

Benefits (PA-BN)



HELP.PABN

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Icons

Icon	Meaning
	Caution
	Example
	Note
	Recommendation
	Syntax

Contents

Benefits (PA-BN)	7
Benefits Administration	9
Enrollment	10
Benefit Offer	12
Enrolling Individual Employees in Plans	14
Enrolling Groups of Employees in Automatic or Default Plans.....	16
Calculation of Eligibility Dates	17
Termination	19
Terminating Enrollments	20
Participation Monitor	21
Checking Participation Consistency.....	23
Evidence of Insurability Monitor	24
Processing Evidence of Insurability	25
Participation Overview	26
Displaying a Participation Overview.....	27
Form Printing	28
Printing Enrollment and Confirmation Forms.....	29
Generating Mass Adjustment Reasons	30
Dynamic Eligibility Check	31
Checking Dynamic Eligibility	34
Creating a Payment List	35
Transfer of Data to Providers	37
Generating an IDoc for Data Transfer.....	39
Retirement Plan Administration	40
Full TPA Service Scenario	42
Partial TPA Service Scenario.....	44
Extraction of Payroll Cumulations	46
Extracting Cumulated Payroll Results	48
Service Calculation	49
Calculating Length of Service	52
Data Transfer to a Third Party Administrator	53
Processing Outbound IDocs	56
Inbound Processing of IDocs.....	57
Processing Inbound IDocs.....	58
Benefits Reports	59
Eligible Employees (Report RPLBEN01)	61
Participation (Report RPLBEN02)	62
Changes in Benefits Elections (Report RPLBEN07)	63
Changes in Eligibility (Report RPLBEN09)	64
Changes in Default Values for General Benefits Info (Report RPLBEN13)	65
Health Plan Costs (Report RPLBEN03)	67
Insurance Plan Costs (Report RPLBEN04)	68
Savings Plan Contributions (Report RPLBEN05)	69
Flexible Spending Account Contributions (Report RPLBEN08)	70

Stock Purchase Plan Contributions (Report RPLBEN16)	71
Costs/Contributions for Miscellaneous Plans (Report RPLBEN15).....	72
Vesting Percentages (Report RPLBEN06)	74
Contribution Limit Check (Report RPLBEN18)	75
Employee Demographics (Report RPLBEN11)	77
Benefit Election Analysis (Report RPLBEN17)	78
Enrollment Statistics (Report RPLBEN19).....	79
Infotypes	81
General Benefits Information (Infotype 0171)	83
Adjustment Reasons (Infotype 0378)	84
Health Plans (Infotype 0167)	85
Insurance Plans (Infotype 0168)	86
Savings Plans (Infotype 0169).....	87
Credit Plans (Infotype 0236)	88
Miscellaneous Plans (Infotype 0377).....	89
Stock Purchase Plans (Infotype 0379)	90
Retirement Plan Cumulations (Infotype 0602).....	91
Retirement Plan Valuation Results (Infotype 0565)	92
Benefits Medical Data (Infotype 0376).....	93
External Organization (Infotype 0219).....	94
Case Studies	95
Prededuction.....	96
Employer Matching	101
Benefits Employee Self-Service	105
Participation Overview (ESS)	106
Enrollment (ESS)	107
Spending Account Claims (ESS)	109
Retirement Benefits (ESS).....	110
USA Specifics	111
FSA Claims Administration	112
Entering Claims and Setting Claim Statuses	114
Displaying FSA Balances.....	116
Claims Monitor	117
Monitoring Claims	118
Displaying and Changing Employee FSA Contributions.....	119
COBRA Administration	120
Administration of COBRA.....	121
COBRA Events	122
Collecting COBRA Events	123
Criteria for Qualifying Events	124
COBRA Letters	125
Printing Letters and Terminating Health Plans	126
Monitoring the COBRA Election Period	128
COBRA Participation.....	129
Registering COBRA Elections	130
Printing COBRA Enrollment and Confirmation Forms.....	132

COBRA Payments	133
Printing COBRA Invoices.....	134
Entering COBRA Payments and Displaying Due Amounts	135
Monitoring COBRA Payments	136
Displaying a Summary of COBRA Costs	137
Collecting Beneficiaries for Advance Notification of COBRA End	138
Transfer of Data to Providers	139
Generating an IDoc for Data Transfer	141
Reporting.....	142
Flexible Spending Account Contributions (Report RPLBEN08)	143
403(b) Contribution Summary Report.....	144
403(b) Contribution Estimate Report	146
HIPAA Certificate Report	148
HIPAA Certificate Reprint Function.....	149
Infotypes.....	150
Flexible Spending Account (Infotype 0170)	151
FSA Claims (Infotype 0172).....	152
COBRA-Qualified Beneficiary (Infotype 0211).....	153
COBRA Health Plan (Infotype 0212)	154
COBRA Payments (Infotype 0270)	155
HCE Information (Infotype 0375)	156
Tax-Sheltered Annuity (Infotype 0510)	157
Asia Specifics	158
Claims Processing	159
Entering a Claim.....	161
Accounting a Claim	164
Entitlements and Claim Details Reporting.....	166
Infotypes.....	168

Benefits (PA-BN)

Purpose

In a competitive employment market, benefits play a significant role in total compensation offers designed to attract and keep the best possible employees. The SAP *Benefits* (PA-BN) component offers you powerful and comprehensive tools for creating and managing tailor-made benefits packages for your employees. It allows you to administer an extensive range of benefit plans, and its sophisticated configuration options can accommodate complex plan definitions.

The integrated processes and automated functions in *Benefits* streamline your administrative activities, enabling you to reduce your overheads. By implementing the employee self-services provided in *Benefits*, you can further optimize the cost-effectiveness of your administration. Self-services minimize the volume of paperwork and inquiries from employees handled by your team and increase the timeliness of data recorded in your system.

The *Benefits* component makes important benefits-related information easily accessible to your administrative staff, executives, and employees, as the basis for decisions-making. Information is available in reports or in the form of an online overview of participation.

Implementation Considerations

Benefits integrates to SAP's International Payroll, however, it does not integrate to every SAP country payroll version. Please contact your SAP payroll implementation team or payroll administrator to find out whether integration is in place for your country.

If you want to use *Benefits* for a country payroll version that is not integrated, in conjunction with non-SAP payroll software or an external payroll service, you need to provide your own interface for the transfer of data.

Features

International Benefits

The core *Benefits* component is designed for the international market and encompasses the following central elements:

- [Administrative tools \[Page 9\]](#)

This component provides all the functions needed to handle your organization's benefits administration processes, from enrollment of employees to eligibility monitoring.
- [Reports \[Page 59\]](#)

A range of standard reports are provided that allow you to summarize and analyze data relating to benefits. You also have access powerful reporting tools in order to create any additional reports that may require.
- [Master data \[Page 81\]](#)

Infotypes are the basis for storing information relating to employees within SAP Human Resources. Special infotypes are used for benefits administration, and infotypes from the Personnel Administration (PA-PA) component are also referenced.
- [Employee Self-Service \[Page 104\]](#)

Benefits (PA-BN)

A range of self-services are available that enable your employees to view and change their benefits data within the company Intranet or the Internet.

Country-Specific Benefits

In response to legal and functional requirements in specific countries, additional functions are also available as an add-on to the international component. For more information, see the specific documentation for the relevant country/geographical area:

- [USA Specifics \[Page 110\]](#)
- [Asia Specifics \[Page 157\]](#)

Benefits Administration

Purpose

This component provides the functions needed to handle your organization's benefits administration processes. It enables you to perform the following key activities:

- Enroll employees in benefits plans and terminate enrollments
- Monitor continuing eligibility for plans
- Monitor provision of evidence of insurability
- View information about current benefit enrollments
- Print enrollment and confirmation forms
- Transfer data electronically to plan providers
- Administer retirement plans

Enrollment

Enrollment

Use

This function enables you to enroll employees and, where possible, make changes to employee benefit elections as required for the following tasks:

- Enrollment of employees during an open enrollment period in plans for the coming season
- Enrollment of new hires in plans that are automatically offered
- Enrollment of new hires in default plans as an interim measure, until they have made their benefits choices
- Adjustment of plan enrollments as a result of employee life or job changes

Prerequisites

The prerequisites for enrollment depend on the type of enrollment you are carrying out, as shown in the following table:

Type of Enrollment	Prerequisite
Open	<p>A General Benefits Information record [Page 82] (infotype 0171) must exist for the employee.</p> <p>You are enrolling the employee during an open enrollment period.</p>
Automatic	<p>A <i>General Benefits Information</i> (infotype 0171) record must exist for the employee.</p>
Default	<p>A <i>General Benefits Information</i> (infotype 0171) record must exist for the employee.</p>
Adjustment	<p>A <i>General Benefits Information</i> (infotype 0171) record must exist for the employee.</p> <p>An Adjustment Reasons record [Page 83] (infotype 0378) must exist for the employee at the time of processing, unless the adjustment is defined in customizing as an "anytime" adjustment, which permits changes at all times, in which case this record is not required.</p> <p></p> <p>The <i>Adjustment Reasons</i> record (infotype 0378) might have already been created during HR Personnel Administration processing, or you can create one yourself in HR Master Data.</p>

For more information about the different types of enrollment, see the explanation of the corresponding types of [benefit offer \[Page 12\]](#).

Features

Two different enrollment transactions are available. Which of these you use depends on the number of employees you want to enroll and the type of benefits offer, as shown in the following overview:

Enrollment

Employees to be enrolled	Offer types	Enrollment transaction
Individual employees	Any	Individual enrollment [Page 14]
Larger group of employees	Default/automatic only	Group enrollment [Page 16]

Activities

When you enroll an employee in a plan, the system does the following:

1. Depending on the category of the plan, checks that the enrollment is compliant with Customizing. The following conditions can be set up in Customizing:
 - Corequisite plans
 - Combined contribution limits
 - Combined coverage limits
 - Evidence of insurability (if this is required prior to enrollment)

If any defined conditions are not fulfilled, enrollment cannot be completed.
2. Automatically creates the appropriate infotype records for new plan participation and/or makes the appropriate adjustments to existing infotype records.

If evidence of insurability is required and a grace period is allowed for its provision, either a pending or active record is created, depending on your Customizing settings.

Benefit Offer

Benefit Offer

Definition

The sum of plans that an employee is eligible to enroll in or make changes to on a key date.

Use

When you start enrollment processing for an employee, the system displays a list of offer types that are valid for the employee. You select the offer type for the enrollment you want to perform and the actual offer is generated.

The benefit offers that are valid for an employee depend on:

- Employee eligibility

To determine the eligibility of employees, the system examines the ongoing eligibility criteria assigned to each plan within the employee's [benefit program \[Ext.\]](#). For more information about the Customizing of eligibility criteria, see the *Benefits Implementation Guide (Flexible Administration → Programs → [Employee Eligibility \[Ext.\]](#))*.

- Adjustment reason (only for adjustment offers; see below)
- Enrollment periods (for open and adjustment offers; see below)
- Prerequisite enrollments

For each type of offer, the system takes any prerequisite enrollments that are specified in Customizing into account, and only includes those plans in an offer for which enrollments in prerequisite plans have been made at the latest on the **day before** enrollment in the new plan.



Waiting periods defined in Customizing are taken into account in order to determine the precise date on which an employee becomes eligible for a plan. If the waiting period for a plan ends after the enrollment processing date but within the enrollment period, the plan is included in the offer and available for enrollment (although participation only starts once the waiting period is over). Similarly, if your organization allows advance enrollment for plans, can appear before the waiting period has passed. For more information about how the system determines eligibility dates, see [Calculation of Eligibility Dates \[Page 17\]](#).

The following types of offer are supported by the system:

Adjustment Offer

An adjustment offer is a restricted offer and is only available if the employee has a valid [Adjustment Reason \[Ext.\]](#) record (infotype 0378). The enrollment period for an adjustment offer is dependent on the time allowed for changes after the adjustment reason event, as defined in Customizing, and is identical to the validity period of the Adjustment Reason record. For adjustment reasons defined as "anytime" events in Customizing, changes are allowed at any time after the adjustment reason event.

Benefit Offer

The changes that are possible for this type of offer are controlled per plan type by adjustment permissions. These permissions are assigned to a combination of adjustment reason and employee group in Customizing.

For more information about the Customizing of adjustment reasons and adjustment permissions, see the *Benefits Implementation Guide (Flexible Administration)* → [Benefits Adjustment Reasons \[Ext.\]](#).

Open Offer

An open offer is the most unrestricted type of offer. It is available for enrollment/changes for the entire duration of the [open enrollment \[Ext.\]](#) period and does not require an employee to have an adjustment reason.

Automatic Offer

This offer type contains plans marked as [automatic plans \[Ext.\]](#) in the Customizing of standard selections. If defined, automatic offers are available for enrollment/changes at all times period and do not require an employee to have an adjustment reason.

Default Offer

This offer type contains plans marked as [default plans \[Ext.\]](#) in the Customizing of standard selections. If defined, default offers are available for enrollment/changes at all times and do not require an employee to have an adjustment reason.

Enrolling Individual Employees in Plans

Enrolling Individual Employees in Plans

Use

You follow this procedure in order to:

- Enroll individual employees and change their enrollments according to their elections.
- Print enrollment forms for individual employees

Procedure

1. Choose *Human Resources* → *Personnel Management* → *Benefits* → *Enrollment*.
2. [Select employees for processing \[Ext.\]](#).
3. Single-click on the relevant employee.

A list of possible offers is displayed with the corresponding validity period.

4. To generate an offer, double-click on an offer or choose  *Get offer*.

A list of the plans for which the employee can enroll appears, structured according to plan type. For each plan, the status and enrollment validity period are shown.

You can generate an offer for a different participation start date by choosing , changing the date, and reselecting the offer.

5. To print an enrollment form for the offer, choose  *Print form*.
6. Single-click on a plan to select it for enrollment or to make changes.

Default enrollment data is displayed. Make any necessary changes to this data in accordance with the employee's wishes. To stop participation in a plan for the period shown in the dialog box, select the *Stop participation in period* indicator. The plan infotype is delimited for exactly the period of time specified. Choose  *Accept* to confirm your settings.

If you have selected options that require evidence of insurability, a dialog box appears in which you select those plans for which evidence has been provided and choose  *Accept*.

Once your settings are complete, the plan is marked with a check to indicate that it is selected.

7. Once you have registered the employee's elections for all plans, check whether you have selected the correct plans.

To deselect a plan for which you do not want to complete enrollment, put the cursor on the check mark and choose  *Undo selection*.

8. If you are satisfied with the plan selections, choose  *Enroll*.

A list of actions that will be performed by the system is displayed for you to confirm.

9. If you are satisfied with the actions that the system will perform, choose  *Execute enrollment*.

Enrolling Individual Employees in Plans**Result**

The employee is enrolled and you can print a confirmation letter directly from the confirmation dialog box by selecting  *Confirmation*.

Enrolling Groups of Employees in Automatic or Default Plans

Enrolling Groups of Employees in Automatic or Default Plans

Use

The enrollment procedure is the same for both automatic and default plans. The only difference is that the basis of each enrollment is the automatic offer and the default offer respectively.

Procedure

1. Choose *Human resources* → *Personnel Management* → *Benefits* → *Group Processing* → *Automatic Plans* or *Default Plans*.
2. Specify the key date for which you want to process the enrollment.
3. Specify the employee group for whom you want to make enrollments
For the selection, you can use either personnel numbers or the criteria in the *Additional data* area.
4. Choose .
A list of the selected employees for which an automatic/default offer is available is displayed.
5. Select the employees who you want enroll and choose  *Enroll*.

Result

The employees are enrolled in the predefined automatic or default plans. Successful enrollments are marked . Enrollment errors are marked  and consistency check errors . To display the long text of an error message, double-click on the short text of the message.

Calculation of Eligibility Dates

Determination of employee eligibility is a key process in the Benefits component, and takes place in Enrollment processing and the [Participation Monitor \[Page 21\]](#). The following factors determine the eligibility of employees on a given date:

- The eligibility date
 - This is the first date on which an employee is eligible. The system can calculate this date on various key dates prior to employee plan participation.
- Ongoing eligibility conditions
 - This is determined in accordance with customized eligibility requirements and can be checked by the system at any time during employee plan participation.

This document describes how **eligibility dates only** are determined, taking into account **waiting periods** for enrollment, which can be set up in Customizing. A waiting period can be defined as part of an [eligibility rule \[Ext.\]](#), and can be based on a fixed period (for example, 3 months) or a dynamic condition (for example, 1000 hours service), or both of these. Employees become eligible for enrollment immediately after the end of the [base waiting period \[Ext.\]](#), or on a date specified as the first possible enrollment date after the end of the base waiting period (for example, the first day of the following month).

Algorithm for the Calculation of Eligibility Dates

1. To determine the end of the base waiting period, the system performs different calculations for fixed and dynamic conditions:

Fixed base waiting period

- a. The system identifies the date that is the basis for calculating the eligibility date.
 - As a default, the hire date is used as the base date. This is inferred from the employee's *Personnel Actions* and *Organizational Assignment* records (infotypes 0000 and 0001).
 - If a hire date override is specified in Customizing, the system checks whether the employee has a *Dates Specification* record (infotype 0041) with the date type that is specified as an override. If this is the case, the override date is used as the base date, otherwise the hire date is the base date.
- b. The end of the fixed base waiting period is calculated as the base date plus the fixed period specified in Customizing.

The end of the fixed base waiting period **cannot be earlier** than the hire date itself. This is due to the fact that, since no employee data is stored prior to the hire date, the system does not have access to the necessary information for enrollment. If the calculated end of the fixed base waiting period is before the hire date, the system therefore sets it forward to the hire date.

Dynamic base waiting period

The system checks the employee's *Dates Specification* record (infotype 0041) for the date type specified in the base waiting period definition. If this date type exists, this is used as the end date, otherwise the employee is not eligible and no further calculation takes place.

Calculation of Eligibility Dates



If no base waiting period is defined, the end date is automatically the hire date.

If both a fixed and a dynamic conditions are specified, the end date is the earlier of the end dates for the fixed and dynamic base waiting period.

2. The date that the system considers the actual end date of the base waiting period depends on the definition of the base waiting period, as shown in the following table:

Fixed Definition	Dynamic Definition	End of Base Waiting Period
No	No	Hire date
Yes	No	End of fixed base waiting period
No	Yes	End of dynamic base waiting period, if available, otherwise employee not eligible
Yes	Yes	Earlier of the end dates for the fixed and dynamic waiting period

3. If a first possible date for enrollment **after** the end of the base waiting period is specified in Customizing, the eligibility date is set to the date matching the specified day in a period. If enrollment is specified as immediate, the eligibility date is the same as the end of the base waiting period.
4. If a minimum age is defined in the eligibility rule and the employee has not reached this age on the calculated eligibility date, the eligibility date is set forward to the date on which the employee will reach the minimum age.



If you implement a user exit, the system executes this instead of performing the process described above.

Termination

Use

This function enables you to stop employee participation in plans.

Activities

When you terminate a plan for an employee, the system automatically deletes or delimits the appropriate plan infotype record.

Terminating Enrollments

Terminating Enrollments

1. Choose *Human Resources* → *Personnel Management* → *Benefits* → *Termination*.

2. [Select employees for processing \[Ext.\]](#).

3. Single-click on the relevant employee.

A list of the plan types in which the employee is enrolled is displayed with the corresponding validity period.

4. Select the plan type(s) that you want to terminate.

The default termination date is displayed next to each plan. This date is based on the system date and is dependent on the termination rules assigned to the plan in Customizing.

If you want the termination dates for all plans to be based on a different system date, you can change the system date by choosing . You can also override the termination date for individual plans by single-clicking on the date next to the plan.

5. Choose  *Stop participation* to terminate participation in the selected plans.

A dialog box appears showing the plan types that will be terminated. To continue, choose  *Stop participation*.

Result

The system delimits or deletes the appropriate plan infotypes, taking into account any coverage continuation period defined in a termination rule for the plan.

Participation Monitor

Use

During enrollment processing, the system offers only those plans for enrollment for which employees are eligible. It also performs extensive checks to ensure that the employee plan elections are consistent with the setup of plans and flexible administration settings in Customizing. After enrollment, however, inconsistencies in plan participation can occur as a result of the following:

- Changes in Customizing
 - Plan definitions
 - Flexible administration settings
- Changes in an employee's organizational assignment

If an employee falls into a different grouping for any plan-related or administrative settings in Customizing, she may become ineligible for the plans in which she is currently participating.
- Manual adjustments made directly on infotype records

Although you can change employee elections directly on plan infotypes, this procedure does not guarantee consistency, since the HR Master Data transaction cannot perform all of the Benefits-specific checks. SAP therefore recommends that, whenever possible, you use the Enrollment transaction to make changes to change plans infotypes.

The Participation Monitor enables you to detect employees who are no longer eligible for plans in which they are participating and find any inconsistencies in plan elections.

Features

The Participation Monitor checks the following by comparing **current** infotypes with the following Customizing data:

- Eligibility
 - Macro-eligibility (determined by the benefit program valid for the employee according to his/her program groupings)
 - Micro-eligibility (determined by eligibility rules)
- Values and settings stored on infotypes
 - Employee contribution
 - Coverage
 - Additional coverage units
 - Pre-tax indicator
 - Dependents (for example, maximum age)
 - Beneficiaries (for example, 100% distribution)
 - Investments

Participation Monitor

- Combined coverage
- Combined contribution
- Corequisite plans



The monitor cannot check future participation.

Since prerequisite plans are only relevant at enrollment, the monitor does not check for these.

The Participation Monitor enables you to both check for and correct inconsistencies in a single tool. Once you have accessed the monitor, you can do any of the following to remove inconsistencies:

- Withdraw employees from plans for which they are ineligible or for which the plan elections are invalid

You can only withdraw employees if this does not cause further inconsistencies, for example, if the plan is a corequisite plan. The employee is withdrawn for the duration of the current plan participation by delimiting the current infotype record.

- Change employee elections for current plans

This is done using a special [benefit offer \[Page 12\]](#) that is available only from the Participation Monitor. This offer requires no adjustment reasons as a prerequisite for changes.

