE off work for the entire PP, then you should typically expect to see 2 full weekly benefit pymts issued by Sedgwick. You show 80.0 hrs SW on P17 form (unless there is a holiday in the PP), and P1s + timesheets keyed will match to the calcs made on P17 form. If you don't see 2 full weekly payments from Sedgwick reported for the PP, HRA's should contact their Sedgwick rep immediately, to notify about the problem/find out what's going on. Oftentimes, Sedgwick is simply late in reporting payments issued. HRA's should get the pending benefits amount to be paid, and record all payroll transactions in the applicable PP.

It is extremely important for Supervisors, HRA staff, Sedgwick, DAS-HRE and DAS-SAE to all be in 'the loop' on things. Communication between the Agency and your Sedgwick rep is critical, in order to avoid late or incorrect benefit payments being issued. Agencies should be communicating regularly with Sedgwick about EE hrs worked each week, accommodations & restrictions, return to work dates, doctor visits or other medical appts.

If you discover that overpayment of Lost time benefits has occurred:

- ▶ Notify your Sedgwick rep immediately, so Sedgwick can contact the EE to recover the overpayment directly.
- ▶ If the EE has elected to supplement benefits, do not forfeit any benefits that were overpaid by Sedgwick in error. P17 forms, HRIS timesheets, and P1 type 844s to forfeit work comp pay should always be calculated using the actual valid benefits payments to be received for the PP.

If you discover that underpayment of Lost time benefits has occurred:

- ▶ Notify your Sedgwick Rep immediately, so Sedgwick can issue missed benefit payments to EE as soon as possible.
- ▶ If the EE has elected to supplement benefits, then P17 forms, HRIS timesheets, and P1 type 844s to forfeit work comp pay should always be calculated using the actual valid benefits payments to be received for the PP.

Wait Period Hrs later paid as benefit dates - EE supplemented

- ▶ Lost time benefits are paid to EE for waiting period dates after 14 days of disability is met.
- ▶ Sedgwick is responsible for tracking the 14 days of disability.
- ▶ HRA's take no action on payroll until you see that lost time benefits are paid & reported on indemnity reports.
- ▶ If EE elected to supplement, then we retroactively treat the EE as supplementing on those waiting period dates, by only being charged a % of banked leave hrs. Follow steps below:
- ▶ You will recall that originally the EE was charged 100% banked leave hrs.
- ▶ Enter the WP hrs originally charged to EE on Line 6d. Formulas will calculate the hrs adj to be made.
- ▶ Key P1 type 271 to restore partial over-charged leave hrs.
- ▶ EE also forfeits those work comp benefits paid on P1 type 844.

91-104 (7/99)
428-10420PG-027711

STATE OF IOWA
P-17 WORKERS' COMP SUPPLEMENT CALCULATION FORM P-18

Emp Name: John Doe SSN: not necessary to complete / or give last 4 dig
Dept: IA Dept of Justice Payroll #: not necessary to complete

Pay Period: 05/27/11 - 06/03/11

Date of Inj	5/27/11	5/28/11	5/29/11	5/30/11	5/31/11	6/01/11	6/02/11
	Friday	Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday
Code	WK	DD	WK	WK	WK	WK	DD
Hours	8.00	0.00	8.00	8.00	8.00	8.00	0.00

Date	6/3/11	6/4/11	6/5/11	6/6/11	6/7/11	6/8/11	6/9/11
	Friday	Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday
Code	WK	DD	DD	WK	WK	WK	WK
Hours	8.00	0.00	0.00	8.00	8.00	8.00	8.00

Code: DD - Comp Time, DD - Day Off, RL - Paid Holiday
 RC - Returned to Work, SK - Sick Leave, SV - Scheduled to Work
 VC - Vacation, WK - Regular Work, WP - Waiting Period

1. Hours of SV represent above (V) 0.00 hrs.
 2. Workers' Compensation Daily Rate - provided by Sedgwick (A) \$95.00
 3. Employee's normal gross bi-weekly pay (B) \$1,953.60
 4. $A \times B = C$ Percentage that Workers' Compensation Supplement normal gross pay - State share (C) 0.68 %
 5. 100 minus C - Percentage applied to SV hrs (Employee must supplement SV hours using this %) (D) 0.32 %

6. LEAVE USED THIS PAY PERIOD:

a. Unrelated to Workers' Comp Injury (Some sick/vacation day, etc)	<u>0.00</u>	hrs.
b. Plus hours leave used if this pay period included waiting period	<u>0.00</u>	hrs.
c. Plus supplemental leave hours required (SV hours * EE supplemental %)	<u>0.00</u>	hrs.
PRIOR PERIOD ADJUSTMENT - To restore partial leave used for waiting period after 14 days		
d. Waiting Period Leave used during the prior pay period	<u>10</u>	hrs.
e. Misc. Adjustment (+ or -)	<u>0.00</u>	hrs.
TOTAL Leave to be used this pay period: = (X) - (Y) + (Z)	TOTAL	-10.89 hrs.