- Transfer the employee to a different plan for which he/she is eligible within the **same plan type**

This is done using a special [benefit offer \[Page 12\]](#) that is available only from the Participation Monitor. This offer requires no adjustment reasons as a prerequisite for changes.

Activities

You need to run the Participation Monitor regularly to detect ineligibility and election inconsistencies as soon as they occur.

Checking Participation Consistency

Procedure

1. Choose *Human Resources* → *Personnel Management* → *Benefits* → *Participation Monitor*.
2. Specify the key date for which you want to check eligibility and the validity of plan elections.
3. Specify the employees for whom you want to run the check.

For the selection, you can use either personnel numbers or the criteria in the *Additional data* area.

4. Choose .

Result

A list of employees who are ineligible for the plans in which they are enrolled or whose plan elections are no longer valid is displayed. The reason for employee ineligibility/invalidity of elections is displayed for each relevant plan.

You can do either of the following in order to correct inconsistencies in plan participation:

- To withdraw an employee, select the appropriate plans and choose  *Stop participation*. A list of system actions appears for you to confirm by choosing  *Execute*.

The relevant plan infotypes are delimited on the day before the selection date. Any infotype records for future participation in plans within the same plan type remain unchanged. Note that if a termination rule is assigned to the plan and specifies a coverage continuation period, this period is **not** taken into consideration as it would be in regular Termination.

- To change an employee's elections, position the cursor on the appropriate employee, choose  *Change plan elections*, and continue as you would for regular [enrollment \[Page 14\]](#).
- To transfer an employee, position the cursor on the appropriate employee, choose  *Change plan elections*, and enroll the employee in a different plan.

To check participation on a different date, choose  and change the selection date.

Evidence of Insurability Monitor

Evidence of Insurability Monitor

Use

For certain coverage options in health plans and levels of coverage in insurance plans, employees are required to provide documents that prove their insurability. The coverage allowed for a plan without provision of evidence of insurability (EOI), and the grace period for the provision of EOI are specified in Customizing, as is the grace period for the provision of EOI.

Provision of evidence is not a prerequisite for the process of enrollment, however, actual participation may not be possible without EOI, depending on Customizing settings. You therefore need to periodically monitor the status of EOI to detect any failure to provide EOI within the grace period for a plan.

Features

The Evidence of Insurability Monitor enables you to do all of the following from within in a single tool:

- Register receipt of EOI
- Get an overview of employees for whom EOI is outstanding
- Stop participation or close pending enrollments for employees who have not provided evidence within a grace period

Activities

When an employee provides adequate EOI from an employee, you start the monitor in order to record this receipt. However, you also need to start the Evidence of Insurability Monitor regularly, in order to determine whether any employees have failed to provide evidence within the grace period for the plan.

Processing Evidence of Insurability

Procedure

1. Choose *Human Resources* → *Personnel Management* → *Benefits* → *Insurability*.
2. Specify the key date for which you want to monitor the EOI status or register provision of EOI.
3. Specify the employees for whom you want to run the check or from whom you have received EOI.

For the selection, you can use either personnel numbers or the criteria in the *Additional data* area.

4. Choose .

Result

A list of the selected employees is displayed. For each employee, the plans requiring EOI are shown with their options/coverages, the status of EOI provision, and the end date the grace period.

You can perform the following activities from within the monitor:

- Register receipt of EOI, by selecting the appropriate plans and choosing  *Insurability proven*.
The employee is automatically enrolled in the desired plan with the option/coverage level that he/she elected.
- Withdraw employees from plans for which they have failed to provide EOI within the grace period, by selecting the appropriate employees and choosing  *Stop participation*.
If the relevant plan infotypes are current, they are delimited on the day before the selection date. Plan infotypes for future participation are deleted.
Note that if a termination rule is assigned to the plan and specifies a coverage continuation period, this period is **not** taken into consideration as it would be in regular Termination.

To select employees on different date, choose  and change the selection date.

Participation Overview

Participation Overview

Use

This function allows you to display information about the benefits of individual employees. You need to use this function, for example, if you receive an inquiries from employees who regarding their current enrollments.

Integration

This function can be accessed separately from the SAP Easy Access menu or from within the central processing functions (enrollment, termination, participation, and insurability) by choosing  *Overview*.

Features

The overview of employee benefits shows the following information:

- Plan data
 - The selected options, dependents/beneficiaries, costs, employee and employer contributions, credits are shown.
- Costs
 - The costs for the employer and employee are shown, but not for the provider.
- Employee master data
 - A summary of relevant employee data is shown from the infotypes *Personal Data* (0002), *General Benefits Information* (0171), *Organizational Assignment* (0001), *Family/Related Person* (0021).
- Participation overview
 - A block diagram shows participation in plans over a period of time.

Displaying a Participation Overview

Procedure

6. Choose *Human Resources* → *Personnel Management* → *Benefits* → *Participation Overview*.
7. [Select the employees \[Ext.\]](#) for whom you want to display an overview.
8. Single-click on the relevant employee.

Result

A series of tab pages appears, showing the different categories of information. The following table lists the display and processing options that are supported for each category:

Information Category	Display/Processing Option
Plan data	Display/change plan data on infotype Print confirmation form
Costs	Display costs for different periods
Employee master data	Maintain employee master data on infotype
Graphical overview	Show employee participation for any period in a block diagram

You can generate an overview for a different date by choosing  and changing the system date.



Although you can access the HR Master Data from the participation overview in order to make changes to infotype data, SAP recommends that, where possible, you change employee data infotypes using personnel actions in the Personnel Management component. This ensures that records are checked for consistency.

Form Printing

Form Printing

Use

This function enables you to print enrollment or confirmation forms for one or more employees. You can print enrollment forms for individual employees as required from [individual enrollment \[Page 14\]](#). You also have the option of printing a confirmation form after enrolling an individual employee from this enrollment function. However, in order to print enrollment or confirmation forms in bulk or to print a confirmation form for an individual employee on demand, you need to use this separate print function.

Prerequisites

You have set up form templates for your organization in the *Benefits* Implementation Guide in the section *Flexible Administration* → [Form Setup \[Ext.\]](#).

Features

Enrollment Forms

The [benefit offer \[Page 12\]](#) valid for each employee on the selection date is determined and the relevant plans are listed in the form.

Confirmation Forms

The plans in which an employee is participating on the selection date are listed in the form.

Printing Enrollment and Confirmation Forms

Procedure

1. Choose *Human Resources* → *Personnel Management* → *Benefits* → *Forms* → *Enrollment* or *Confirmation*.
2. Specify the key date for which you want to print forms.
3. Specify the employees for whom you want to reference a valid offer (for an enrollment form) or enrollments (for a confirmation form).

For the selection, you can use either personnel numbers or the criteria in the *Additional data* area.

4. Choose .
A list of the selected employees is displayed.
5. To preview an individual form, select an employee and choose  *Display form*.
If you wish, you can print the form from the preview.
6. To print forms, select the employees for whom you want to print forms and choose  *Print form*.
7. If you use SAPscript forms, define your print parameters and choose  *Print*.

Result

The forms are printed. Employees for whom forms are successfully printed are marked . Printing errors are displayed in the employee selection list. To display the long text of an error message, double-click on the short text of the message.

Forms with SAPscript Template

The print request is sent to the SAP System spool to be printed on the output device you specified.

Forms with Office Template

The forms are printed on the default printer set for your operating system.

Generating Mass Adjustment Reasons

Generating Mass Adjustment Reasons

Use

If a group of employees experiences an organizational change, as a result of multiple identical adjustment reasons must be created, you can follow this procedure to create the appropriate Adjustment Reason records (infotype 0378) in a single step rather than having to create them individually. For example, you may need to generate large numbers of adjustment reasons as a result of restructuring within your organization.

Since the mass generation program locks the relevant employees while creating records, you should consider scheduling it to run in the background when no other processing is taking place, for example, during the night.

Procedure

1. Choose *Human Resources* → *Personnel Management* → *Benefits* → *Group Processing* → *Adjustment Reason*.
2. Specify the key date for which you want to generate adjustment reasons.
This date is the validity start date for the Adjustment Reason record.
3. Specify the employees for whom you want to generate adjustment reasons.
For the selection, you can use either personnel numbers or the criteria in the *Additional data* area.
4. Enter both the adjustment reason that you want to generate and a benefit area (since the same adjustment reason can exist in more than one benefit area).
5. Choose .
A list of the selected employees is displayed. If an adjustment reason record already exists for an employee on the key date, the system displays this and shows the new record that will be created, thereby delimiting the old one.
6. Select the employees for whom you want to continue with the generation of adjustment reason records and choose .

Result

Adjustment reasons are generated. If generation takes place in the foreground, employees for which Adjustment Reason records are successfully created are marked .

Dynamic Eligibility Check

Use

Dynamic eligibility can be based on either actual hours worked or length of service and can be used as follows:

- To control ongoing eligibility
- To define a waiting period for initial enrollments

Each dynamic eligibility condition is defined for a date type, which is subsequently assigned in an eligibility rule. When an employee completes the waiting period as defined by the rule, the appropriate date type is written to the employee's *Date Specifications* record (infotype 0041). When eligibility is subsequently checked in benefits processing (in Enrollment or the Participation Monitor), the system reads this record to determine whether the required date type exists, and therefore whether the employee has completed the dynamic waiting period or is still eligible for a plan.

If used as criteria for eligibility, an employee's actual hours or length of service are **not** determined every time eligibility is checked in benefits processing. Instead, these values must be determined periodically by running the Dynamic Eligibility Check report (RPUBEN47) in the background. This program writes the date types that control eligibility in benefits processing.



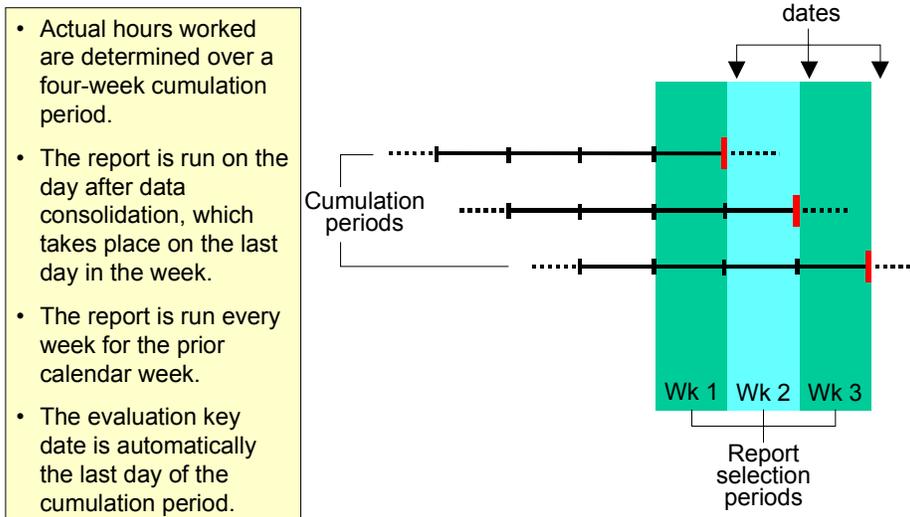
Since the timeliness of eligibility data is important for correct enrollments and accurate monitoring of participation, you should plan a Dynamic Eligibility Check to run at regular intervals and evaluate consecutive time intervals to ensure that no key dates are omitted.

The report selection period that you choose also depends on the evaluation periods that you specify for different conditions in Customizing. Since the report checks all dynamic eligibility conditions, you need to use a selection period that is appropriate for all evaluation periods.

You should only run the report when you are sure that the data on which dynamic eligibility is based is stable, for example, after data consolidation has taken place and retrocalculations are therefore no longer possible.

The following graphic shows an example of how the check report can be scheduled to check dynamic eligibility on the basis of **actual hours**:

Dynamic Eligibility Check



Prerequisites

- Dynamic eligibility conditions have been set up in the Benefits Implementation Guide in the section *Flexible Administration* → *Programs* → *Employee Eligibility* → [Dynamic Eligibility \[Ext.\]](#).
- If you determine eligibility based on length of service calculated using the hours-counting method, cumulated hours must be available on a special infotype (see [Service Calculation \[Page 49\]](#)). You extract these hours from payroll using the [Extraction of Payroll Cumulations \[Page 46\]](#) function for the period corresponding to the eligibility evaluation period.

You might want to cumulate hours for dynamic eligibility over a period of a month, for example. In this case, you need to run an extraction each month for the identical period prior to running a dynamic eligibility check.

Activities

The report uses the following algorithm to check dynamic eligibility for each employee:

1. Determines the date types to which dynamic eligibility conditions are assigned in the employee benefit area.
2. For each date type, checks whether eligibility conditions are fulfilled:

Actual hours condition

The required actual hours worked are compared with the employee's time data read from the SAP *Personnel Time Management* component. The period within which this comparison is made depends on the cumulation period specified in the Customizing of dynamic eligibility conditions as follows:

Dynamic Eligibility Check

- If the period is the term of employment, the period runs from the hire date (or the earliest begin date, if specified) until the day before the plant data collection (PDC) recalculation date on the *Payroll Status* record (infotype 0003) or the last key date for evaluation if that is earlier.
- If the period is fixed (for example, four weeks), several periods can be evaluated within the report selection period. The report reads data for all evaluation key days (the last day in an evaluation period specified in the Customizing of dynamic eligibility conditions). If the last PDC date falls within any of these periods, the report returns an error, because data for the full period was not available.

Length of service condition

The required length of service is compared with the length of service determined by elapsed time (from specified infotype records) or actual hours worked (from payroll results stored after extraction on *Retirement Plan Cumulations* records (infotype 0602)).

The comparison is made on the last evaluation key date that falls within the report selection period.

3. The first time an employee fulfills the dynamic eligibility criteria, a *Date Specifications* record (infotype 0041) is created with the appropriate date type. The actual date that the report stores for the date type is the day after the day on which the employee fulfills the criteria (the first day of eligibility), regardless of whether this falls within the report selection period.

The report also creates an *Adjustment Reasons* record (infotype 0378) for any adjustment reason that is specified in the Customizing of dynamic eligibility conditions. This adjustment reason then appears in Enrollment to indicate that the employee can be enrolled in the relevant plan.
4. The next time the report is run, the system checks the eligibility conditions associated with every date type on an employee's *Date Specifications* record (infotype 0041) to determine whether the employee is still eligible. Whether this check takes place depends on your settings in the Customizing of dynamic eligibility conditions:
 - If the settings specify that the condition must be fulfilled **once only**, a check only takes place if the relevant date type is not found on the record.
 - If the settings specify that the condition must be **continuously** fulfilled, eligibility is checked on each evaluation key date. If the employee continues to fulfill the criteria, no changes are made to the record. If the condition is not fulfilled, the report delimits the record on the day after the end of the evaluation period, and creates new infotypes for any other date types that are still valid.

Checking Dynamic Eligibility

Checking Dynamic Eligibility

Use

You follow this procedure to manually run the Dynamic Eligibility Check report (RPUBEN47), which determines employee eligibility in accordance with dynamic eligibility conditions. Typically, you schedule this report to run in the background, since the check should take place at regular intervals.



You should only run the report when you are sure that the data on which dynamic eligibility is based is stable, for example, after data consolidation has taken place and retrocalculations are therefore no longer possible.

Procedure

1. Choose *Human Resources* → *Personnel Management* → *Benefits* → *Administration* → *Dynamic Eligibility*.

2. Specify the period for which you want to run the check.

The report selection period that you choose depends on the evaluation periods that you specify for different dynamic eligibility conditions in Customizing. Since the report checks all dynamic eligibility conditions, you need to use a selection period that is appropriate for all evaluation periods.

3. Specify the employees for whom you want to run the check.

For the selection, you can use either personnel numbers or the criteria in the *Additional data* area.

4. Specify the date type(s) for which the associated dynamic eligibility conditions are to be checked.

5. Choose  *Execute*.

Result

Employee *Date Specifications* records (infotype 0041) are updated and employees listed according to the following categories:

- Minimum working time/length of service reached
- Minimum working time/length of service not longer reached
- Errors while determining evaluation period
- Errors while checking minimum working time
- Errors while updating 0041 records
- Messages

A statistical summary also appears at the end of the list.

Creating a Payment List

Use

After a payroll run, you can follow this procedure in order to create a list of payments due to an individual benefits provider on a particular date. This list can then be forwarded to your Financial Accounting department so that payments can be made accordingly.

You create a list for a single payroll area and payroll period, with a single due date for payments. However, it is also possible to take bonus payroll runs into account.

Prerequisites

You can only create a list of due payments if you implement SAP Payroll.

Procedure

1. Choose *Human Resources* → *Personnel Management* → *Benefits* → *Administration* → *Payment List*.
2. Specify the payroll area and period for which you want to create a payment list.
3. If required, restrict the selection using personnel numbers or payroll area as criteria.
4. If you want to take bonus payrolls into account, specify a special payroll run.
5. If you want to break down the list by wage types, set the *List wage types individually* indicator.
6. You can specify benefit areas, plans, and/or investments for which payments are to be listed separately.

This is useful if the provider in question offers more than one benefits plan, and you want the payments for these plans listed separately or if the payments have different due dates.
7. Enter *Provider data*.

The *Due date* you enter is printed on the list for the information of the Financial Accounting department.
8. Determine how any results from retroactive accounting that has taken place in the payroll period are to be shown in the list:
 - Select *Display amount for transfer* if you want to show the **sum** of the amount for the selected payroll period and amounts from retroactive accounting in any prior periods.
 - Select *Display differences per period* if you want to show the differences **per period** between previous and current payroll results.
 - Select *Display current period only (without retro. calculation)* if you want to show the amount for the specified payroll period only and disregard any differences from retroactive accounting.

This option is used in Japan, for example, where differences resulting from retroactive accounting are already included in the result for the specified period.
9. Choose .

Creating a Payment List**Result**

A list of payment requests is generated according to your selections, with a due date stamp. The list is displayed in grid format and can be printed in list format.

Transfer of Data to Providers

Use

You can communicate participation data for all plan categories (except credit plans) to external providers, along with other relevant employee data stored in the Benefits component. To do this, you generate intermediate documents (IDocs), which can be forwarded by means of a variety of media, for example as an e-mail attachment, tape, or file on a server.

Features

The structure of Benefits IDocs conforms with the standard ANSI X12.834 governing electronic data interchange.

The IDoc *BENEFIT1*, which is available as of Release 4.6A, includes the following data:

- Administrative data
- Personal data
- Address data
- Medical data
- Health plan coverage

The IDoc *BENEFIT2*, which replaces *BENEFIT1* in Release 4.6C, includes the same data as *BENEFIT1* and the following additional data:

- Administrative data (additional fields)
- Organizational data
- Information about employee posts
- Savings plan participation data

The IDoc *BENEFIT3*, which replaces *BENEFIT2* in Release 4.6C (Support Release 2), includes the same data as *BENEFIT2* and the following additional data:

- Insurance plan participation data
- Flexible spending account participation data (USA only)
- Stock purchase plan participation data
- Miscellaneous plan participation data
- Additional fields for savings plan participation data

You can choose to transfer either all relevant data or only those records that have been changed within a given period. For example, you may want to send a full set of data to the provider initially and subsequently communicate updates only.

Activities

The system generates IDocs by selecting data and arranging it in a predefined hierarchical structure. The IDoc is automatically passed on to the SAP *Basis* component where it is further processed.

Transfer of Data to Providers

If your organization wants to send IDocs containing changed data to a provider, long-term change documents need to be set up in Customizing to log changes to the relevant infotype records. These documents are then evaluated during IDoc generation to identify changed records.

The system considers the following infotypes when searching for changes. You therefore need to log those infotypes for which you want to transfer changes, depending on the contract with your provider:

Type of Infotype	Infotype Number
Personal/administrative information	0000, 0001, 0002, 0006, 0008, 0077, 0375, 0376
Dependent information	0021 (and, depending on the country grouping, 0106, 0148, 0397)
Plan participation information	0167 (and 0212, if the report RPUCOB10 is used to report COBRA plan participation data in the USA), 0168, 0169, 0170 (USA only), 0377, and 0379



- If you use the IDoc *BENEFIT1* instead of *BENEFIT2*, you do not need to track changes in the infotypes 0001, 0008, 0375, and 0169.
- If you use the IDoc *BENEFIT2* instead of *BENEFIT3*, you also do not need to track changes in the infotypes 0168, 0170 (USA only), 0377, and 0379.

Change documents are set up in the *Personnel Administration* Implementation Guide (*Tools* → *Revision* → [Set Up Change Document \[Ext.\]](#)).

Generating an IDoc for Data Transfer

1. If you are transferring regular plan data, choose *Human Resources* → *Personnel Management* → *Benefits* → *Administration* → *Data Transfer to Provider*.
If you are transferring COBRA health plan data, choose *Human Resources* → *Personnel Management* → *Benefits* → *COBRA* → *Data Transfer to Provider*.
2. Enter the ID of the provider to whom you want to transfer data.
3. Enter a start and end date to define the period for which you want to select data for transfer.
4. Define the range of data to be transferred in the *Selection* area.
5. Indicate for which plan category the IDoc is to contain data.
6. Set the *Changes only* indicator if you want the IDoc to contain only changes made to records.
7. Choose  .

Result

An IDoc is created in the background and a log is displayed. You can check the data in the IDoc structure by choosing  *Display IDoc*.

Retirement Plan Administration

Use

Retirement plans can be set up in the Benefits component in the plan category *Savings*. However, the administration of these plans is more complex than is the case for regular savings plans, and therefore additional functions are required to support the administration process.

Prerequisites

Before you start the administration process for retirements plans, all relevant Customizing activities must be complete. The Customizing of retirement plans involves the following central definitions:

- Plan general data
- Service calculation processes
- Cumulation of retirement plan relevant data in payroll

For information on the individual Customizing steps, see the *Benefits* Implementation Guide (*Plans* → *Savings Plans*).

Features

The administration process is supported by the following functions in the SAP System:

- [Extraction of payroll cumulations \[Page 46\]](#)
 - The calculation of retirement benefits and service calculation using the hours-counting method is based on the following data cumulated in payroll:
 - Hours
 - Earnings
 - Contributions (if a retirement plan has contributions and the employee is enrolled in this plan)
 - In order to make this data accessible for calculations in the SAP System and for data transfer to a TPA, it must be copied from the payroll cumulations table to a special infotype. This is done using an extraction program.
- Dynamic eligibility
 - Waiting periods for participation in retirement plans can be based on employee length of service (dynamic eligibility). Since [eligibility service \[Ext.\]](#) must be regularly calculated by means of a [dynamic eligibility check \[Page 31\]](#) to ensure that the eligibility status of employees is up-to-date, this is always done in the SAP System rather than by the TPA.
 - If you determine waiting periods for retirement plan eligibility on the basis of length of service using the hours-counting method (see [Service Calculation \[Page 49\]](#)), you need to run an extraction of the most recent payroll results prior to each dynamic eligibility check.
- [Service calculation \[Page 49\]](#)

Retirement Plan Administration

Employee length of service on which retirement benefit amounts and vesting percentages are based can be calculated in your SAP System or by a third party administrator (TPA).

- [Data transfer \[Page 53\]](#)

Projected benefits for retirement plans are calculated by a TPA. Data on which this calculation (and, if necessary, service calculation) is based must therefore be communicated to the TPA and the results of the calculation stored in your SAP System. Data transfer takes place by means of intermediate documents (IDocs).

Activities

The administration process depends on whether the TPA provides a full or partial service. In a full service scenario, the TPA calculates service and projected retirement benefits. In a partial service scenario, service calculation takes place in your SAP System, and the TPA calculates projected retirement benefits only. The system and user activities involved in retirement plan administration are therefore described separately in the following scenarios:

[Full TPA service scenario \[Page 42\]](#)

[Partial TPA service scenario \[Page 44\]](#)

Full TPA Service Scenario

Full TPA Service Scenario

Purpose

This process describes the steps involved in administering retirement plans if the third party administrator calculates both length of service and projected benefits.

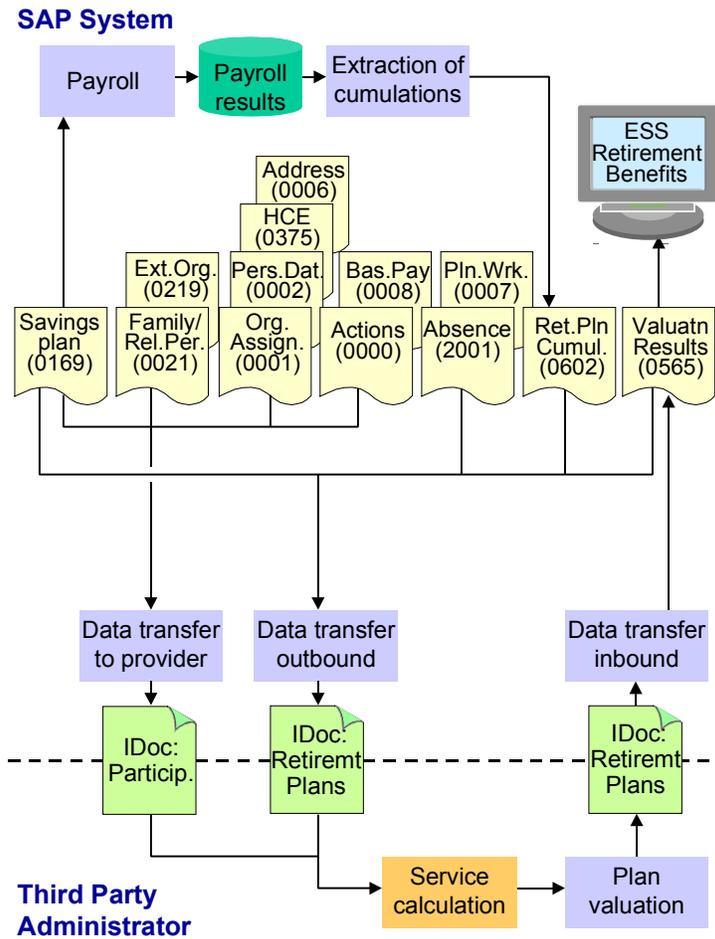
Prerequisites

Employees have enrolled in retirement plans.

Process Flow

1. Once an employee has enrolled in a retirement plan, contributions (if defined for a plan) are cumulated in payroll, in addition to hours and earnings.
2. When payroll data is required for data transfer to the TPA and you are certain that it is not subject to retrocalculation, you extract it to the *Retirement Plan Cumulations* infotype (0602).
3. When data is required by the TPA for the calculation of projected retirement benefits and service, you generate two IDocs; one containing plan participation data and the other containing data required for calculating service and projected benefits. You make these IDocs available to the TPA.

You must ensure that the IDocs contain data for an identical period in time and generate them in close succession to avoid discrepancies due to changes in data.
4. When the TPA returns the results of benefit and service calculation, you trigger inbound IDoc processing in order to transfer data to your SAP System.



Flow of Data in a Full Service Scenario

Result

Projected retirement benefits and service data are stored in your system. If you want to enable employees to display their most recently calculated service and benefits, you can implement the Employee Self-Service [Retirement Benefits \[Page 109\]](#).

Partial TPA Service Scenario

Partial TPA Service Scenario

Purpose

This process describes the steps involved in administering retirement plans if the third party administrator calculates projected benefits only, and length of service is calculated in your SAP System.

Prerequisites

Employees have enrolled in retirement plans.

Process Flow

1. Once an employee has enrolled in a retirement plan, contributions (if defined for a plan) are cumulated in payroll, in addition to hours and earnings.
2. When payroll data is required for service calculation and you are certain that it is not subject to retrocalculation, you extract it to the *Retirement Plan Cumulations* infotype (0602). Service calculation can take place in preparation for data transfer to the TPA.
3. When you are sure that you have extracted a complete and up-to-date set of cumulation data, you run service calculation.

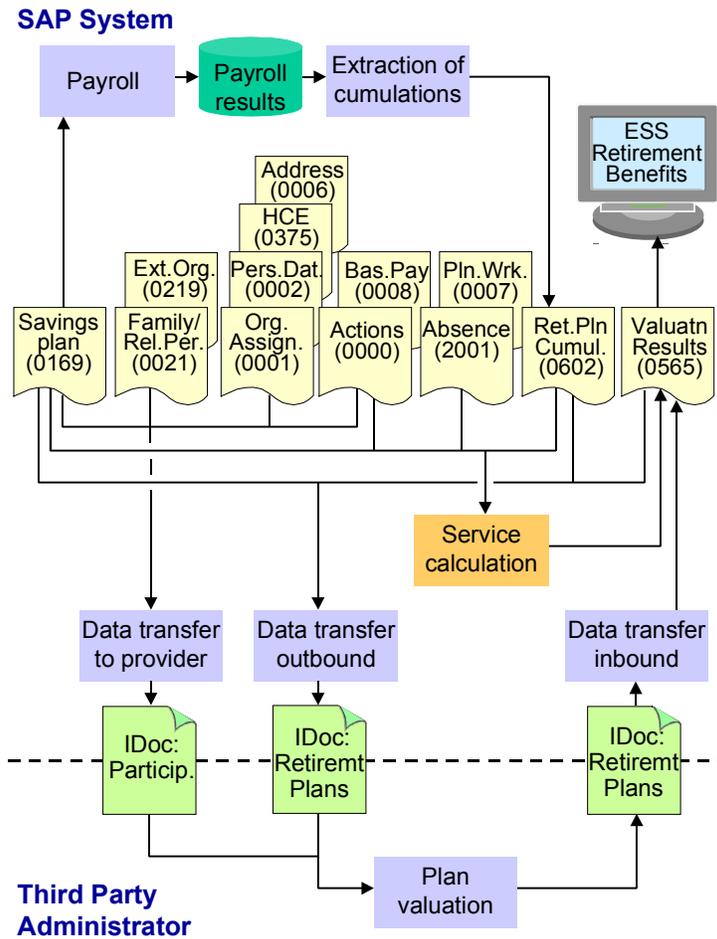
For calculation using the elapsed time method, data is read from infotypes that directly or indirectly provide information about employment period. For calculation using the hours-counting method, hours data is read from the extracted payroll results.

The calculation results are written to the *Retirement Plan Valuation Results* infotype (0565).

4. When data is required by the TPA for the calculation of projected retirement benefits, you generate two IDocs; one containing plan participation data and the other containing service calculated in the SAP System and other data required for calculating projected retirement benefits. You make these IDocs available to the TPA.

You must ensure that the IDocs contain data for an identical period in time and generate them in close succession to avoid discrepancies due to changes in data.
5. When the TPA returns the results of benefit calculation, you trigger inbound IDoc processing in order to transfer data to your SAP System.

Partial TPA Service Scenario



Flow of Data in a Partial Service Scenario

Result

Projected retirement benefits and service data are stored in your system. If you want to enable employees to display their most recently calculated service and benefits, you can implement the Employee Self-Service [Retirement Benefits \[Page 109\]](#).

Extraction of Payroll Cumulations

Extraction of Payroll Cumulations

Use

This function enables you to extract cumulated results from payroll and store them on a special infotype record as the basis for retirement plan calculations. Cumulated payroll results are required for the following calculations:

- Length of service

If you determine length of service for retirement plans using the hours-counting method (see [Service Calculation \[Page 49\]](#)), information about the [pensionable hours \[Ext.\]](#) of employees is required for the calculation of service within your SAP System or by your third party administrator (TPA). This information can only be determined from payroll results.

If you define dynamic eligibility rules based on length of service using the hours-counting method, information about hours is also used by the [dynamic eligibility check \[Page 31\]](#) to determine the [eligibility service \[Ext.\]](#), and therefore eligibility dates of employees.

- Projected retirement benefits

Your TPA requires information about the [pensionable earnings \[Ext.\]](#) of employees and, if applicable, contributions made to retirement plans in order to calculate the employee retirement income.

By extracting earnings, hours, and any retirement plan contributions to the [Retirement Plan Cumulations infotype \(0602\) \[Page 90\]](#), you therefore make this data readily accessible for inclusion in an IDoc to be sent to the TPA and, if necessary, for service calculation in your SAP System using the hours-counting method.

Prerequisites

Before you extract payroll data, you must ensure that this data is stable, and that no further retrocalculations will take place for the periods whose data you are extracting.

Features

The extraction function reads information about earnings and hours, which are stored on a special [compensation wage type \[Ext.\]](#) set up in Customizing. Exactly which data is stored on this wage type is determined by [compensation models \[Ext.\]](#) that are also set up in Customizing. If your retirement plans have contributions, it also reads information about contributions from the appropriate wage types. For more information about the relevant wage types refer to the Benefits section in your country version of the Payroll Implementation Guide.

You can manually adjust accumulations of hours, earnings, and contributions, should this be necessary. Manual adjustments are stored as separate records on the *Retirement Plan Cumulations* infotype (0602). Since they can span several cumulation periods, they are not attributed with a calendar type for cumulation.

Activities

The intervals at which you need to run an extraction depend on the following factors:

Extraction of Payroll Cumulations

- The frequency with which you check eligibility based on length of service using the hours-counting method

The period over which hours are cumulated in order to determine eligibility influences how often you need to run an extraction to provide up-to-date information for [dynamic eligibility checks \[Page 31\]](#). For example, if you cumulate hours over a period of a month, you need to run an extraction each month for the identical period prior to running a check.
- How often you send extracted information to the TPA

Extracting Cumulated Payroll Results

Extracting Cumulated Payroll Results

Use

You follow this procedure to copy data relevant for the calculation of length of service and retirement benefits from the [compensation wage type \[Ext.\]](#) (and, if applicable, the contribution wage type), and store them on the Retirement Plan Cumulations infotype (0602).

Prerequisites

Procedure

1. Choose *Human Resources* → *Personnel Management* → *Benefits* → *Retirement Plans* → *Extraction of Payroll Cumulations*.
2. Specify the period for which you want to extract results.
Only results from cumulation periods **ending** within the selection period are extracted.
3. Specify the employees for whom you want to run the extraction.
For the selection, you can use either personnel numbers or the criteria in the *Additional data* area.
4. Specify the plan(s) for which you want to run the extraction.
5. Choose .

Result

Results are extracted and written to the Retirement Plan Cumulations infotype (0602). A record is created for each payroll cumulation period within the period you specified for extraction and attributed with the associated calendar type for cumulation (for example, *Monthly*).

A log appears when the extraction is complete.

Service Calculation

Use

This function enables you to calculate length of service for employees as part of the administration of retirement plans. Information about length of service is required for the following retirement plan calculations:

- Projected retirement benefits

The third party administrators (TPAs) who calculate the expected retirement income for employees require service data as the basis for this calculation. Length of service can either be calculated within your SAP System and communicated to the TPA, or calculated by the TPA on the basis of relevant data that you provide (absence data, working time, employment dates, and historical accumulations of hours).

The following types of service are relevant for the calculation of projected retirement benefits:

- Participation service

This is credited to an employee for participation in a retirement plan and used to calculate projected retirement benefits.

- Benefit accrual service

This is credited to an employee for participation in a retirement plan and used to calculate projected retirement benefits. It determines the length of time that an employee has participated in a retirement plan for the purpose of calculating his/her projected retirement benefit.

- Vesting service

This is credited to an employee for participation in a retirement plan and used to determine when an employee becomes vested in the plan, and the relevant vesting percentage.

- Eligibility

Waiting periods for participation in retirement plans can be based on employee length of service (dynamic eligibility), in which case information about [eligibility service \[Ext.\]](#) is required in order to determine an employee's eligibility date.

Since eligibility service must be regularly calculated by means of a [dynamic eligibility check \[Page 31\]](#) to ensure that the eligibility status of employees is up-to-date, this is always done in the SAP System rather than by the TPA.

Prerequisites

If your organization requires employee length of service to be calculated using the hours counting method (see below), you must ensure that information about hours on the [Retirement Plan Cumulations infotype \(0602\) \[Page 90\]](#) is complete for the period for which you are running the calculation. Prior to each seniority calculation, you therefore need run an [extraction of payroll cumulations \[Page 46\]](#) for a period in time that ends on the service calculation date.

Data on the *Retirement Plan Cumulations* infotype (0602) must also be complete for the period for which you calculate eligibility service (see above) using the Dynamic Eligibility Check report.

Service Calculation

Features

The calculation of each type of service can be flexibly defined to take account of your organization's policies regarding crediting of service. The algorithms used to calculate each type of service are defined by means of valuation models and calculation processes set up in Customizing. For more information about the definition of service calculation in Customizing, see the Benefits Implementation Guide (*Plans* → *Savings Plans* → [Retirement Plan Service \[Ext.\]](#)).

Either of the following methods can be used to calculate length of service:

- Elapsed time evaluation

This method determines length of service as the time that has elapsed since hiring or plan entry, taking into account interruptions in service, if required. It reads the relevant data from infotypes specified in Customizing.

You typically use this method to calculate the length of service of salaried employees (for whom no hours data is recorded).

- Hours counting

This method determines length of service as the number of hours worked since hiring or plan entry. It reads the relevant data from payroll results that are stored after extraction on *Retirement Plan Cumulations* records (infotype 0602).

You typically use this method to calculate length of service for hourly-paid employees.



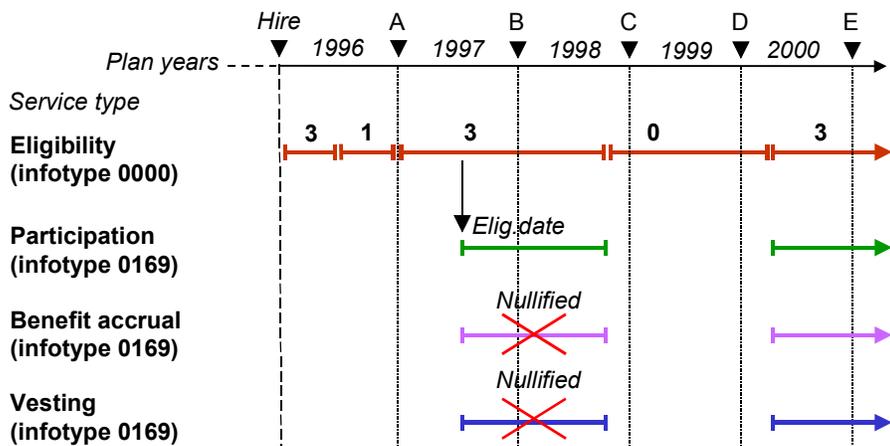
Interruptions in service can be taken into account by the system during calculation (for example, when calculating participation service). However, breaks in service are **not** automatically taken into account. Breaks in service are interruptions in service as a result of which previously accumulated service is nullified, and typically must be taken into account when calculating benefit accrual and vesting service.

If service is calculated by your TPA, breaks in service are taken into account as appropriate in the service amounts that are returned and stored in your system. However, if your TPA only calculates projected benefit amounts (in a partial service agreement) you should record breaks in service by manually adjusting the [Retirement Plan Valuation Results infotype \(0565\) \[Page 91\]](#) as required.

The following graphic shows an example of service calculation using the **elapsed time** method:

Service Calculation

- Employees are eligible for a plan after 1 year of service, and are immediately eligible for a plan when returning after a break in service.
- Interruptions in service of more than 1 year are considered breaks in service for the purpose of benefits accruals and vesting.
- Eligibility is determined by means of the employment status (3 = active, 1 = inactive, 0 = not with company).



The following table shows the results calculated for this example at the end of each plan year (in this case calendar year) for each type of service:

Evaluation Date	Eligibility Service	Participation Service	Benefit Accrual Service	Vesting Service
A (31 Dec 1996)	6 months	0	0	0
B (31 Dec 1997)	not relevant	6 months	6 months	6 months
C (31 Dec 1998)	not relevant	15 months	15 months	15 months
D (31 Dec 1999)	not relevant	15 months	15 months	15 months
E (31 Dec 2000)	not relevant	24 months	9 months	9 months

Activities

The results of service calculation are stored on the *Retirement Plan Valuation Results* infotype (0565). Each time you run a calculation, the system calculates length of service for the period between the current and last calculation key date (as inferred from the most recently calculated results stored on the infotype). It then adds the new result to the last calculation result and any manual adjustments on the last record, and stores the total in a new infotype record.

If you want to calculate service in your SAP System and send this data to a TPA, you need to ensure that you provide data for the appropriate valuation period. You therefore need to run the last service calculation prior to data transfer for the appropriate key date.

Calculating Length of Service

Calculating Length of Service

Use

You follow this procedure to calculate service according to algorithms set up in Customizing and record the results of the calculation on the Retirement Plan Valuation Results infotype (0565).

Prerequisites

If your organization determines employee length of service by means of the hours-counting method, you must ensure that information about hours on the Retirement Plan Cumulations infotype (0602) is complete. Prior to each seniority calculation, you therefore need run an [extraction of payroll cumulations \[Page 46\]](#) for a period in time that ends on the service calculation date.

Procedure

6. Choose *Human Resources* → *Personnel Management* → *Benefits* → *Retirement Plans* → *Calculation of Service*.
7. Specify the key date for which you want to calculate length of service.
8. Specify the employees for whom you want to run the calculation.

For the selection, you can use either personnel numbers or the criteria in the *Additional data* area.

9. Specify the plan(s) for which you want to run the calculation.
10. Choose .

Result

Service is calculated for the period between the current and last calculation key date, as inferred from the most recently calculated results stored on the Retirement Plan Valuation Results infotype (0565). The following amounts are then added to the calculated difference in service to give the new service amount:

- The result of the last service calculation
- The most recent manual adjustments made prior to the current calculation date

The new result is stored on the Retirement Plan Valuation Results infotype in a new record that is valid calculation date.



If service for any [grandfathered plans \[Ext.\]](#) is stored on the infotype, this is automatically carried forward to the new record.

A log appears when the calculation is complete.

Data Transfer to a Third Party Administrator

Use

This function enables you to communicate data relevant to retirement plan administration to a third party administrator (TPA) and receive the results of calculation from the TPA for storage in your SAP System. For the transfer of data, you use SAP intermediate documents (IDoc). These IDocs can be forwarded by means of a variety of media, for example as an e-mail attachment, tape, or file on a server.

The communication process involves the following IDocs, as shown in the process graphics for the [full TPA service scenario \[Page 42\]](#) and [partial TPA service scenario \[Page 44\]](#):

- *Benefits Participation*
- *Benefits Retirement Plan*

The contents of these IDocs depends on whether they are inbound or outbound, and is described below in the section "Features".



For the purposes of retirement plan administration, the TPA is a provider that calculates retirement benefits (and possibly length of service).

Prerequisites

- IDoc Customizing is complete for the corresponding provider.
 - The following steps need to have been performed by an IDoc Customizing expert in the transaction WE20 (SAP Easy Access menu: *Tools* → *Business Communication* → *IDoc Basis* → *IDoc* → *Partner Profile*).
 - A partner profile is set up for each provider with whom your organization wants to communicate via IDoc.
 - As the partner number, the provider number from the plan general data is specified.
 - As the partner type, **BP (Benefit Provider)** is entered.
 - Within the partner profile, the following settings are made for the IDocs used:
 - Benefits Participation IDoc**
 - Message type = **BENREP**
 - IDoc type = **BENEFIT2**
 - Benefits Retirement Plan IDoc**
 - message type = **BENRET**
 - IDoc type = **BENEFITRET1**
 - Process code = **BNRT** (for inbound processing)
- [An extraction of payroll cumulations \[Page 46\]](#) has taken place to update *Retirement Plan Cumulations* records (infotype 0602) with hours, earnings, and any contribution data for the period for which you are transferring data.

Data Transfer to a Third Party Administrator

- In the case of a partial TPA service scenario, [service calculation \[Page 49\]](#) has taken place for the period for which you are transferring data.