7. P-1 type 844
 Worker's Comp Benefit paid this pay period (forfeited) \$285.00 Key a-p-type "844" - Entry is treated as a reduction in gross pay
 Leave Hours to be Charged to Employee this Pay Period 0.00 HRIS time type: 260-265 (Non-FMLA) or 300-305 (FMLA) due
 *Use a negative value for adjustment. LEAVE BALANCE CORRECTION -10.89 Key a P1 type "271" P-17hs

Wait Period Hrs later paid as benefit dates - EE did not supplement

- ▶ Lost time benefits are paid to EE for waiting period dates after 14 days of disability is met.
- ▶ Sedgwick is responsible for tracking the 14 days of disability.
- ▶ HRA's take no action on payroll until you see that lost time benefits have been paid & reported on indemnity reports.
- ▶ If an employee DID NOT elect to supplement, then EE can choose 1 of 2 options below:
 - ▶ 1) EE can have 100% banked leave time restored + full wages will be recouped. HRA keys P1 type 271 to restore 16.0 hr sick charged (less accruals earned) + P1 type 846 to recoup the wages paid (detailed P1 remarks are required).
 - ▶ 2) EE requests no retroactive payroll adjustments, and EE keeps Sedgwick benefits payment + wages paid for those dates.

Pay Period 04/29/11-05/12/11

Employee Name John Doe SSN not necessary to complete / or give last 4 digits

Dept IA Dept of xxxxxx Payroll# xxx-xxx-xxxx-xxxx

Date of Injury 5/2/11 W.C. File # not necessary to complete

Date:	4/29/11	4/30/11	5/1/11	5/2/11	5/3/11	5/4/11	5/5/11
	Friday	Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday
Code	Hours	Code	Hours	Code	Hours	Code	Hours
1	SK 8.00	DO	WK 8.00	WK 8.00	SK 8.00	SK 8.00	DO
2	SICK WITH FLU			*DATE OF INJURY*	VP	VP	VP
3							

Date:	5/6/11	5/7/11	5/8/11	5/9/11	5/10/11	5/11/11	5/12/11
	Friday	Saturday	Sunday	Monday	Tuesday	Wednesday	Thursday
Code	Hours	Code	Hours	Code	Hours	Code	Hours
1	SV 8.00	DO	DO	WK 4.00	WK 4.00	WK 4.00	WK 8.00
2				SV 4.00	SV 4.00	SV 4.00	
3				*RTW TO HALF DAYS*			*RTW FULL-TIME

Codes: CO - Comp Time RK - Returned to Work VC - Vacation
 DO - Day Off SK - Sick Leave WK - Regular Work
 HL - Paid Holiday SV - Scheduled to Work VP - Waiting Period

Workers' Comp Medical Appt Hrs

If EE is attending work comp medical appts during their leave period (healing period), then Sedgwick is paying lost time benefits to the EE for this time. Those benefit payments are reported on weekly indemnity reports and transactions are handled through Payroll as normal, depending on EE election to supplement vs not supplement.

However, once the EE has returned to work (restricted or full duty) and requires additional medical appointments, time lost from scheduled work for these appointments will be paid at the regular rate of pay. These payments are not considered weekly benefits will be paid by employing agency as regular work time and not sick or vacation time. This directive is per Mgr/Supv Manual Section 6.20.08.

Reason: Once Sedgwick releases EE to return to work, lost time benefits stop being paid. Since lost time benefits will not be paid to EE for the medical appointment hours, the agency must pay the EE for this time.

EE should be encouraged to schedule work comp appts outside of regular work time. However, if EE attends a work comp medical appt during work time hours, then agencies should use either time types 267-WC MED APPT or 937-FMLA WC MED APPT to record work comp medical appt hours on EE timesheet.

An example of good detailed remarks to enter on timesheet to document these hrs is below:

Work Comp Medical Appt times during PP mm/dd/yy :

mm/dd/yy xx.xx hrs Dr. Smith Reason: Follow-up appt 3-4pm

mm/dd/yy xx.xx hrs ABC Rehab Reason: Physical therapy 2-4pm

Add comments: xxxxxxxx

Catastrophic Leave for EE on Work Comp leave who are not supplementing

Per IAC §85.33.4, no employee shall receive more in pay + benefits that exceeds his/her normal gross BW pay.

An example of calculations to use is shown below for someone who a) is on workers comp leave, b) with no hours worked in the PP, and c) has depleted or will be depleting all banked leave hours.

In this case, the EE cannot supplement since all banked leave hours were depleted in the prior PP.

Normal Biweekly Pay:	\$2000.00
Less: wages for balance of sick/vac hrs payout	(100.00)
Less: wages for hours worked	(0.00)
Less: Sedgwick lost time benefits recd	<u>(1300.00)</u>
= Eligible Cat Donations to be received for PP	600.00

Questions?

Comments?