Features

Outbound IDoc

Both IDocs must be sent, and contain the following data:

- Benefits Participation*
Contains personal, administrative, and organizational data, and plan participation data (see [Transfer of Data to Providers \[Page 138\]](#)).
- Benefits Retirement Plan*
Contains data required for calculating service and projected benefits, for example, working hours and absence data, accumulated hours and earnings, and service information. Which information is actually transferred depends on whether your TPA provides a full or partial service.



Although the system generates two IDocs, it is in principle possible to merge them into one set of data before transferring them to the TPA. To do this, you require a customer-specific report.

Inbound IDoc

When the TPA has finished the calculation, the *Benefits Retirement Plan* IDoc is returned containing calculated service and/or projected benefits amounts, and you trigger [inbound processing \[Page 57\]](#).

IDoc Segments Filled During Inbound and Outbound Processing

Segment Structure	Segments Filled When Sending	Segments Filled When Retrieving
Header Data	F / P	F / P
Member	F / P	F / P
Member - Working Time	If at least one plan F	-
Member - Absence Data	If at least one plan F	-
Member - Retirement Plans	F / P	F / P
Ret. Plan - Cumulation Amounts	F / P	-
Ret. Plan - Cumulated Hours	F	-
Ret. Plan - Service	F (man. adjust. only) / P	F
Ret. Plan - Projected Benefits	-	F / P

F = In case of full TPA service

P = In case of partial TPA service

Data Transfer to a Third Party Administrator

You can find a detailed description of the IDocs structure and fields in transaction WE60 (SAP Easy Access menu: *Tools* → *Business Communication* → *IDoc Basis* → *Documentation* → *IDoc Types*).

Processing Outbound IDocs

Processing Outbound IDocs

Prerequisites

IDoc Customizing is complete (see [Data Transfer \[Page 53\]](#)).

Procedure

Generating Benefits Participation IDoc

See [Generating an IDoc for Data Transfer \[Page 140\]](#).

Generating Benefits Retirement Plan IDoc

11. Choose *Human Resources* → *Personnel Management* → *Benefits* → *Retirement Plans* → *Data Transfer: Outbound*.
12. Specify the provider (TPA) to whom you want to transfer data.
13. Define the period for which you want to transfer data.
14. Specify the employees for whom you want to transfer data in the *Selection* area.
15. Choose .

Result

An IDoc is created in the background and a log is displayed. You can check the data in the IDoc structure by choosing  *Display IDoc*.

Inbound Processing of IDocs

Purpose

The process describes the steps performed by the system and the user during the processing of incoming *Benefit Retirement Plan* IDocs. During processing, an IDoc is attributed with different statuses to indicate whether or not certain processing steps are successful. These changes in status are also described in this procedure.

Prerequisites

IDoc Customizing is complete (see [Data Transfer \[Page 53\]](#)).

Process Flow

1. Processing of the IDoc starts in the IDoc Basis (including formal syntax checks) and the status **64** (IDoc ready to be transferred to application) is given to the IDoc if no errors occur.
2. The function module HR_BEN_RET_IDOC_RECEIVE is automatically called and sets the new status **62** (IDoc passed to application). This function module is defined by the processing code BNRT that is assigned to the inbound parameters in IDoc Customizing (see [Data Transfer \[Page 53\]](#)).
3. You [trigger inbound processing \[Page 58\]](#).
4. According to whether processing is successful or not, the IDoc is given one of the following statuses:
 - **53** (Application document posted)
Set if no errors occur and all employees are successfully processed. This is the case if either all employees for whom data is contained in the IDoc are successfully processed or the complete subset of selected employees are successfully processed and the *Status "posted"* indicator is set for processing (see [Processing Inbound IDocs \[Page 58\]](#)).
 - **52** (Application document not fully posted)
Set if processing was successful for some employees but not for others.
 - **51** (Error: Application document not posted)
Set if errors occurred and no employee could be processed.
5. If errors occur and statuses **51** or **52** are set, you ensure that errors are removed from the IDoc and repeat inbound processing until no more errors occur.

Result

- Service data and/or projected benefits calculated by the TPA are stored on the [Retirement Plan Valuation Results infotype \(0565\) \[Page 91\]](#).
- A history of IDoc statuses is stored in IDoc Basis and can be viewed by displaying the IDoc concerned.

Processing Inbound IDocs

Processing Inbound IDocs

16. Choose *Human Resources* → *Personnel Management* → *Benefits* → *Retirement Plans* → *Data Transfer: Inbound*.

17. Specify the number of the IDoc that you want to process.

Only IDocs that have not been fully processed (IDocs with the statuses **62**, **52**, and **51**) are listed in the possible entries for the *IDoc number* field. However, it is possible to enter a successfully processed IDoc with the status **53** in order to reprocess it.

18. You can restrict processing of received data to a subset of employees in the *Selection* area.

19. If you are processing data for a subset of employees for whom data is contained in the IDoc, set the *Status "posted"* indicator if you want the IDoc status to be set to *Posted* if no errors occur.

The system automatically recognizes whether all employees for whom data is contained in the IDoc are processed without error and sets the appropriate status. However, it cannot recognize whether all employees have been processed without error if data is processed in multiple stages (for separate subsets of employees). You therefore need to set this indicator if you want the system to register that processing is complete.



Before setting this indicator, you must be absolutely certain that no data is outstanding for any employee, otherwise the status *Posted* could be inappropriate and misleading.



If you have already processed all employees for whom data is contained in the IDoc but are repeating processing for employees that had errors in the first run, you indicate that you want the IDoc status to be set to *Posted* if no further errors occur.

20. Choose .

Result

The IDoc is processed and service data and/or projected benefits calculated by the TPA are stored on [Retirement Plan Valuation Results infotype \(0565\) \[Page 91\]](#). You may need to repeat processing if any errors occurred.

Benefits Reports

Use

The Benefits component contains a range of predefined reports that enable you to evaluate employee and benefit plan data. These reports are listed below, grouped according to the different types of data analysis that you may want to perform.

Standard Reports

Purpose	Reports
Participation analysis	Eligible Employees [Page 61] Benefit Plan Participation [Page 62] Changes in Benefit Elections [Page 63] Changes in Eligibility [Page 64] Changes in Default Values for General Benefits Information [Page 65]
Cost and contribution analysis	Health Plan Costs [Page 67] Insurance Plan Costs [Page 68] Savings Plan Costs [Page 69] Flexible Spending Account Contributions [Page 142] Stock Purchase Plan Contributions [Page 142] Costs/Contributions for Miscellaneous Plans [Page 72] Vesting Percentages [Page 74] Contribution Limit Check [Page 75]
Statistical analysis	Employee Demographics [Page 77] Benefits Election Analysis [Page 78] Enrollment Statistics [Page 79]

You can find these standard reports in the following SAP Easy Access menu paths:

- *Human Resources* → *Personnel Management* → *Benefits* → *Info system* → *Reports*

Benefits Reports

- *Information Systems* → *General report selection* → *Human Resources* → *Personnel Management* → *Benefits*

If these predefined reports do not meet your requirements, you can create your own using the generic reporting tools provided in the *Human Resources* component. For more information about how to create reports, see [HR in InfoSet Query \[Ext.\]](#).

Other Reports

The following reports are contained in the Benefits Implementation Guide, and can be used to analyze the set-up of your benefits:

Purpose	Reports
Customizing analysis	Plan Overview [Ext.] Plan Cost Summary [Ext.]

You may also find some of the reports in the *Personal Administration* useful. For more information, see [Related Reports \[Ext.\]](#).

Eligible Employees (Report RPLBEN01)

Use

This report shows the employees who are eligible for specified benefit plans on a given date.

Features

Selection

You run the report for a *Key date* (today's date or another date).

You restrict data selection using the following parameters:

- *Personnel number*
- *Benefit area*
- *1st Program grouping*
- *2nd Program grouping*
- *Benefit plan*

Output

The report lists eligible employees per plan and also the following information:

- The employee's date of entry
- The calculated eligibility date

The list is displayed in the ABAP List Viewer (ALV) Grid Control, which allows you to change the layout of the list interactively using any of the available fields. For information about the functions of this tool, see [ABAP List Viewer \(ALV\): Grid Control \[Ext.\]](#).

Participation (Report RPLBEN02)

Participation (Report RPLBEN02)

Use

This report shows the employees who are participating in specified benefit plans on a given date or during a certain period of time.

Features

Selection

You run the report for the current day or a *Period* of your choice.

You restrict data selection using the following parameters:

- *Personnel number*
- *Benefit area*
- *1st Program grouping*
- *2nd Program grouping*
- *Benefit plan*

Output

The report lists participating employees per plan and also the following information:

- The employee's date of entry
- The first date of participation in the relevant plan
- The start and end date of the plan infotype

The list is displayed in the ABAP List Viewer (ALV) Grid Control, which allows you to change the layout of the list interactively using any of the available fields. For information about the functions of this tool, see [ABAP List Viewer \(ALV\): Grid Control \[Ext.\]](#).

Changes in Benefits Elections (Report RPLBEN07)

Use

This report shows the changes made to benefit plan infotype records on a given date or during a certain period in time. These changes include new enrollment, termination, or changes in the employee elections for a plan.

Features

Selection

You run the report for the current day or a *Period* of your choice.

You restrict data selection using the following parameters:

- *Personnel number*
- *Provider*
- *Benefit plan*

Output

The report lists two sets of information per provider and plan:

- Employees whose infotype records were delimited during the reporting period
- Employees whose infotype records were changed during the reporting period

The following information is also displayed:

- Information about the type of change made (for delimited records)
- Validity of the infotype
- Date on which the infotype was last changed
- User who made the last change



Records whose validity starts after the election period, yet have been changed/delimited within it are NOT listed. Records whose validity ends on the last day of the election period ARE listed. In each case the report indicates whether a new record exists that renews the employee's enrollment.

Example

You can run this report for an open enrollment period to determine the volume of changes made by employees.

Changes in Eligibility (Report RPLBEN09)

Changes in Eligibility (Report RPLBEN09)

Use

This report shows employees who are no longer eligible for the plans in which they are participating. Employees can become ineligible in the following circumstances:

- If the plan in which they are participating is removed from the program for the benefit area and first/second program grouping to which they belong
- If, due to an organizational change, they become assigned to a different benefit area and first/second program grouping, and the plan in which they are participating is not in the applicable program
- If they no longer fulfill the requirements of the eligibility rule for the plan in that program
- If they are no longer enrolled in a plan defined as corequisite



For this report, the system assumes that the eligibility rule used to sort employees has **not** changed during the report period and it only shows ineligibility resulting from changes in **employee data**.

Features

Selection

You run the report for the current day or a *Period* of your choice.

You restrict data selection using the following parameters:

- *Personnel number*
- *Benefit plan*

Output

The report lists employees who are no longer eligible per plan and also the following:

- The date on which the employee became ineligible or the period in time during which the employee is not eligible
- The reason why the employee is not eligible

The list is displayed in the ABAP List Viewer (ALV) Grid Control, which allows you to change the layout of the list interactively using any of the available fields. For information about the functions of this tool, see [ABAP List Viewer \(ALV\): Grid Control \[Ext.\]](#).

Changes in Default Values for General Benefits Info (Report RPLBEN13)

Use

This report detects deviations from system-allocated default values in an employee's General Benefits Information (infotype 0171).

You can search for deviations due to either of the following:

- Manual override of default values in the infotype

When a General Benefits Information record (infotype 0171) is created for an employee, the default values for the benefit area, first program grouping, and second program grouping are automatically proposed by features set up in Customizing. These values can be overridden if, in exceptional cases, they are not valid for the employee in question.
- Changes in default values determined by the features

The default values for benefit area, first program grouping, and second program grouping that are used when a General Benefits Information record (infotype 0171) is created are determined using features. These features use values stored on other infotypes. A discrepancy occurs if these values change, since the values stored on the General Benefits Information record are not automatically updated.

Features

Selection

You run the report for the current day or a *Period* of your choice.

You restrict data selection using the following parameters:

- *Personnel number*
- *Benefit area*
- *1st Program grouping*
- *2nd Program grouping*

Under *Reason for deviation from default values*, you specify the differences that you want to detect:

- If you select *Manual override*, the report finds the relevant default values for each employee on the begin date of their records. It then compares them with the values actually stored on the record in order to identify employees for whom exceptions have been made.
- If you select *Change in default values*, the report finds changes in default values for the benefit area, first program grouping, and second program grouping of each employee, in order to identify employees whose General Benefits Information record needs to be manually updated.

Changes in Default Values for General Benefits Info (Report RPLBEN13)**Output**

The report lists the employees for which a deviation from default values is detected and shows the following information:

- The values for the relevant parameters, as stored on the infotype
- The values for the relevant parameters, as determined by the feature for the report date/period
- The start and end date of the current infotype

The list is displayed in the ABAP List Viewer (ALV) Grid Control, which allows you to change the layout of the list interactively using any of the available fields. For information about the functions of this tool, see [ABAP List Viewer \(ALV\): Grid Control \[Ext.\]](#).

Health Plan Costs (Report RPLBEN03)

Use

This report shows the employee and employer costs for specified health plans on a given date.

Features

Selection

You run the report for a *Key date* (today's date or another date).

You restrict data selection using the following parameters:

- *Personnel number*
- *Benefit area*
- *1st Program grouping*
- *2nd Program grouping*
- *Benefit plan*

Output

The report lists the following information, sorted according to payment frequency:

- Benefit plan
- Employee
- Plan option
- Dependent coverage
- Employee costs
- Employer costs/credits
- Provider costs

The total costs for each plan within each payment period, and also the grand total are displayed.

The list is displayed in the ABAP List Viewer (ALV) Grid Control, which allows you to change the layout of the list interactively using any of the available fields. For information about the functions of this tool, see [ABAP List Viewer \(ALV\): Grid Control \[Ext.\]](#).

Example

This report can be used to calculate the total cost of a plan for your organization.

Insurance Plan Costs (Report RPLBEN04)

Insurance Plan Costs (Report RPLBEN04)

Use

This report shows the employee, employer, and provider costs for specified insurance plans on a given date.

Features

Selection

You run the report for a *Key date* (today's date or another date).

You restrict data selection using the following parameters:

- *Personnel number*
- *Benefit area*
- *1st Program grouping*
- *2nd Program grouping*
- *Benefit plan*

Output

The report lists the following information, sorted according to payment frequency:

- Benefit plan
- Employee
- Plan option
- Employee costs
- Employer costs/credits
- Provider costs
- Coverage

The total costs for each plan within each payment period, and also the grand total are displayed.

The list is displayed in the ABAP List Viewer (ALV) Grid Control, which allows you to change the layout of the list interactively using any of the available fields. For information about the functions of this tool, see [ABAP List Viewer \(ALV\): Grid Control \[Ext.\]](#).

Example

This report can be used to calculate the total cost of a plan for your organization.

Savings Plan Contributions (Report RPLBEN05)

Use

This report shows employee and employer contributions for specified savings plans on a given date.



The system shows precise amounts for contributions defined as amounts/units and **estimated** amounts for contributions defined as a percentage of employee salary. This is because it is not possible to determine the actual employee salary on the report date.

Features

Selection

You run the report for a *Key date* (today's date or another date).

You restrict data selection using the following parameters:

- *Personnel number*
- *Benefit area*
- *1st Program grouping*
- *2nd Program grouping*
- *Benefit plan*

Output

The report lists the following information, sorted according to payment frequency:

- Benefit plan
- Employee
- Employee pre-tax contributions
- Employee post-tax contributions
- Total employee contributions
- Total employer contributions

The total contributions for each plan within each payment period, and also the grand total are displayed.

The list is displayed in the ABAP List Viewer (ALV) Grid Control, which allows you to change the layout of the list interactively using any of the available fields. For information about the functions of this tool, see [ABAP List Viewer \(ALV\): Grid Control \[Ext.\]](#).

Example

This report can be used to calculate the total contributions made by your organization to an employee's plan.

Flexible Spending Account Contributions (Report RPLBEN08)

Flexible Spending Account Contributions (Report RPLBEN08)

Use

This report shows **estimated** employee and employer contributions to specified FSAs per pay period.

Features

Selection

You run the report for a *Key date* (today's date or another date).

You restrict data selection using the following parameters:

- *Personnel number*
- *Benefit area*
- *1st Program grouping*
- *2nd Program grouping*
- *Benefit plan*

Output

The report lists the following information, sorted according to payment frequency:

- Benefit plan
- Employee
- Total employee contributions
- Total employer contributions

The total contributions for each plan within each payment period, and also the grand total are displayed.

The list is displayed in the ABAP List Viewer (ALV) Grid Control, which allows you to change the layout of the list interactively using any of the available fields. For information about the functions of this tool, see [ABAP List Viewer \(ALV\): Grid Control \[Ext.\]](#).

Example

This report can be used to calculate the total contributions made by your organization to an employee's plan.

Stock Purchase Plan Contributions (Report RPLBEN16)

Use

This report shows employee and employer contributions for specified stock purchase plans on a given date.



The system shows precise amounts for contributions defined as amounts/units and **estimated** amounts for contributions defined as a percentage of employee salary. This is because it is not possible to determine actual employee salary on the report date.

Features

Selection

You run the report for a *Key date* (today's date or another date).

You restrict data selection using the following parameters:

- *Personnel number*
- *Benefit area*
- *1st Program grouping*
- *2nd Program grouping*
- *Benefit plan*

Output

The report lists the following information, sorted according to payment frequency:

- Benefit plan
- Employee
- Employee pre-tax contributions
- Employee post-tax contributions
- Total employee contributions
- Total employer contributions

The total contributions for each plan within each payment period, and also the grand total are displayed.

The list is displayed in the ABAP List Viewer (ALV) Grid Control, which allows you to change the layout of the list interactively using any of the available fields. For information about the functions of this tool, see [ABAP List Viewer \(ALV\): Grid Control \[Ext.\]](#).

Example

This report can be used to calculate the total contributions made by your organization to an employee's plan.

Costs/Contributions for Miscellaneous Plans (Report RPLBEN15)

Costs/Contributions for Miscellaneous Plans (Report RPLBEN15)

Use

This report shows employee and employer costs/credits or employee/employer contributions for specified miscellaneous plans on a given date.



The system shows precise amounts for contributions defined as amounts/units and **estimated** amounts for contributions defined as a percentage of employee salary. This is because it is not possible to determine actual employee salary on the report date.

Features

Selection

You run the report for a *Key date* (today's date or another date).

You restrict data selection using the following parameters:

- *Personnel number*
- *Benefit area*
- *1st Program grouping*
- *2nd Program grouping*
- *Benefit plan*

Output

The report lists the following information, sorted according to payment frequency:

- Benefit plan
- Employee
- Employee costs *
- Employer costs/credit *
- Provider costs *
- Employee pre-tax contributions *
- Employee post-tax contributions *
- Total employee contributions *
- Total employer contributions *

The amounts marked * are only displayed if supported by the plan.

The total contributions for each plan within each payment period, and also the grand total are displayed.

Costs/Contributions for Miscellaneous Plans (Report RPLBEN15)

The list is displayed in the ABAP List Viewer (ALV) Grid Control, which allows you to change the layout of the list interactively using any of the available fields. For information about the functions of this tool, see [ABAP List Viewer \(ALV\): Grid Control \[Ext.\]](#).

Example

This report can be used to calculate the total cost of a plan for your organization.

Vesting Percentages (Report RPLBEN06)

Vesting Percentages (Report RPLBEN06)

Use

This report shows the vesting percentages for plans with contributions according to the vesting rules defined in Customizing on a given date or during a certain period of time.

You need to run this report when employees leave the organization, in order to determine the amount of contribution to which they are entitled.



For retirement plans that use a calculation process to determine vesting service, the report reads the latest vesting percentage from the Retirement Plan Valuation Results infotypes (0565). If no value is available, the vesting percentage is zero.

Features

Selection

You run the report for the current day or a *Period* of your choice.

You restrict data selection using the following parameters:

- *Personnel number*
- *Benefit area*
- *1st Program grouping*
- *2nd Program grouping*
- *Benefit plan*

Output

The report lists vesting percentages for employees per plan. It also displays the following information:

- The employee's date of entry
- The first date of participation in the relevant plan

The list is displayed in the ABAP List Viewer (ALV) Grid Control, which allows you to change the layout of the list interactively using any of the available fields. For information about the functions of this tool, see [ABAP List Viewer \(ALV\): Grid Control \[Ext.\]](#).

Contribution Limit Check (Report RPLBEN18)

Use

During enrollment, the system automatically takes the contribution limits defined in Customizing into account, and only allows employees to choose contributions that are within these limits. After enrollment, however, an employee's contributions can become invalid if a new different contribution rule becomes valid for an employee.

This report detects employee contributions (stored on the plan infotype as an amount, percentage of salary, or as units) that are not within the limits on a key date. It is particularly useful for checking the contributions of employees who become classified as highly compensated **after** enrolling in a plan that has different limits for highly compensated and non-highly compensated employees. You therefore need to run the check report after the annual process of identifying highly compensated employees in order to detect employees who must change their contributions.

Features

Selection

You run the report for a *Key date* (today's date or another date).

You restrict data selection using the following parameters:

- *Personnel number*
- *Benefit area*
- *1st Program grouping*
- *2nd Program grouping*
- *Benefit plan*

Under *Plan category*, you indicate which plan categories you want to check.

Output

The report lists employees whose contribution is outside the allowed limits per plan. It also displays the following information:

- The relevant contribution period
- The reason why the contribution is invalid
- The plan validity dates

The list is displayed in the ABAP List Viewer (ALV) Grid Control, which allows you to change the layout of the list interactively using any of the available fields. For information about the functions of this tool, see [ABAP List Viewer \(ALV\): Grid Control \[Ext.\]](#).

Example

Different contribution rules for a plan apply depending on whether or not an employee is highly compensated. For highly compensated employees, a contribution of between 1% and 4% of salary are permitted. For all other employees contribution of between 3% and 6% of salary is permitted. If an employee chooses a contribution of 5% of salary on enrollment and is

Contribution Limit Check (Report RPLBEN18)

subsequently classified a highly compensated employee, this contribution is no longer within the valid range.

Employee Demographics (Report RPLBEN11)

Use

This report shows age and gender information for employees and indicates which employees are smokers and non-smokers. This information is required for health insurance purposes.

Features

Selection

You run the report for the current day or a *Period* of your choice.

You restrict data selection using the following parameters:

- *Personnel number*
- *Basis date*
- *Age group*

Output

The report uses a matrix to show the following:

- Number/percentage of employees in each age group
- Number/percentage breakdown of employees in each age group by gender
- Number/percentage of employees in each age group who are smokers/non-smokers
- Number/percentage breakdown of smokers/non-smokers by gender

Benefit Election Analysis (Report RPLBEN17)

Benefit Election Analysis (Report RPLBEN17)

Use

This report shows percentage changes in plan participation and eligibility for plans between two given dates. It enables you to assess the popularity of individual benefit plans offered by your organization in order to help you make decisions about the palette of benefits that will offer in future.

Features

Selection

You restrict data selection using the following parameters:

- *Personnel number*
- *Benefit area*
- *1st Program grouping*
- *2nd Program grouping*
- *Plan type*
- *Benefit plan*

Under *Key dates*, you specify the two dates for which elections are to be compared. The system date is the default for the second date, and the system date minus one year is the default for the first date.

Output

The report lists the following data, sorted by benefit area and benefit plan:

- Percentage increase/decrease in eligible employees
- Percentage increase/decrease in participation
- Adjusted % increase/decrease in participation

This is the difference between the first two columns. It shows weighted participation, which takes into account changes in headcount.

The list is displayed in the ABAP List Viewer (ALV) Grid Control, which allows you to change the layout of the list interactively using any of the available fields. For information about the functions of this tool, see [ABAP List Viewer \(ALV\): Grid Control \[Ext.\]](#).

Example

You can run this report at the end of an open enrollment period to determine differences in plan enrollments in comparison with the previous year.

Enrollment Statistics (Report RPLBEN19)

Use

This report counts employee enrollments made on each day in a series of days. For each day in the range you specify, the report counts the enrollments for which the infotype last changed (normally the creation date of the infotype).



The report shows enrollments made on the selected dates and **not** plan participation or employee benefits elections.

The results of this report are only accurate if you implement Employee Self-Service (ESS) Enrollment. If your employees enroll by means of forms that are processed by the Benefits department, any enrollments not yet entered in the system on the date you run the report will not be included.

The statistics generated by this report give you an indication of enrollment progress, and are therefore only useful when applied to a specific period of enrollment, for example an open enrollment period.

Features

Selection

You restrict data selection using the following parameters:

- *Personnel number*
- *Type of enrollment*
- *Plan category*
- *Benefit area*
- *1st Program grouping*
- *2nd Program grouping*
- *Plan type*
- *Benefit plan*

You run the report for the current day or a *Period* of your choice. If you enter a range greater than 100 days, the period will automatically be reduced to 100 days (from the start date).

Under *Count*, you select either *Persons* to count the number of persons who have enrolled in one or more plans or *Plans* to count the number of enrollments in each plan.

Under *Summary*, you select *Discreet* if you want to show the number of enrollments for each day or *Cumulative* if you want the total to-date.

Output

The report lists enrollments numbers for each day in the specified range, sorted by the following:

- Benefit area

Enrollment Statistics (Report RPLBEN19)

- Plan type
- Plan

If you selected *Count Persons*, the list is sorted by benefit area only.

The list is displayed in the ABAP List Viewer (ALV) Grid Control, which allows you to change the layout of the list interactively using any of the available fields. For information about the functions of this tool, see [ABAP List Viewer \(ALV\): Grid Control \[Ext.\]](#).

Example

You can use this report to monitor the volume of enrollments made in ESS during an open enrollment period.

Infotypes

Use

The employee information required for the administration of benefits is stored in infotype records.

Integration

The Benefits component uses its own infotypes, but also references information stored in infotypes in the *Personnel Administration* (PA-PA) component. The following table gives you an overview of these infotypes:

Infotype	Usage
Family/Related Person (Infotype 0021) [Ext.]	<p>These records must exist before employees can include family and related persons as dependents and beneficiaries in their benefits plans.</p> <p>The <i>From</i> field for the begin date of the record must be a date later than the <i>Organizational Assignment</i> (infotype 0001) record begin date or date of birth of the individual, whichever is the later.</p> <p>The <i>Status</i> and <i>Challenge</i> indicators are relevant to COBRA administration. If the person whose details you store here ever becomes eligible for COBRA, this information will define the parameters for COBRA participation.</p>
Date Specifications (Infotype 0041) [Ext.]	<p>A date specifications record for an employee can be used in certain circumstances as an override date.</p> <p>Certain eligibility rules, termination rule variants and cost rule variants for some plans allow a hire date override. For this to be effective, the employee must have a date specifications record of the same type specified by the eligibility rule variant.</p>
Monitoring of Tasks (Infotype 0019) [Ext.]	<p>This infotype enables you to monitor store reminder dates for tasks.</p> <p>The <i>Reminder date</i> should be written in the format mm/dd/yyyy.</p> <p>The <i>Lead/follow up time</i> can be entered as a frequency/a time factor before or after the deadline. This is also the override value if you define both possibilities.</p>

Activities

To optimize your work processes, we recommend that the key benefits infotypes are included in the infotype groups for your personnel actions.

For example, you could include the *General Benefits Information* infotype (0171) and the *Adjustment Reasons* infotype (0387) in the following actions:

- Hiring
- Organizational reassignment

Liaise with your Personnel Administration expert regarding the customizing of personnel actions.

Infotypes

General Benefits Information (Infotype 0171)

Definition

This infotype stores the benefit area, first program grouping, and second program grouping assignments of the employee.

Use

This record is essential for benefits processing. An employee must have a General Benefits Information record before enrolling in a benefits plan. During enrollment, the system refers to the first and second program grouping of employees in order to determine which benefit program the employee is permitted to participate in. A General Benefits Information record must also exist before you create an [Adjustment Reasons \(infotype 0378\) \[Page 83\]](#) record for an employee.

General Benefits Information records can be created in *HR Personnel Administration* processing or in *HR Master Data*.

Integration

The benefit area, first program grouping and second program grouping shown when you create a new record are default entries that can be overwritten. These defaults are determined by features set up in Benefits Customizing. To check whether test these values are up-to-date, you can run the [Changes in Default Values for General Benefits Information \[Page 65\]](#) report.

Adjustment Reasons (Infotype 0378)

Adjustment Reasons (Infotype 0378)

Definition

This infotype stores [adjustment reasons \[Ext.\]](#) that determine the changes an employee can make to his/her benefits.

Use

These infotype records allow you to track adjustment reasons that have occurred. The type of adjustment reason is the subtype of the record, and points to the permitted changes for the adjustment reason, as defined in Benefits customizing.

The validity of this record represents the period, within which the employee can make changes to benefits elections.

Thus when an employee has one of these infotype records, the system produces a [benefit offer \[Page 12\]](#) in [enrollment \[Page 10\]](#) that is valid for the validity period of this record. The benefit offer allows a restricted set of changes to existing enrollments, as defined for the adjustment reason in Customizing.

Integration



The benefit area is taken directly from the employee's [General Benefits Information \(infotype 0171\) \[Page 82\]](#) record. This record must exist before you create an adjustment reason record.

Health Plans (Infotype 0167)

Definition

This infotype stores details of the health plans in which the employee is enrolled. For each health plan in which the employee participates, a separate record exists.

Use

Usually you should not need to make any changes to this infotype. It is automatically created and updated by [enrollment \[Page 10\]](#) procedures.

The infotype is used for payroll and for evaluations of employee benefits data.

Structure

The following table shows the types of data stored on the Health Plans infotype:

Type of Data	Comment
Plan data	Shows how the plan fits into your benefits structure. Stores the cost rule variant for the plan.
Administrative data	Created by the system at enrollment. Shows the status of evidence of insurability requirements for the plan.
Costs	Calculated automatically for the calculation date according to the cost rule variant and displayed on the infotype. A cost override can be entered here, if required. You can specify that deductions for the plan are to be pre-tax. For information purposes, you can see whether credits from credit plans are used to pay for the plan according to the plan configuration.
Dependents	List of the possible dependents for the plan. The dependents chosen by the employee are marked here.
Additional data	Stores information about any other benefit coverage which requires coordination for processing claims. You can specify the provider and policy number of additional coverage here.

Integration

The possible dependents are taken from the employee's [Family/Related Person \(Infotype 0021\) \[Ext.\]](#) records.

Insurance Plans (Infotype 0168)

Insurance Plans (Infotype 0168)

Definition

This infotype stores details of the insurance plans in which the employee is enrolled. For each insurance plan in which the employee participates, a separate record exists.

Use

Usually you should not need to make any changes to this infotype. It is automatically created and updated by [enrollment \[Page 10\]](#) procedures.

The infotype is used for payroll and for evaluations of employee benefits data.

Structure

The following table shows the types of data stored on the Insurance Plans infotype:

Type of Data	Comment
Plan data	Shows how the plan fits into your benefits structure. Stores the cost and coverage rule variants for the plan.
Administrative data	Created by the system at enrollment. Shows the status of evidence of insurability requirements for the plan.
Coverage	Calculated automatically according to the coverage rule variant for the plan and displayed on the infotype. A salary and/or cost override can be entered here, if required.
Costs	Calculated automatically for the calculation date according to the cost rule variant for the plan and displayed on the infotype. You can specify that deductions for the plan are to be pre-tax. For information purposes, you can see whether credits from credit plans are used to pay for the plan according to the plan configuration.
Beneficiaries	The possible beneficiaries for the plan and the payout percentage chosen by the employee.

Integration

The possible beneficiaries are taken from the employee's [Family/Related Person \(Infotype 0021\) \[Ext.\]](#) and [External Organization \(Infotype 0219\) \[Page 93\]](#) records.

Savings Plans (Infotype 0169)

Definition

This infotype stores details of the savings plans in which the employee is enrolled. For each savings plan in which the employee participates, a separate record exists.

Use

Usually you should not need to make any changes to this infotype. It is automatically created and updated by [enrollment \[Page 10\]](#) procedures.

The infotype is used for payroll and for evaluations of employee benefits data.

Structure

The following table shows the types of data stored on the Savings Plans infotype:

Type of Data	Comment
Plan data	Shows how the plan fits into your benefits structure. Stores the contribution rule variant(s), vesting rule, and investment group for the plan.
Administrative data	Created by the system at enrollment.
Regular contribution	The contribution made on regular payroll runs
Bonus contribution	The contribution made only on bonus payroll runs
Beneficiaries	The possible beneficiaries for the plan and the payout percentage chosen by the employee.
Investments	The possible investments for the plan with the investment distribution percentage
Additional data	Stores pension adjustment data, if required.

Integration

The possible beneficiaries are taken from the employee's [Family/Related Person \(Infotype 0021\) \[Ext.\]](#) and [External Organization \(Infotype 0219\) \[Page 93\]](#) records.

Credit Plans (Infotype 0236)

Credit Plans (Infotype 0236)

Definition

This infotype stores details of the credit plan in which the employee is enrolled. If the employee has more than one credit plan, a separate record exists for each.

Use

Usually you should not need to make any changes to this infotype. It is automatically created and updated by [enrollment \[Page 10\]](#) procedures.

The infotype is used for payroll and for evaluations of employee benefits data.

Structure

The following table shows the types of data stored on the Credit Plans infotype:

Type of Data	Comment
Plan data	Shows how the plan fits into your benefits structure. Stores the credit rule variants for the plan.
Administrative data	Created by the system at enrollment.
Credit	Calculated automatically for the calculation date according to the credit rule variant for the plan and displayed on the infotype. A credit override can be entered here, if required.

Miscellaneous Plans (Infotype 0377)

Definition

This infotype stores details of the miscellaneous plans in which the employee is enrolled. For each miscellaneous plan in which the employee participates, a separate record exists.

Use

Usually you should not need to make any changes to this infotype. It is automatically created and updated by [enrollment \[Page 10\]](#) procedures.

The infotype is used for payroll and for evaluations of employee benefits data.

Structure

Depending on the attributes of a miscellaneous plan, different data is stored on the infotype record. All infotypes store plan data and administrative data, however. The following table shows the types of data can be stored on the Miscellaneous Plans infotype:

Type of Data	Comment
Plan data	Shows how the plan fits into your benefits structure. Stores the cost rule variant, credit rule variant, coverage rule variant, contribution rule variant(s), vesting rule and/or investment group for the plan, as appropriate.
Administrative data	Created by the system at enrollment.
Costs/Credits	Calculated automatically on the specified calculation date according to the cost or credit rule variants and displayed on the infotype.
Coverage	Calculated automatically according to the coverage rule variant.
Regular contribution	The contribution made on regular payroll runs
Bonus contribution	The contribution made only on bonus payroll runs
Beneficiaries	The possible beneficiaries for the plan and the payout percentage chosen by the employee.
Investments	The valid investments for the plan with the investment distribution percentage

Integration

The possible beneficiaries are taken from the employee's [Family/Related Person \(Infotype 0021\) \[Ext.\]](#) and [External Organization \(Infotype 0219\) \[Page 93\]](#) records.

Stock Purchase Plans (Infotype 0379)

Stock Purchase Plans (Infotype 0379)

Definition

This infotype stores details of the stock purchase plans in which the employee is enrolled. For each stock purchase plan in which the employee participates, a separate record exists.

Use

Usually you should not need to make any changes to this infotype. It is automatically created and updated by [enrollment \[Page 10\]](#) procedures.

The infotype is used for payroll and for evaluations of employee benefits data.

Structure

The following table shows the types of data stored on the Stock Purchase Plans infotype:

Type of Data	Comment
Plan data	Shows how the plan fits into your benefits structure. Stores the contribution rule variant(s) for the plan.
Administrative data	Created by the system at enrollment.
Regular contribution	The contribution made on regular payroll runs
Bonus contribution	The contribution made only on bonus payroll runs
Beneficiaries	The possible beneficiaries for the plan and the payout percentage chosen by the employee.

Integration

The possible beneficiaries are taken from the employee's [Family/Related Person \(Infotype 0021\) \[Ext.\]](#) and [External Organization \(Infotype 0219\) \[Page 93\]](#) records.

Retirement Plan Cumulations (Infotype 0602)

Use

This infotype stores data used for [service calculation \[Page 49\]](#) (using the hours-counting method) and projected benefits for retirement plans. Data must be copied to this infotype by [extracting cumulations from Payroll \[Page 46\]](#) when required for a calculation. It is then read directly from the infotype for service calculation in your SAP System and/or included in an IDoc for [communication to a third party administrator \[Page 53\]](#).



Once data is extracted to this infotype, it is available even when payroll results have been archived.

Structure

The following values are stored on this infotype:

- [Pensionable earnings \[Ext.\]](#) and [pensionable working hours \[Ext.\]](#)
- Cumulated contributions (for retirement plans with contributions)

Retirement Plan Valuation Results (Infotype 0565)

Retirement Plan Valuation Results (Infotype 0565)

Use

This infotype stores the results of [service calculation \[Page 49\]](#) (using the hours-counting method) and projected benefits for retirement plans. Data is written to this infotype internally after service calculation in your SAP System and/or [transferred from an IDoc \[Page 53\]](#) received from a third party administrator.

When data is transferred to a third party administrator, data from this infotype is included in the outbound IDoc in order to communicate the results of service calculation (if this takes place in your SAP System).

Structure

- Service data
 - Calculated length of service and any service from grandfathered plans and manual adjustments to service are stored for the following types of service:
 - [Participation service \[Ext.\]](#)
 - [Benefit accrual service \[Ext.\]](#)
 - [Vesting service \[Ext.\]](#)
- Projected benefits
 - The following types of benefit can be stored:
 - Lump sum payment
 - Monthly payment
 - Joint and survivor payment
 - Payment in event of disability
 - Payment in event of death

Benefits Medical Data (Infotype 0376)

Definition

This infotype stores the details of an employee's physicians and a record of whether or not the employee is a smoker.

Use

The smoker indicator on this infotype is referenced during [enrollment \[Page 10\]](#) if costs for a plan are dependent on whether or not an employee is a smoker. It is also by the [Employee Demographics \[Page 77\]](#) report, which includes statistics about numbers of smokers.

External Organization (Infotype 0219)

External Organization (Infotype 0219)

Definition

This infotype stores details about an external organization.

Use

You can create this infotype to record details of beneficiaries that are not family or related persons.

The organization type and name of an external organization are read by the plans that have this organization allocated as a beneficiary.

Integration

An employee's External Organization and [Family/Related Person \(infotype 0021\) \[Ext.\]](#) records provide the possible beneficiaries shown in the following infotypes:

[Insurance Plans \(infotype 0168\) \[Page 85\]](#)

[Savings Plans \(infotype 0169\) \[Page 86\]](#)

[Miscellaneous Plans \(infotype 0377\) \[Page 88\]](#)

[Stock Purchase Plans \(infotype 0379\) \[Page 89\]](#).

Case Studies

In this section, you will find detailed information about how the Benefits application can be configured to support specific business practices and scenarios.

Each case study uses detailed examples to demonstrate complex Customizing considerations that require further explanation.

Pre Deduction

Pre Deduction

Use

Some companies allow terminating employees to extend their benefits plans beyond their leaving date, and may require them to continue to pay for these benefits. Since it is not possible to deduct the resulting costs and contributions after the employee's termination date, they must be deducted in advance for future payroll periods in the last payroll period in which the employee is processed.

This function is available in the Benefits component for plans that you specify as relevant for pre deduction.



Pre deduction is only supported for plans with costs (health, insurance, credit, and miscellaneous plans with costs). The only exception are flexible spending accounts, for which contributions can be pre deducted.

Prerequisites

Since pre deductions are processed by Payroll, you need to indicate which plans are relevant for pre deductions in the Benefits section of the Implementation Guide for International Payroll or your Country Payroll.

Before you run payroll for terminating employees requiring pre deduction, you need to ensure that participation in plans is terminated so that the plan infotypes are delimited in preparation for pre deduction calculation.

Features

Pre deduction is designed for companies that want to calculate costs/contributions for terminating employees as they would if no termination took place. In other words, it is not assumed that proration of costs/contributions is desired in all cases, rather it can be set up if required.

Pre Deduction Checks in Payroll

Each payroll run checks for a combination of all of the following values for each employee:

- The employee is terminating.
- The current period is last period in which the terminating employee is accounted for.
- The benefits plan(s) in which the employee is enrolled allow(s) pre deductions.

For employees who fulfill these criteria, the system considers all future payroll periods which fall into the validity period of the infotype record for the relevant plan(s), starting from the current payroll period.

Calculation of Pre Deductions

The pre deductions that are calculated during payroll processing differ, depending on the date on which the infotype is evaluated. You determine this date by setting a value for the DATES parameter in the Benefits subschemas XBE1 and XBE2. Since you set the evaluation date per function relating to a plan category, it is valid for all plans in that category.

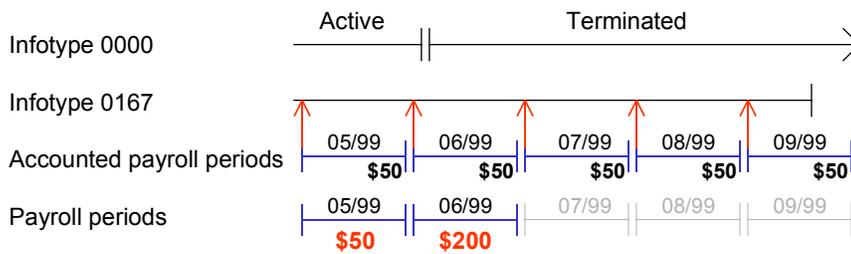
Preduction

The significance of the different values for the DATES parameter is demonstrated below using the example of a health plan (Payroll Function P0167).

P0167 BEG

Infotypes are evaluated on the begin date of the payroll period. All future payroll periods whose begin date lies within the validity period of the infotype record are included, in addition to the current payroll period. No proration takes place for these payroll periods.

Bi-weekly costs: \$50
Bi-weekly payroll



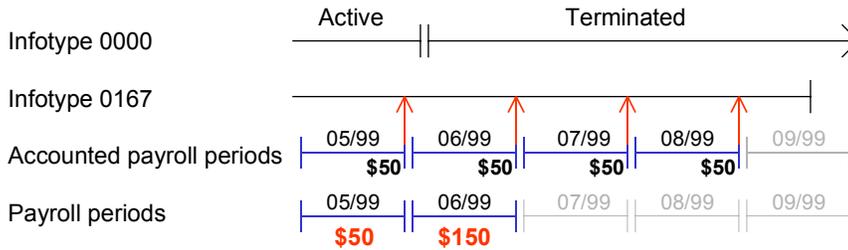
Payroll period 05/99 includes costs for 05/99
Payroll period 06/99 includes costs for 06/99 - 09/99

P0167 END

Infotypes are evaluated on the end date of the payroll period. All future payroll periods whose end date lies within the validity period of the infotype record are included, in addition to the current payroll period. Note that a payroll period that starts within the validity period of the health plan infotype record is not included unless the end date of the payroll period also falls into the validity period of this record. No proration takes place for these payroll periods.

Preduction

Bi-weekly costs: \$50
Bi-weekly payroll

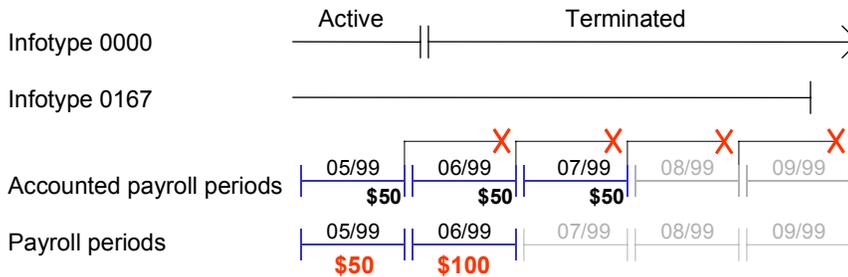


Payroll period 05/99 includes costs for 05/99
Payroll period 06/99 includes costs for 06/99 - 08/99

P0167 CHK

Infotypes are evaluated on the payroll period check date. All future payroll periods whose check date lies within the validity period of the infotype record are included in addition to the current payroll period.

Bi-weekly costs: \$50
Bi-weekly payroll



Check dates are marked as X

Payroll period 05/99 includes costs for 05/99
Payroll period 06/99 includes costs for 06/99 - 07/99
Payroll periods 06/99 still is the last active payroll period.
The check date of period 08/99 falls outside the validity range of the infotype record

Proration

If you want to use proration, you must set the values PER or BEGT for the DATES parameter. You should **not** use processing class 10 for proration.

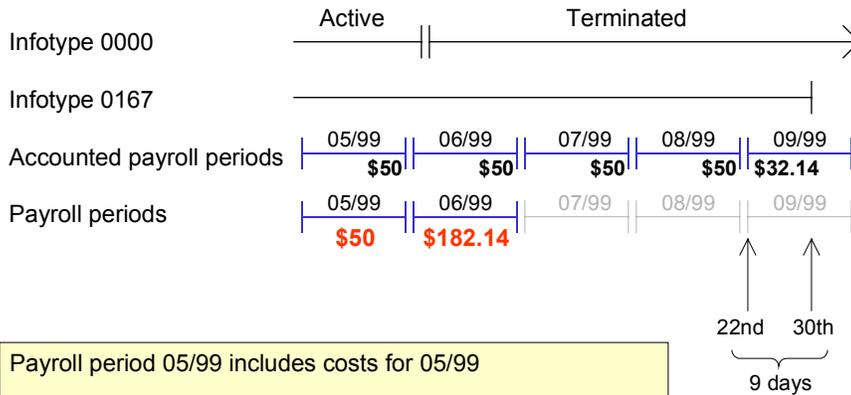
P0167 PER

Infotype records are evaluated on the basis of calendar days, therefore proration takes place. If you set PER, proration takes place for regular and preduction periods.



If you set the value PER, and use deduction models, these will not function correctly for preduction.

Bi-weekly costs: \$50
Bi-weekly payroll



Payroll period 05/99 includes costs for 05/99
 Payroll period 06/99 includes costs for 06/99 - 09/99
 All periods are prorated - 09/99 gives: $(9/14) * \$50 = \32.14

P1067 BEGT

You can set this value if you require proration for plans that are normally evaluated on the payroll period begin date. If you set this value, the infotypes are processed as usual with the parameter BEG except in the last period, which is prorated.

Preduction with Deduction Model

As of Release 4.6A, deduction models can be applied to future periods after the termination date.

P0167 BEG / END / CHK / BEGT

Only those payroll periods relevant for preduction are included that must be accounted for according to the deduction model. The deduction model is then applied to these periods to calculate the preduction amount.

Pre Deduction



Deduction models do not function correctly in combination with the data parameter value PER.

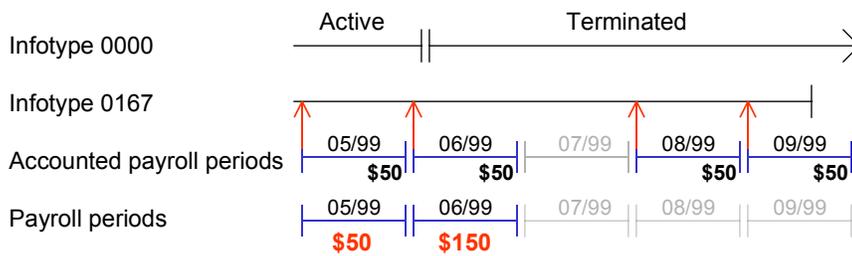
If you implement a deduction model, you should not set the values PER **and** BEGT for the same plan category.

Monthly costs: \$100
Bi-weekly payroll

Deduction model:

Deductions every 1st and 2nd period of a month

- January 1999 01/99 02/99
- February 1999 03/99 04/99
- March 1999 05/99 06/99 (no deductions in 07/99)
- April 1999 08/99 09/99



Payroll period 05/99 includes costs for: 05/99 (for March)
 Payroll period 06/99 includes costs for: 06/99 (for March, no deductions in 07/99),
 08/99, and 09/99 (for April)

Employer Matching

Use

Some employers define the contributions they make to employee savings plans in terms of matching. This concept involves making contributions in successive tiers, dependent on the percentage employee contribution. Each tier builds on the employee contribution threshold for the previous tier.

In the Benefits application, however, contribution definitions are not dependent on one another; they are rules applied independently to the employee contribution to give a total contribution. In order to replicate the matching technique in the definition of employee contributions, you therefore need to convert your matching rules into multiple contribution rules that result in the same actual contribution calculated.



Employee matching rule:

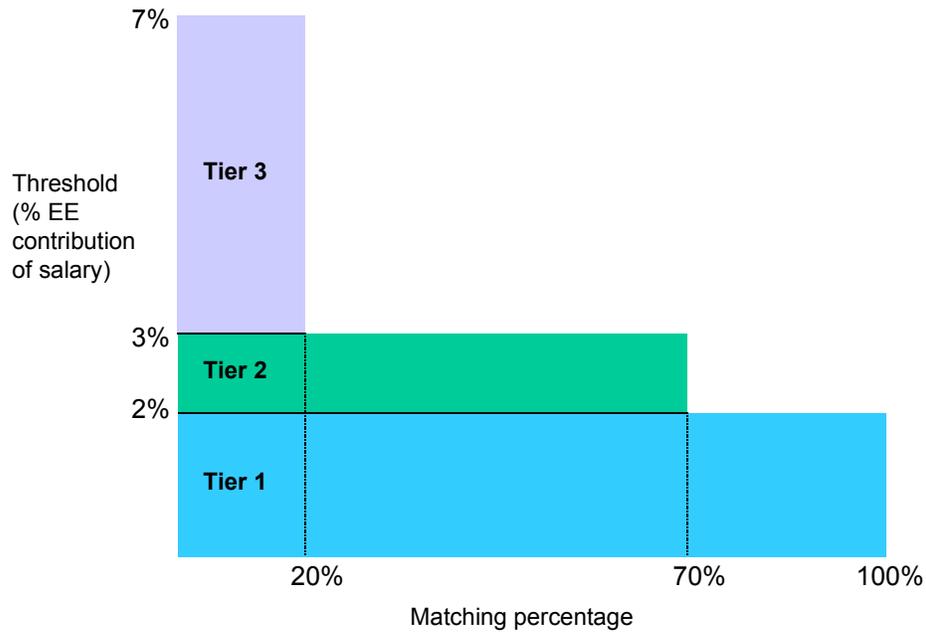
- Tier 1: 100% of employee contribution for first 2% of employee contribution of salary
- Tier 2: 70% of employee contribution for next 1% of employee contribution of salary
- Tier 3: 20% of employee contribution for next 4% of employee contribution of salary

Corresponding aggregated contribution rule (standard setup):

- Step 1: 20% of employee contribution - limit 1.4% of salary
- Step 2: 50% of employee contribution - limit 1.5% of salary
- Step 3: 30% of employee contribution - limit 0.6% of salary

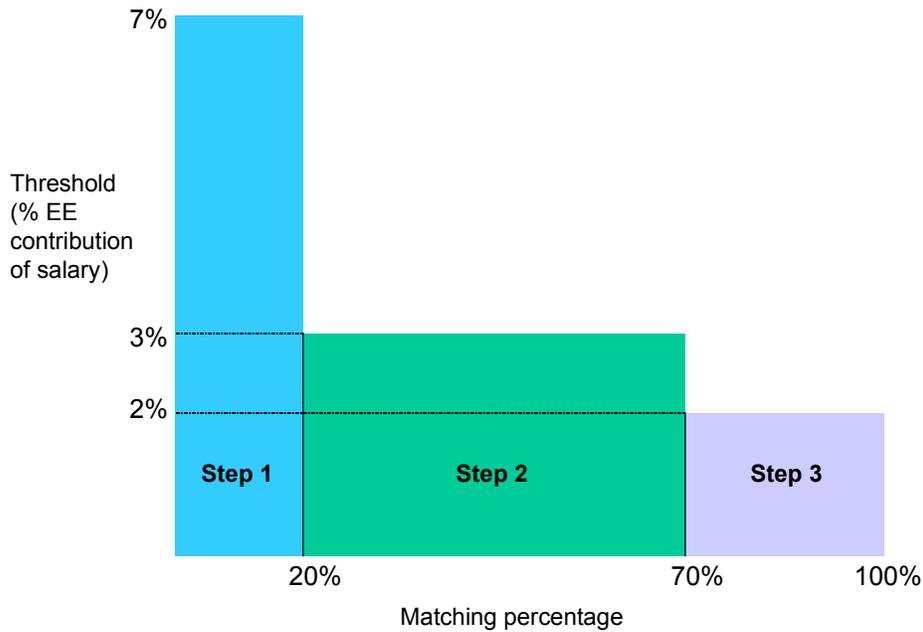
Features

The maximum employer contribution for employer matching in the example above can be calculated as the area of each horizontal block on the following chart. In this example, matching for employee contribution amounts other than 2, 3, and 7 % can be calculated by intersecting the blocks horizontally at the appropriate point on the employee contribution axis.

Employer Matching**Employer Matching**

Since tiered contribution rules are not supported in the Benefits application, vertical blocks must be used to represent an identical employer contribution with the same total area, as shown in the following graphic. From these vertical blocks you can derive the corresponding rules that you need to set up in the R/3 System.

Employer Matching



Replication of Matching in Benefits

Thresholds, which are set in matching rules to define the maximum employee contribution to which an employer contribution rule applies, are not used in the R/3 System. You therefore set limits instead to ensure that the maximum employee contribution is the same as in your matching rule. The calculation of this limit is the key step in the conversion of your rules.

You calculate new limits by multiplying the additional matching percentage covered by a step and the total employee contribution of salary for which the step applies. For example, the limit for Step 2 in the above graphic is $50\% * 3\% = 1.5\%$ of salary

Example

Using the rules from the above example, the following table shows how identical employer contributions can be calculated using the two different methods for an employee with a salary of \$1,000.

EE contribution (% of salary)	2%	5%	10%
EE contribution	\$10	\$50	\$100
ER matching - tier 1	\$10	\$20	\$20
ER matching - tier 2	-	\$7	\$7
ER matching - tier 3	-	\$4	\$8
ER matching - total	\$10	\$31	\$35

Employer Matching

ER contribution - step 1 (limit 1.4% of salary)	\$2	\$10	\$14
ER contribution - step 2 (limit 1.5% of salary)	\$5	\$15	\$15
ER contribution - step 3 (limit 0.6% of salary)	\$3	\$6	\$6
ER contribution - total	\$10	\$31	\$35

Activities

Use the following formula based on the above example to help you convert your matching values into individual contribution rules for aggregation:

- Step 1: ER contribution as a percentage of EE contribution
Determine the matching percentage of the last tier in the matching rule (20%)
- Step 1: ER contribution limit as a percentage of salary
Multiply the sum of all matching limits ($2\% + 1\% + 4\% = 7\%$) with the matching percentage from the previous step: $7\% * 20\% = 1.4\%$
- Step 2: ER contribution as a percentage of EE contribution
Subtract the matching percentage of the third tier from that of the second tier: $70\% - 20\% = 50\%$
- Step 2: ER contribution limit as a percentage of salary
Multiply the sum of the matching limits of the first two tiers ($2\% + 1\% = 3\%$) with the matching percentage from the previous step: $3\% * 50\% = 1.5\%$
- Step 3: ER contribution as a percentage of EE contribution
Subtract the matching percentage of the second tier from that of the first tier: $100\% - 70\% = 30\%$
- Step 3: ER contribution limit as a percentage of salary
Multiply the sum of the matching limits of the first tiers (2%) with the matching percentage from the previous step: $2\% * 30\% = 0.6\%$



You can convert your matching rule tiers into individual steps in any order without affecting the total employer contribution.

Benefits Employee Self-Service

Purpose

This component provides services that employees can use to manage their benefits independently online. By making employee self-services (ESS) available to employees in your company's Intranet, you can reduce the volume of inquiries, forms, and claims that need to be handled by your Benefits office. Employees have continual access to up-to-date information about their benefits, and any changes they make are immediately effective. The integration of data entered online therefore enables you to increase cost-efficiency and guarantee accuracy of data.

Features

The following Benefits ESS services are available:

- [Enrollment \[Page 106\]](#)
- [Participation Overview \[Page 105\]](#)
- [Retirement Benefits \[Page 109\]](#)
- [Spending Account Claims \[Page 108\]](#) (relevant for USA only)

Participation Overview (ESS)

Use

Employees can use this service to display an overview of their enrollments. From the overview they can do the following:

- Display details of their elections for individual plans
- Display summaries of costs and contributions, investments, dependents, and beneficiaries
- Print a participation confirmation form
- Display information on plans, plan types, or investments, if links are set up

Prerequisites

- Before an employee can use this service, a *General Benefits Information* record (infotype 0171) must exist for the employee and the employee's SAP user must be entered on the *Communication* infotype (0105).
- If you want to implement this service, you must also install the [Enrollment \[Page 106\]](#) service on your Internet Transaction Server, since some of the functions used in the Participation Overview are defined in this service.
- If you want to make a confirmation form available in this service, you need to set up form printing using SAPscript templates. For more information, see [Form Setup \[Ext.\]](#).

Features

Modification Options

The name of this service is PZ07. You can find all the relevant data for this service in the [SAP@Web Studio \[Ext.\]](#).

Activities

If you want to provide links to further sources of information about plans, plan types, or investments, or to general information, you need to set up these links in the *Benefits Implementation Guide* in the section *Employee Self-Service*.

Enrollment (ESS)

Use

Employees can use this service to enroll in plans, change their elections for plans in which they are currently participating, and stop participation in plans. They can also perform the following activities from within the service:

- Display summaries of costs and contributions, investments, dependents, and beneficiaries for the plans selected for enrollment (does not take current participation into account)
- Print an enrollment form for a benefit offer
- Display information on plans, plan types, or investments *
- Search for doctors approved by a health plan provider *
- Simulate a payslip prior to completing enrollment to see the effect of plan elections on gross pay *
- Print a confirmation form after enrollment

The activities marked * are only possible if the functions are explicitly activated or defined in Customizing.

Prerequisites

- Before an employee can use this service, a *General Benefits Information* record (infotype 0171) must exist for the employee and the employee's SAP user must be entered on the *Communication* infotype (0105).
- If you want to make enrollment and confirmation forms available in this service, you need to set up form printing using SAPscript templates. For more information, see [Form Setup \[Ext.\]](#).

Features

Modification Options

The name of this service is PZ14. You can find all the relevant data for this service in the [SAP@Web Studio \[Ext.\]](#).

Activities

If you want to provide links to further sources of information about plans, plan types, or investments, to general information, or to a doctor search engine, you need to set up these links in the *Benefits Implementation Guide* in the section *Employee Self-Service*.

If you want to make the payslip simulation function available to employees, you need to define parameters for simulation in the *Benefits Implementation Guide* (*Employee Self-Service* → [Set ESS Parameters \[Ext.\]](#)).



Before you activate the payslip simulation function, you should read the documentation for the Customizing step Set ESS Parameters, which describes the function's limitations.

Use

Spending Account Claims (ESS)

Use

Employees can use this service to do the following:

- Display the balance of their flexible spending account(s)
- Display claims
- Create claims *
- Change or delete claims that have not yet been approved *
- Register their agreement to the rejection of claims *

The activities marked * are only possible if the functions are explicitly activated or defined in Customizing.

Integration

If you allow employees to enter claims, you should use the [Claims Monitor \[Page 116\]](#) to collect claims for processing.

Prerequisites

- Before an employee can use this service, a *General Benefits Information* record (infotype 0171) must exist for the employee and the employee's SAP user must be entered on the *Communication* infotype (0105).
- Employees can only use this service if they have a flexible spending account.

Features

Modification Options

The name of this service is PZ40 You can find all the relevant data for this service in the [SAP@Web Studio \[Ext.\]](#).

Activities

Before you implement this service, you need to indicate which of the optional functions you want to activate in the *Benefits Implementation Guide (Employee Self-Service → Set ESS Parameters)*.

Retirement Benefits (ESS)

Retirement Benefits (ESS)

Use

Employees can use this service to display their projected retirement benefits and service data. The values that are displayed are stored as calculated results on the infotype [Retirement Plan Valuation Results \(0565\) \[Page 91\]](#).

For each type of retirement plan service the total amount is calculated as the sum of the following:

- The most recent service calculation result
- The most recent manual adjustment of calculated service
- Grandfathered service (if available)

Prerequisites

Before an employee can use this service, a *General Benefits Information* record (infotype 0171) must exist for the employee and the employee's SAP user must be entered on the *Communication* infotype (0105).

Features

Modification Options

The name of this service is PZ43. You can find all the relevant data for this service in the [SAP@Web Studio \[Ext.\]](#).

USA Specifics

In this section of the SAP Library you will find documentation regarding functions in the Benefits component which are specific to the US market. This includes information on infotypes related to administering COBRA plans, Flexible Spending Accounts, Tax Sheltered Annuity Plans, as well as reports used to track employee contributions to benefits plans.

FSA Claims Administration

Purpose

Flexible spending accounts (FSAs) enable employees to set aside pre-tax income to cover anticipated medical or dependent care expenses. Contributions to FSAs are automatically deducted from the employee's paycheck in accordance with a deduction agreement. When an employee incurs an expense, he/she registers a claim and submits the accompanying receipt, which, if approved, is reimbursed in the employee's next paycheck.

The following processes describes how you manage FSA claims in *Benefits*, depending on whether or not your organization implements the Employee Self-Service [Spending Account Claims \(ESS\) \[Page 108\]](#).

Prerequisites

Employees are enrolled in flexible spending accounts

Process Flow

Without ESS

1. The employee submits a claim to the Benefits office with a receipt.
2. You [enter the claim \[Page 113\]](#) with the appropriate status.

You can initially enter a claim as pending further investigation and subsequently approve or reject it by [changing the claim status \[Page 113\]](#).

If you want to reject a claim, you must seek the employee's agreement before making the rejection final. When you have received the employee's agreement, you [change the claim status \[Page 113\]](#) correspondingly. If the employee has already been reimbursed for the expense, the reimbursed amount is automatically deducted from the employee's paycheck in the next payroll.

With ESS

1. Employees enter their claims in ESS and submit the related receipts to the Benefits office.
2. You periodically use the [Claims Monitor \[Page 116\]](#) to show new claims made by employees and approve or reject them.

If you want to reject a claim, you must seek the employee's agreement before making the rejection final:

- If you allow employees to register their agreement to the rejection of claims in ESS, you do not need to take any further steps. Rejected claims are visible to employees in ESS and they can register their agreement online.
- If you require employees to confirm the rejection directly with the Benefits office, you wait until the agreement has been received and [change the status of the claim \[Page 113\]](#) correspondingly.

Result

Approved claims are automatically reimbursed in the next payroll.

FSA Claims Administration

Note that it is possible to do the following at any time during the administration process:

- [Display account balances \[Page 115\]](#)
- [Display an overview of claims \[Page 116\]](#) in the Claims Monitor
- [Display or change employee FSA contributions \[Page 118\]](#)

Entering Claims and Setting Claim Statuses

Entering Claims and Setting Claim Statuses

Use

You follow this procedure in order to do the following

- Enter a claim when an employee submits a receipt and set the appropriate status
- Approve or reject pending claims
- Register an employee's agreement with the rejection of a claim

Procedure

1. Choose *Human Resources* → *Personnel Management* → *Benefits* → *Flexible Spending Accounts* → *Account Balance and Claims*.
2. [Select the employee\(s\) \[Ext.\]](#) for whom you want to enter claims.
3. Expand the tree section to the appropriate employee and select the employee's plan.
4. Choose  or double-click on the plan.

The employee's FSA claims record is displayed. If an employee has no claims, you are requested to confirm that you want to create a claim record. Otherwise choose  to create a new claim.
5. Select the *Plan type* against which the claim is being made and enter the claim amount. The system provides the name of the plan automatically.
6. Enter the dates on which the claim was submitted and on which the cost was incurred (normally the receipt date).
7. Enter the *Receipt type*, *Receipt number*, and *Provider name*, if required.
8. Set the claim status.

You can set the following statuses for claims:

- *Not yet approved*

You can only set this status when initially entering a claim if the employee must provide further information or if further investigation is necessary. Once a different status has been set, you cannot reset the claim to *Not yet approved*.

- *Approved*
- *Rejected*

It is possible to reject a claim, even if you have initially approved it and the employee has been reimbursed for the expense, because the amount reimbursed can be deducted from the employee's paycheck in the next payroll run. Once a claim has been rejected, however, the status **cannot** be reset to *Not yet approved* or *Approved*.

- *Agreement given to rejection*

If you want to reject a claim, you must seek the employee's agreement before making the rejection final. In this case, you initially set the status to *Rejected* and then, when agreement has been given, change this to *Agreement given to rejection*.

Entering Claims and Setting Claim Statuses

9. Save your entries.

Result

- For each new claim a new [FSA Claims \(infotype 0172\) \[Page 151\]](#) record is created. If the status of a claim is changed or an employee's approval registered, the corresponding record is modified.
- Approved claims are taken into account by payroll, and the employee is reimbursed.
- Claims that are not yet approved or rejected are **not** taken into account by payroll.
- Records are retained for rejected claims for which the employee's agreement has been registered. If the employee has already been reimbursed for the expense, the record is taken into account by payroll, which deducts the amount from the employee's paycheck.

Displaying FSA Balances

Displaying FSA Balances

Procedure

1. Choose *Human Resources* → *Personnel Management* → *Benefits* → *Flexible Spending Accounts* → *Account Balance and Claims*.
2. [Select the employee\(s\) \[Ext.\]](#) for whom you want to display an FSA balance.
3. Expand the tree section to the appropriate employee.
4. To display an individual balance, select the employee's plan and choose .
The employee's planned and paid contributions and claims for the current and previous year and also the account balance are shown.
5. To display an overview of FSA balances for all the selected employees, choose .
For each benefit area, first and second program grouping, and plan type and plan, the participating employees are listed. For each employee, the planned and paid contributions and claims for the current year only and also the account balance are shown.
The report also shows totals per plan. The total contributions and claims are also displayed, and also the planned annual balance and year-to-date balance.



Only approved claims are taken into account in the FSA balances.

Claims Monitor

Use

This function enables you to display an overview of spending account claims and their statuses and process not yet approved claims from within a single tool.

Integration

If your organization implements the Employee Self-Service (ESS) *Spending Account Claims*, claims entered online by employees automatically have the status *Not yet approved*. You can use the Claims Monitor to show these and either approve or reject them.

Monitoring Claims

Monitoring Claims

Procedure

1. Choose *Human Resources* → *Personnel Management* → *Benefits* → *Flexible Spending Accounts* → *Claims Monitor*.
2. Specify the employees whose claims you want to display in the monitor.
For the selection, you can use either personnel numbers or the criteria in the *Additional data* area.
3. Indicate the status of claims that you want to display.
If you only want to see claims that require approval, select *Not yet approved*.
If you want to get an overview of other claims, select the appropriate status(es).
4. Choose .
A list of claims is displayed for each of the selected employees with the submission date, claim amount and receipt data.
5. To approve or reject claims, select the appropriate indicators and choose  *Process selected claims*.

Result

When you approve or reject claims, the status of the claim is changed on the corresponding [FSA Claims \(infotype 0172\) \[Page 151\]](#) record.

Displaying and Changing Employee FSA Contributions

Procedure

6. Choose *Human Resources* → *Personnel Management* → *Benefits* → *Flexible Spending Accounts* → *Account Balance and Claims*.
7. [Select the employee\(s\) \[Ext.\]](#) whose annual pre-tax contribution you want to display or change.
8. Expand the tree section to the appropriate employee.
9. Select the employee's plan.
10. Choose  .

The employee's FSA record is displayed.

11. On the *Employee contribution* tab, you can display or change the annual contribution.

Result

Employee contributions are changed on the [Flexible Spending Account infotype \(0170\) \[Page 150\]](#).

COBRA Administration

COBRA Administration

Purpose

The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) requires the vast majority of employers to offer continuation of coverage to covered employees and their dependents who, due to certain COBRA qualifying events, lose group health plan coverage.

This component enables you to efficiently administrate individuals to whom you are legally required to offer continuation of benefits coverage.

Features

The Benefits COBRA administration allows you to identify qualified beneficiaries from your master data records and print letters of notification including personalized COBRA election and enrollment forms. You can enroll qualified beneficiaries in COBRA health plans and track payments they make for the plans.

Master Data

The data relevant to COBRA administration data is stored on the following infotypes:

- [COBRA-Qualified Beneficiary \(0211\) \[Page 152\]](#)
- [COBRA Health Plans \(0212\) \[Page 153\]](#)
- [COBRA Payments \(0270\) \[Page 154\]](#)

Administration of COBRA

Purpose

This process gives you an overview of all the steps involved in administering COBRA in your organization.

Process Flow

1. In order to determine which employees and/or dependents are eligible for coverage continuation, you [collect COBRA events \[Page 122\]](#) periodically.

COBRA events are identified from infotype records. For more information, see [criteria for qualifying events \[Page 123\]](#).

Once collected, events are stored in the system for use in the next step.
2. You use the [COBRA Letters \[Page 124\]](#) function to do the following in a single step:
 - Print a notification package for employees including an enrollment form

The events collected in step 1 provide the necessary information for generating personalized letters.
 - Terminate employee participation in health plans
 - Create COBRA-Qualified Beneficiary (infotype 0211) records
3. You periodically [monitor the COBRA election period \[Page 127\]](#) to detect any beneficiaries who fail to communicate their decision regarding COBRA participation and remove them from the list of COBRA beneficiaries.
4. When employees communicate their decision regarding COBRA coverage, you [register COBRA elections \[Page 129\]](#). You can do the following:
 - Enroll dependents in COBRA plans
 - Waive COBRA rights or stop participation in COBRA (if an employee has already enrolled)
5. You [print confirmation forms \[Page 131\]](#) for employees who have enrolled.
6. You administer [payments \[Page 132\]](#) for continued coverage (which must be made separately) as follows:
 - a. You [print COBRA invoices \[Page 133\]](#) and send them to beneficiaries.
 - b. You [register receipt of payments \[Page 134\]](#) as they are received.
 - c. You [monitor payments \[Page 135\]](#) to detect any overdue amounts, as a result of which you can withdraw the beneficiary concerned from a COBRA plan.

You can perform the following optional activities periodically:

- [Display a cost summary \[Page 136\]](#)
- [Communicate data to a plan provider \[Page 138\]](#)
- [Collect beneficiaries for advance notification of the end of COBRA coverage \[Page 137\]](#)

COBRA Events

COBRA Events

Purpose

This component enables you to identify employees who are COBRA-qualified beneficiaries and their qualified dependents. Depending on your customizing settings, you can collect individuals for some or all of the following COBRA qualifying events:

- Termination of employment
- Death of employee
- Reduction in work hours
- Entitlement to Medicare
- Divorce
- Legal separation
- Loss of dependent status
- Bankruptcy of employer

The collection of COBRA events is the first step in the COBRA administration process. You typically run the collection for all your employees in the background.

Collecting COBRA Events

Use

You follow this procedure to identify events that have taken place as a result of which employees and/or their dependents become eligible for continuation of health plan coverage under COBRA.

Procedure

1. Choose *Human Resources* → *Personnel Management* → *Benefits* → *COBRA* → *Event Collection*.
2. Specify the period for which you want to collect COBRA qualifying events.
3. Specify the employees (and thereby their qualified dependents) for whom you want to check the COBRA status.

For the selection, you can use either personnel numbers or the criteria in the *General benefits information* area.

4. Choose  .

Result

A list of COBRA qualifying events is displayed, broken down by event type. These events are automatically stored in an temporary buffer (table T5UDB) to be used for [generating COBRA letters \[Page 125\]](#). To see the employees and/or their dependents who have experienced a particular qualifying event and the date on which the event occurred, double-click on the event type.

Criteria for Qualifying Events

Criteria for Qualifying Events

To collect qualified beneficiaries, the system checks HR Master Data records for information that indicates that a qualifying event has taken place. The following table shows the employee master data that is checked for each event:

COBRA Qualifying Event Type	Master Data Record and Data Indicating Event	Current Health Plan Records	COBRA Setup in IMG
Termination of employment	Personnel events (0000) Termination, for example		Termination + reason ≠ death
Death of employee	Personnel events (0000) Termination, for example		Termination + reason = death
Reduction in work hours	Planned working time (0007) Reduction in hours	Eligibility rule variant for existing health plan: Required hours greater than employee's hours	Reduced hours personnel action (optional setup)
Entitlement to Medicare	Additional personal data (0077) Medicare indicator: Change from not selected to selected		
Divorce	Family/related person (0021) New subtype 10 divorced spouse, subtype 1 delimited		
Legal separation	Legal separation (0106) via (0021)		
Loss of dependent status	Family related person (0021 / 0106) Birthday of dependent: user defined during qualified event collection.		
Bankruptcy of employer	Personnel event (0000) Status 2 = retired		

COBRA Letters

Use

Once you have collected COBRA events to determine qualified beneficiaries, you can print a notification package that includes the following documents for each qualified beneficiary and their relevant dependents:

- Notice of the right to coverage continuation under COBRA
- Personalized COBRA election form
- Enrollment form

Prerequisites

- You have set up form templates for your organization in the *Benefits* Implementation Guide in the section *COBRA* → *Form Setup*.
- You have [collected qualified beneficiaries \[Page 122\]](#).

Features

In addition to generating letters, the COBRA Letters function also automatically creates [COBRA-Qualified Beneficiary records \(infotype 0211\) \[Page 152\]](#) that are valid from the event date until the end of the COBRA period, and delimits employee *Health Plan* records (infotype 0167) in the background, according to the termination rule for the appropriate plan.



As a default, COBRA enrollment forms list all the plans within your organization that are currently designated as COBRA-relevant. However, you can set up your forms in Customizing to list only the plans in which an employee was enrolled prior to the COBRA-qualifying event, and which can be continued under COBRA.

Printing Letters and Terminating Health Plans

Printing Letters and Terminating Health Plans

Prerequisites

You have [collected COBRA events \[Page 122\]](#) immediately prior to printing letters to ensure that the list of qualified beneficiaries is up-to-date.

Procedure

1. Choose *Human Resources* → *Personnel Management* → *Benefits* → *COBRA* → *Letter Generation*.
2. Specify the period during which the COBRA events for which you want to generate letters and forms occurred.
3. Specify the employees (and thereby their qualified dependents) for whom you want to generate letters and forms.

For the selection, you can use either personnel numbers or the criteria in the *General benefits information* area.

4. Indicate whether you want to generate letters for new events only or all events in the selected period.

Choose *Take events from collection buffer* if you want to generate letters for new events.

Choose *Repeat letter generation for events processed before* to reprint the last form printed for a beneficiary.

5. Choose .

A list of qualified beneficiaries and their qualifying events is displayed.

If you want to modify the list of dependents that are qualified beneficiaries, select the qualifying event and choose  *Display event* to go to a list where you can delete names.



Only in cases of divorce or legal separation is it possible to remove dependent children from the list of beneficiaries. You can do this if you know that the children are continuing normal coverage under the employee's health plan and are therefore unaffected by the qualifying event.

6. To print letters, select the beneficiaries for whom you want to print letters and choose  *Letters*.
7. If you use SAPscript forms, define your print parameters and choose  *Print*.

Result

- Letters and enrollment forms are printed for all selected COBRA-qualified beneficiaries (including the dependents of beneficiaries). Beneficiaries for whom forms are successfully printed are marked . Printing errors are displayed in the beneficiary selection list. To display the long text of an error message, double-click on the short text of the message.

Forms with SAPscript template

Printing Letters and Terminating Health Plans

The print request is sent to the SAP System spool to be printed on the output device you specified.

Forms with Office template

The forms are printed on the default printer set for your operating system.

- [COBRA-Qualified Beneficiary records \(infotype 0211\) \[Page 152\]](#) are automatically created, participation in current health plans is terminated, and the relevant events are deleted from the internal buffer (table T5UDB).

The termination process depends on the type of beneficiary for the plan as shown in the following table:

Beneficiary	System Action
Employee	The entire <i>Health Plans</i> (infotype 0167) record is delimited according to the termination rule for the plan.
Spouse or dependent child	<ol style="list-style-type: none"> 1. The <i>Health Plans</i> (infotype 0167) record is delimited for the covered employee according to the termination rule for the plan. 2. A new record is created for the covered employee, this time excluding the qualified beneficiary/ies.

Monitoring the COBRA Election Period

Monitoring the COBRA Election Period

Use

Qualified beneficiaries must decide whether or not to continue their coverage under COBRA within a certain number of days (typically 60) of the COBRA qualifying event. You therefore need to check on a regular basis whether any qualified beneficiaries have failed to indicate their elections within this period and thereby forfeited or waived their COBRA rights. These beneficiaries can be removed from the list of COBRA beneficiaries.

Procedure

1. Choose *Human Resources* → *Personnel Management* → *Benefits* → *COBRA* → *Election Period Monitor*.
2. Specify the key date for which you want to check for expired COBRA election periods.
3. Specify the employees (and thereby their qualified dependents) for whom you want to monitor the election period.

For the selection, you can use either personnel numbers or the criteria in the *General benefits information* area.

4. Choose .
A list is displayed showing COBRA-qualified beneficiaries whose election period has expired.
5. Select the beneficiaries for whom you want to confirm forfeiture or waiving of COBRA rights and choose  *Reject*.

Result

The system records the forfeiture/waiving of COBRA rights by delimiting the [COBRA-Qualified Beneficiary record \(infotype 0211\) \[Page 152\]](#) to the date before the processing date and creating a new record from the processing date with the status *Waived*. No reply date is attributed to the record in this case.

COBRA Participation

Purpose

Once you have identified COBRA-qualified beneficiaries by collecting [COBRA events \[Page 121\]](#) and sent [COBRA letters \[Page 124\]](#), you can use this component to register the decisions of qualified beneficiaries regarding continuation of coverage. In particular, you can do the following:

- Enroll beneficiaries in accordance with their COBRA elections or register the waiving of COBRA rights
- Stop participation in the COBRA health plan if requested by a beneficiary or as a result of a failed payment for coverage
- Print enrollment and confirmation forms for individual employees

COBRA participation is recorded on the infotypes [COBRA-Qualified Beneficiary \(0211\) \[Page 152\]](#) and [COBRA Health Plans \(0212\) \[Page 153\]](#).

Registering COBRA Elections

Registering COBRA Elections

1. Choose *Human Resources* → *Personnel Management* → *Benefits* → *COBRA* → *Participation*.
2. [Select employees \[Ext.\]](#) for processing.
3. Single-click on the relevant employee.

A list of COBRA-qualified beneficiaries is displayed with their COBRA status. The following table shows the different activities that you can perform for the beneficiaries:

Activity	Procedure
Perform enrollment	<ol style="list-style-type: none"> 1. Choose  <i>Get offer</i>. 2. Single click on a plan in the offer to select it for enrollment or make changes. 3. Choose  <i>Accept</i> to confirm your settings. 4. When you have registered the beneficiary's elections for all the relevant plans, choose  <i>Enroll</i>. <p>The COBRA-Qualified Beneficiary record (infotype 0211) [Page 152] with the status <i>Waiting for reply</i> is delimited to the date before the processing date and a new record created from the processing date to show that coverage is elected.</p> <p>A COBRA Health Plans record (infotype 0212) [Page 153] is created that is valid until the regular end of the COBRA period.</p>
Display participation	Choose  <i>Display participation</i> .
Waive COBRA rights	Choose  <i>Waive participation</i> . The <i>COBRA-Qualified Beneficiary</i> record is delimited to the date before the processing date and a new record created from the processing date with the status <i>Waived</i> .
Stop participation	Choose  <i>Stop participation</i> . Participation is terminated for all COBRA plans in which the beneficiary is enrolled. The <i>COBRA-Qualified Beneficiary</i> record is delimited to the date before the processing date and a new record created from the processing date with the status <i>Early termination</i> . The <i>COBRA Health Plans</i> record (0212) is delimited to the processing date.
Print an enrollment form	Choose  <i>Enrollment form</i> .
Print a confirmation form	Choose  <i>Confirmation form</i> .

Registering COBRA Elections

<p>Maintain the list of dependents to be covered under COBRA</p>	<p>Choose  <i>Poss. dependents</i>.</p> <p>If dependents have their COBRA rights as a result of the same COBRA qualifying event, you can indicate this in the list.</p>
--	--

To perform activities for a different date, choose , and change the selection date.

Printing COBRA Enrollment and Confirmation Forms

Printing COBRA Enrollment and Confirmation Forms

Use

You follow this procedure to print COBRA enrollment or confirmation forms for multiple beneficiaries.

Procedure

1. Choose *Human Resources* → *Personnel Management* → *Benefits* → *COBRA* → *Forms* → *Enrollment* or *Confirmation*.
2. Specify the key date for which you want to print forms.
3. Specify the employees (and thereby their qualified dependents) for whom you want to print forms.

For the selection, you can use either personnel numbers or the criteria in the *General benefits information* area.

4. Choose .

A list of employees who are participating/eligible to participate in COBRA or whose dependents are participating/eligible is displayed. Expand the tree structure to see the individual beneficiaries.

5. To see a preview of a form before printing it, select the appropriate beneficiary and choose . To print forms directly, select the appropriate beneficiaries and choose  *Forms*.

Result

The forms are printed. Beneficiaries for whom forms are successfully printed are marked . Printing errors are displayed in the beneficiary selection list. To display the long text of an error message, double-click on the short text of the message.

Forms with SAPscript Template

The print request is sent to the SAP System spool to be printed on the output device you specified.

Forms with Office Template

The forms are printed on the default printer set for your operating system

COBRA Payments

Use

Qualified beneficiaries who want to continue coverage under COBRA must pay for this coverage. Payments from all beneficiaries, even those who remain in the employment of your organization, must be collected separately, since it is not possible to deduct COBRA costs directly from employee pay.

In order to administer payments, you can use this function to perform the following tasks:

- Printing and sending an invoices to qualified beneficiaries
- Recording payments as they are received
- Identifying overdue payments

COBRA payments are stored on the [COBRA Payments infotype \(0270\) \[Page 154\]](#).

Printing COBRA Invoices

Printing COBRA Invoices

1. Choose *Human Resources* → *Personnel Management* → *Benefits* → *COBRA* → *Invoice*.
2. Specify the employees (and thereby their qualified dependents) for whom you want create invoices.

For the selection, you can use either personnel numbers or the criteria in the *General benefits information* area.

3. Select whether you want to process a *Monthly invoice* or *Initial invoice*.

The **initial invoice** is the first invoice sent to the enrolled person. This invoices the coverage from the first day of COBRA coverage until the end of the current month.

The **monthly invoice** is the regular monthly invoice sent to the enrolled person. This invoices the COBRA coverage only for the month you enter here.

4. Enter the appropriate dates.



For the initial invoice, the date you enter must be on or before the date the person's enrollment in COBRA started.

5. Choose .

A list of employees who are participating in COBRA or whose dependents are participating in COBRA is displayed. Expand the tree structure to see the individual beneficiaries.

6. To see a preview of an invoice before printing it, select the appropriate beneficiary and choose . To print invoices directly, select the appropriate beneficiaries and choose  *Invoice*.

Result

The forms are printed. Beneficiaries for whom forms are successfully printed are marked . Printing errors are displayed in the beneficiary selection list. To display the long text of an error message, double-click on the short text of the message.

Forms with SAPscript Template

The print request is sent to the SAP System spool to be printed on the output device you specified.

Forms with Office Template

The forms are printed on the default printer set for your operating system

Entering COBRA Payments and Displaying Due Amounts

5. Choose *Human Resources* → *Personnel Management* → *Benefits* → *COBRA* → *Payments*.
6. Specify the key date for which you want to enter payments.
7. Specify the employees (and thereby their qualified dependents) for whom you want to enter payments.

For the selection, you can use either personnel numbers or the criteria in the *General benefits information* area.

4. Choose .
A list of employees who are participating in COBRA or whose dependents are participating in COBRA is displayed. Expand the tree structure to see the status and balance of payments for individual beneficiaries.
5. To display individual payments made by a beneficiary, select the beneficiary and choose  *Payments*.
6. To enter a payment choose  and enter the amount and payment method.

Result

Payments are stored on the [COBRA Payments infotype \(0270\) \[Page 154\]](#).

Monitoring COBRA Payments

Monitoring COBRA Payments

Use

You follow this procedure periodically to detect payments for continued coverage that have not been made within the grace period for payments. Once you have detected overdue payments, you can stop participation for the beneficiaries concerned, as required.

Procedure

1. Choose *Human Resources* → *Personnel Management* → *Benefits* → *COBRA* → *Overdue Payments*.
2. Specify the employees (and thereby their qualified dependents) for whom you want to check payments.

For the selection, you can use either personnel numbers or the criteria in the *General benefits information* area.

3. Specify the termination reason that you want to be attributed to the new [COBRA-Qualified Beneficiary records \(infotype 0211\) \[Page 152\]](#) that are created when you stop COBRA participation.
4. Choose .

A list of employees who have overdue payments or whose dependents have overdue payments is displayed. Expand the tree structure to see the individual beneficiaries. To withdraw beneficiaries from plans, select them and choose  *Stop participation*.

You can also create payments, if required, by selecting , which takes you to the [COBRA Payments infotype \(0270\) \[Page 154\]](#).

Result

If you stop participation, the current *COBRA-Qualified Beneficiary* record (infotype 02112) for participation in COBRA is delimited to the day before the processing date and a new record is created from the processing date, attributed with the termination reason that you specified.

Displaying a Summary of COBRA Costs

Use

You follow this procedure to display the costs to qualified beneficiaries of continued coverage under COBRA.

Procedure

1. Choose *Human Resources* → *Personnel Management* → *Benefits* → *COBRA* → *Cost Summary*.
2. Specify the key date for which you want to display costs.
3. Specify the employees (and thereby their qualified dependents) for whom you want display a cost summary.

For the selection, you can use either personnel numbers or the criteria in the *General benefits information* area.

4. Choose .

Result

A list of employees who are participating in COBRA or whose dependents are participating in COBRA is displayed. Expand the tree structure to see the plans in which beneficiaries are continuing their coverage and the cost of the plan. To [enter payments or display due amounts](#) [\[Page 134\]](#) choose .

Collecting Beneficiaries for Advance Notification of COBRA End

Collecting Beneficiaries for Advance Notification of COBRA End

Use

You follow this procedure to collect beneficiaries who you want to notify in advance about the regular end date of their maximum coverage continuation period under COBRA.

Procedure

5. Choose *Human Resources* → *Personnel Management* → *Benefits* → *COBRA* → *Regular End of COBRA*.
6. Specify the period that forms the basis for calculating the date(s) on which the system checks for occurrences of the end of a COBRA period, taking into account the number of days that you specify in step 4.
7. Specify the employees (and thereby their qualified dependents) who you want to notify.

For the selection, you can use either personnel numbers or the criteria in the *General benefits information* area.
8. Specify the number of days after the selection period that you want to check for occurrences of the end of a COBRA period (typically the number of days in advance that you want to send notification).

This date is added to each date the selection period (step 2) to determine the date(s) for which the check is run.
6. Choose  .

Result

The report lists the beneficiaries whose regular COBRA continuation period ends during the specified period. You can use this list as a checklist when sending notification letters.

Transfer of Data to Providers

Use

You can communicate participation data for all plan categories (except credit plans) to external providers, along with other relevant employee data stored in the Benefits component. To do this, you generate intermediate documents (IDocs), which can be forwarded by means of a variety of media, for example as an e-mail attachment, tape, or file on a server.

Features

The structure of Benefits IDocs conforms with the standard ANSI X12.834 governing electronic data interchange.

The IDoc *BENEFIT1*, which is available as of Release 4.6A, includes the following data:

- Administrative data
- Personal data
- Address data
- Medical data
- Health plan coverage

The IDoc *BENEFIT2*, which replaces *BENEFIT1* in Release 4.6C, includes the same data as *BENEFIT1* and the following additional data:

- Administrative data (additional fields)
- Organizational data
- Information about employee posts
- Savings plan participation data

The IDoc *BENEFIT3*, which replaces *BENEFIT2* in Release 4.6C (Support Release 2), includes the same data as *BENEFIT2* and the following additional data:

- Insurance plan participation data
- Flexible spending account participation data (USA only)
- Stock purchase plan participation data
- Miscellaneous plan participation data
- Additional fields for savings plan participation data

You can choose to transfer either all relevant data or only those records that have been changed within a given period. For example, you may want to send a full set of data to the provider initially and subsequently communicate updates only.

Activities

The system generates IDocs by selecting data and arranging it in a predefined hierarchical structure. The IDoc is automatically passed on to the SAP *Basis* component where it is further processed.

Transfer of Data to Providers

If your organization wants to send IDocs containing changed data to a provider, long-term change documents need to be set up in Customizing to log changes to the relevant infotype records. These documents are then evaluated during IDoc generation to identify changed records.

The system considers the following infotypes when searching for changes. You therefore need to log those infotypes for which you want to transfer changes, depending on the contract with your provider:

Type of Infotype	Infotype Number
Personal/administrative information	0000, 0001, 0002, 0006, 0008, 0077, 0375, 0376
Dependent information	0021 (and, depending on the country grouping, 0106, 0148, 0397)
Plan participation information	0167 (and 0212, if the report RPUCOB10 is used to report COBRA plan participation data in the USA), 0168, 0169, 0170 (USA only), 0377, and 0379



- If you use the IDoc *BENEFIT1* instead of *BENEFIT2*, you do not need to track changes in the infotypes 0001, 0008, 0375, and 0169.
- If you use the IDoc *BENEFIT2* instead of *BENEFIT3*, you also do not need to track changes in the infotypes 0168, 0170 (USA only), 0377, and 0379.

Change documents are set up in the *Personnel Administration* Implementation Guide (*Tools* → *Revision* → [Set Up Change Document \[Ext.\]](#)).

Generating an IDoc for Data Transfer

8. If you are transferring regular plan data, choose *Human Resources* → *Personnel Management* → *Benefits* → *Administration* → *Data Transfer to Provider*.
If you are transferring COBRA health plan data, choose *Human Resources* → *Personnel Management* → *Benefits* → *COBRA* → *Data Transfer to Provider*.
9. Enter the ID of the provider to whom you want to transfer data.
10. Enter a start and end date to define the period for which you want to select data for transfer.
11. Define the range of data to be transferred in the *Selection* area.
12. Indicate for which plan category the IDoc is to contain data.
13. Set the *Changes only* indicator if you want the IDoc to contain only changes made to records.
14. Choose .

Result

An IDoc is created in the background and a log is displayed. You can check the data in the IDoc structure by choosing  *Display IDoc*.

Reporting

Reporting

In this section of the SAP Library you will find documentation on US-specific reports used in Benefits Administration.

Flexible Spending Account Contributions (Report RPLBEN08)

Use

This report shows **estimated** employee and employer contributions to specified FSAs per pay period.

Features

Selection

You run the report for a *Key date* (today's date or another date).

You restrict data selection using the following parameters:

- *Personnel number*
- *Benefit area*
- *1st Program grouping*
- *2nd Program grouping*
- *Benefit plan*

Output

The report lists the following information, sorted according to payment frequency:

- Benefit plan
- Employee
- Total employee contributions
- Total employer contributions

The total contributions for each plan within each payment period, and also the grand total are displayed.

The list is displayed in the ABAP List Viewer (ALV) Grid Control, which allows you to change the layout of the list interactively using any of the available fields. For information about the functions of this tool, see [ABAP List Viewer \(ALV\): Grid Control \[Ext.\]](#).

Example

This report can be used to calculate the total contributions made by your organization to an employee's plan.

403(b) Contribution Summary Report

403(b) Contribution Summary Report

Use

The 403(b) Contribution Summary report enables you to track an employee's contributions and employer matching contributions to 403(b) plans, and ensure that these amounts do not exceed the following IRS limits:

- the §402(g) limit on elective deferrals
- the Maximum Exclusion Allowance (MEA) under Code §403(b)(2)
- the §415 defined contribution limit

This report uses information from payroll results and the Tax-sheltered annuity infotype (510) to calculate the maximum excludible amount (not included in the employee's taxable income) that may be contributed to an employee's 403(b) savings plan. The report displays a summary of the limit calculations, as well as individual limit calculations broken down in the following worksheets:

- **Worksheet 1** Calculates the maximum elective deferrals that can be contributed by an employee according to the §402(g) limit.
- **Worksheet 2** Calculates the Maximum Exclusion Allowance.
- **Worksheet 3** Calculates the Code §415 limit and the total amount excludable from an employee's income. This worksheet is displayed if the employee has not chosen a special catch-up election. If the employee has chosen a special catch-up election, then either *Worksheet 4, 5, or 6* will appear in lieu of *Worksheet 3*.
- **Worksheets 4-6** Calculate the total amount excludable from an employee's income if the employee has chosen one of the three special catch-up elections; Worksheet 4: Catch-up "A", Worksheet 5: Catch-up "B", Worksheet 6: Catch-up "C".

Prerequisites

- You must have payroll results for the employees included in the report selection.
- You must have created Tax -sheltered annuity infotype (510) records for the employees included in the report selection

Activities

1. To access this report from the main SAP menu choose: Human Resources → Personnel management → Info System → Reports → Administration US → Compliance → 403(b) contribution summary report.
2. On the report screen, enter the selection criteria for the employee or group of employees you wish the report to evaluate, and then choose execute.

403(b) Contribution Summary Report

3. The report displays a summary of each employee's 403(b) contributions, as well as worksheets detailing the applicable IRS contribution limit calculations, as described in "Use"

Example

State College has 2,000 employees enrolled in 403(b) savings plans. The benefits administrator at State College wishes to verify that contributions to an employee's 403(b) plan do not exceed applicable IRS contribution limits, and runs the 403(b) Contribution Summary Report. If the administrator finds that an employee's contributions exceed any of the limits, then he can make the necessary adjustments to this employee's 403(b) contribution information in the *Savings Plans infotype (0169)*.

See also:

[403\(b\) Contribution Estimate Report \[Page 145\]](#)

403(b) Contribution Estimate Report

403(b) Contribution Estimate Report

Use

The 403(b) Contribution Estimate Worksheet allows you to estimate what the appropriate 403(b) employee contribution and employer matching funds would be for a given employee. The system uses the 403(b) and 401(k) contribution information you enter on the selection screen to calculate the following IRS contribution limits:

- the §402(g) limit on elective deferrals
- the Maximum Exclusion Allowance (MEA) under Code §403(b)(2)
- the §415 defined contribution limit

The report displays a summary of the limit calculations, as well as a each limit calculation broken down in the following worksheets:

- **Worksheet 1-** calculates the maximum elective deferrals that can be contributed by an employee according to the 402(g) limit.
- **Worksheet 2-** calculates the Maximum Exclusion Allowance.
- **Worksheet 3-** calculates the Code §415 limit and the total amount excludable from an employees income.
- **Worksheets 4-6-** calculate the total amount excludable from an employees income for each of the following three catch-up elections types: Worksheet 4: Catch-up "A", Worksheet 5: Catch-up "B", Worksheet 6: Catch-up "C".

Activities

1. To access this report from the main SAP menu choose: Human Resources → Personnel management → Info System → Reports → Administration US → Compliance → 403(b) contribution estimate report.
2. On the report screen, enter the selection contribution information data you wish the report to evaluate, and then choose execute.
3. The report displays a summary of the limit calculations, as well as a each IRS limit calculation broken down in worksheets as described in the "Use" section above.

Example

Kathryn Meyers, a new hire at State College, is interested in participating in a 403(b) savings plan, and provides the benefits department with information about her 403(b) contribution history, and the contributions she would like to make going forward. Before the benefits administrator processes the 403(b) plan enrollment, he executes the 403(b) Contribution Estimate Report to ensure that Kathryn will not exceed any applicable IRS yearly limits before year-end with the monthly contribution amount she chooses.

See also:

[403\(b\) Contribution Summary Report \[Page 143\]](#)

HIPAA Certificate Report

HIPAA Certificate Report

Use

The HIPAA Certificate Report enables you to generate the "Certificate of Creditable Coverage" for employees and their dependents who are entitled to this document under the Health Insurance Portability and Accountability Act of 1996 (HIPAA).

Prerequisites

In order to issue a HIPAA certificate for an employee, his/her health benefits enrollment must have been terminated

Activities

1. To access this report from the main SAP menu choose: *Human Resources* → *Personnel management* → *Info System* → *Reports* → *Administration US* → *Compliance* → *HIPAA Certificate Report*.
2. On the report screen, enter the selection criteria for the employee or group of employees who require the Certificate of Creditable Coverage, and then choose execute. The print dialog box appears.
3. Specify a printing device, and then choose *Print*.

Example

Kathryn Meyers, insurance salesperson for ACME Casualty, terminates her employment with the company. Since Kathryn's health insurance coverage is cancelled when she leaves the company, the HR administrator at ACME uses the HIPAA Certificate Report to produce a "Certificate of Creditable Coverage", which provides information about her health insurance coverage history under ACME's benefit plan

See also:

[HIPAA Certificate Reprint Function \[Page 148\]](#)

HIPAA Certificate Reprint Function

Use

The HIPAA Certificate Reprint Function allows you print duplicate copies of the "Certificate of Creditable Coverage" that you generated with the HIPAA Certificate Report.

Prerequisites

You must have generated the "Certificate of Creditable Coverage" for the employees/dependents using the HIPAA Certificate Report.

Activities

1. To access this report from the main SAP menu choose: Human Resources → Personnel management → Info System → Reports → Administration US → Compliance → HIPAA Certificate Reprint Function (transaction THIPAA).
The HIPAA Log of Issued Certificates appears.
2. Select the employee and/or dependents requiring duplicate certificates, and choose *Issue Cert.*
The HIPAA Certificate Report screen appears.

Note: If the certificate(s) was generated in error, you can delete employees and/ or dependents from this list by choosing Reset.

3. Execute the report leaving the selection screen blank.
The print dialog-box appears.
4. Specify a printing device, and choose *Print*.

See also:

[HIPAA Certificate Report \[Page 147\]](#)

Infotypes

Infotypes

In this section of the SAP Library you will find documentation on US-specific infotypes used in Benefits Administration.

Flexible Spending Account (Infotype 0170)

Definition

This infotype stores details of the Flexible spending accounts (FSAs) in which the employee is enrolled. For each FSA in which the employee participates, a separate record exists.

Use

Usually you should not need to make any changes to this infotype. It is automatically created and updated by [enrollment \[Page 10\]](#) procedures.

The infotype is used for payroll and for evaluations of employee benefits data.

Structure

The following table shows the types of data stored on the Flexible Spending Account infotype:

Type of Data	Comment
Plan data	Shows how the plan fits into your benefits structure. Stores the employer contribution rule variant for the plan.
Administrative data	Created by the system at enrollment.
Employee contribution	The annual pre-tax contribution made on regular payroll runs

Integration

The system references these records in [FSA claims processing \[Page 111\]](#) when you create [FSA Claims \(Infotype 0172\) \[Page 151\]](#) records and monitor the balance of an employee's account.

FSA Claims (Infotype 0172)

FSA Claims (Infotype 0172)

Definition

This infotype stores details of the claims an employee has made against a Flexible Spending Account (FSA) in which he is enrolled. For each claim the employee makes, a separate record is created by the system.

Use

You should not need to make any changes to this infotype. It is automatically created when you enter a claim in [FSA Claims Administration \[Page 111\]](#), or when an employee enters a claim in the Employee Self-Service [Spending Account Claims \(ESS\) \[Page 108\]](#).

COBRA-Qualified Beneficiary (Infotype 0211)

COBRA-Qualified Beneficiary (Infotype 0211)

Definition

This infotype stores details about individuals who have experienced a COBRA qualifying event, as detected during [COBRA event collection \[Page 121\]](#).

Use

You should not need to make any changes to this infotype. It is automatically created and updated when you generate [COBRA letters \[Page 124\]](#).

Structure

The following table shows the types of data stored on the COBRA-Qualified Beneficiary infotype:

Type of Data	Comment
Participation data	Stores the following: <ul style="list-style-type: none">• The COBRA status, indicating the current stage in the COBRA administration process.• The reasons for early termination of COBRA coverage, if applicable.• The reply date for notification of COBRA qualification.
Administrative data	Displayed for information purposes. Includes and indication of the state whose COBRA legislation applies.
Event data	Stores information about the COBRA event and the date on which the beneficiary is notified of COBRA qualification

COBRA Health Plan (Infotype 0212)

COBRA Health Plan (Infotype 0212)

Definition

This infotype stores details of the COBRA health plans in which an employee is enrolled. For every COBRA health plan the employee is participating in, one record is created. Data is structured on this infotype in the same way as on the [Health Plans infotype \(0167\) \[Page 84\]](#).

Use

You should not need to make any changes to this infotype. It is automatically created and updated in [COBRA administration \[Page 119\]](#).

COBRA Payments (Infotype 0270)

Definition

This infotype stores details of the payments a COBRA participant has made for continuation of health plan coverage under COBRA. For each payment made, a separate record is created by the system.

Use

You should not need to make any changes to this infotype. It is automatically created in [COBRA Administration \[Page 119\]](#).

HCE Information (Infotype 0375)

HCE Information (Infotype 0375)

Definition

This infotype stores information about an employee's highly compensated employee (HCE) status.

Use

The employee status information determines whether or not the employee can potentially be included in your highly compensated employee group, as determined by the [401\(k\) Nondiscrimination Test \[Ext.\]](#).

The *Highly compensated* indicator is automatically set by the nondiscrimination test if an employee is identified as an HCE. It dictates the permitted employee contribution amounts for 401(k) plans.

Tax-Sheltered Annuity (Infotype 0510)

Definition

Infotype 0510 is used to enter amounts contributed to employees' 403(b) savings plans prior to your organization's first SAP payroll run. These amounts include contributions made by the employee, your organization, as well as the employee's previous employers.

Structure

On Infotype 0510 you enter the following information:

- **Life to date-** This tab allows you stores 403(b) contributions made up to the calendar year or your organization's first SAP payroll run. For example, if your organization runs its first SAP payroll on April 1, 1999, then you would include all contributions made up to December 31, 1998.
- **Year to date (implem. year)-** On this tab you enter 403(b) contributions made during the calendar year that your organization runs its first SAP payroll. For example, if your organization processes its first SAP payroll on April 1, 1999, then contributions made between January 1, 1999 and March 30, 1999 would be entered on this tab.
- **Other amounts-** On this tab you enter contributions made to other plans that must be factored into the 403(b) Maximum Exclusion Allowance (MEA) calculation defined in the Internal Revenue Code.
- **Catch-up elections -** On this tab you enter information related to 403(b) "Catch-up elections" defined in the Internal Revenue Code.

Asia Specifics

Asia Specifics

Purpose

This component enables you to implement the Claims function for Asia. This function caters mainly to medical claims, but this can also be used for other claims like cloth reimbursements. Since most of the health care is private, a medical insurance is usually part of the contract of employment. Most often, the company itself deals with the medical claims. The employee or the clerk enters claims which will then be cross checked against the company policies and the chosen claim plans.

Integration

This component is integrated with the SAP HR Benefits component. The Benefits component is mandatory for implementing Claims.

The Claims function is also integrated with the Payroll component. This enables you to settle the claims of an employee while running the payroll.

Features

- Employees can enroll in various plans based on eligibility.
The Claims function allows you to fulfill company policies by providing various benefits for your employees based on salary range, gender, length of service, age, marital status and various other eligibility criteria.
- Overclaiming by any employee can be checked against the available claim limits.
- Benefit adjustment enrollment allows your employee to make changes to current benefit enrollments based on various events.
- Pre-defined panel of doctors for a plan.

Claims Processing

Purpose

This process describes how a claim is processed for an employee. There are two types of claims that can be processed, a **bill** and a **receipt**.

In the case of a bill, the service provider sends the bill directly to the company. The company pays the service provider the entire sum and recovers the [co-payment \[Ext.\]](#) amount (if applicable) from the employee during payroll. If any non-reimbursable amount is applicable for that claim, this amount is also recovered from the employee.

In the case of a receipt, the claim is validated and the amount is reimbursed to the employee after taking into account the co-payment options.

Prerequisites

The employee must be enrolled in a claim plan before the claim can be processed. This is done using the [Enrollment \[Page 10\]](#) function.

Process Flow

1. This process is triggered either when an employee hands in a claim (for example, a receipt) to the HR department or when a service provider sends a bill to the company.
2. You [enter \[Page 160\]](#) the relevant claim for the employee.
3. The system automatically validates the claim. Validation follows three steps. The claim is further processed only if the claim passes the steps below:
 - a. The employee is enrolled in the claim plan as of the claim date.
 - b. The amount of money to be claimed is correct.
 - c. The dependents for whom the claim is submitted are also correct.
4. After going through the validation process, any one of three events can take place.
 - The claim has passed the validation.
 - The claim has been rejected.
 - The claim has been suspended and further intervention from the HR department is needed.



The result of the HR intervention could result in the claim having to be modified in some way and this leads back to Step 3.

5. Once the claim has passed its validation, it is ready for payment through the payroll system. This is achieved by [accounting \[Page 163\]](#) a claim.

Result

The required records are created in the various infotypes so that the claim amount can be settled during payroll.

Claims Processing

Entering a Claim

Use

This procedure allows you to enter a claim submitted by your employees for any one of the claim plans he or she is eligible for.

Prerequisites

You must have [enrolled \[Page 14\]](#) the employee in the claim plan for which you enter the claim by choosing *Human Resources* → *Personnel management* → *Benefits* → *Claims (Asia)* → *Enrollment* on the *SAP Easy Access* screen.



Certain features like evidence of insurability, pre- and corequisite plans and investments are valid only for benefit plans and not for claim plans.

- In Customizing for *Claims*, you must have set up the claim plan limit, the dependent coverage and the [co-payment \[Ext.\]](#) options for the plan in the step [Define Claim Rule for Plan \[Ext.\]](#).
- In Customizing for *Claims*, you must have set up the overclaim options for the plan in the step [Define Claim Variant for Plan \[Ext.\]](#).
- In Customizing for *Claims*, you may have defined the claim program limit for the claim amount in the step [Define Claim Rule for Program \[Ext.\]](#).
- In Customizing for *Claims*, you must have assigned a panel of doctors to the plan in the step [Assign Claim Plan Attributes \[Ext.\]](#).

Procedure

1. On the *SAP Easy Access* screen, choose *Human Resources* → *Personnel management* → *Benefits* → *Claims (Asia)* → *Entry*.
The *Claims Processing – Main Program* screen appears.
2. In the *Period* group box, select the appropriate period indicator. If you select the *Other period* indicator, enter the appropriate date or a range of dates.
3. In the *Selection* group box, you may select any one of the criteria or a combination of different criteria listed below:
 - Enter the personnel number or a range of personnel numbers of your employees for whom the claim has to be entered or leave blank for all personnel numbers.
 - Enter a personnel area, or a range of personnel areas, or leave blank for all personnel areas.
 - Enter the personnel subarea, or a range of personnel subareas, or leave blank for all personnel subareas.
 - Enter the employee group, or a range of employee groups, or leave blank for all employee groups.

Entering a Claim

- Enter the employee subgroup, or a range of employee subgroups, or leave blank for all employee subgroups.
 - Enter the payroll area, or a range of payroll areas, or leave blank for all payroll areas.
4. In the *Additional data* group box, further selection criteria are available. You may restrict your selection of employees based on the criteria below too.
 - Enter the benefit area, or a range of benefit areas, or leave blank for all benefit areas.
 - Enter the 1st program grouping, or a range of 1st program groupings, or leave blank for all 1st program groupings.
 - Enter the 2nd program grouping, or a range of 2nd program groupings, or leave blank for all 2nd program groupings.
 5. After entering the criteria of your choice, execute the function.

The *Claims Processing: Data Entry* screen appears. The list of claims already entered for the employee during the specified period is displayed if available, or else a blank screen is displayed.

6. To enter a new claim, choose *Insert line*.

A new record is inserted and the current date is displayed in the *Claim Date* field.



To enter a new claim, you can also select an existing claim and choose *Copy*. A new record is inserted with the data from the selected claim. You can make changes to this record.

7. Enter data in the *Bill Date* field. The claim is validated based on the date entered in this field.
8. In the *Claims* field, select a plan from the list of plans that are valid as of the bill date.

On selecting a plan, the overclaim option defined for the plan during Customizing is automatically displayed in the *Over Claim Option* field.

9. Enter data in the *Bill No* and the *Claim Amount* fields and choose *Enter*.

Based on the co-payment option for the plan defined in Customizing and the claim amount entered, the *EE Amount*, *ER Amount* and the *Overclaim Amount* fields are automatically populated.

10. If required, enter data in the *Patient* and *Dr.ID* fields and set the *Referral* indicator.



Data in these fields are required only for certain plans. Certain plans may not be associated to any panel of doctors, or may not be available for dependents.

11. If the plan selected is a hospitalization plan, enter the number of days in the *Days in Hosp* field.
12. Set the *Bill* indicator if the claim is of type **Bill**. Otherwise, it is assumed that the claim is of type **Receipt**.
13. If there is any non-reimbursable amount that is part of the claim, enter the amount in the *Non-Reimb Amount* field. This amount is excluded for claims reimbursement.



You must enter this amount only if the claim is of type **Bill**. This amount is deducted from the employee's salary or wages during payroll.

14. Save your entries.

Result

The status of the claim you have entered is set to **To be accounted**. If the claim is to be considered for payroll, you need to perform the procedure [Accounting a Claim \[Page 163\]](#).

Accounting a Claim

Accounting a Claim

Use

This procedure is used to account your employees' claims in preparation for payroll. An employee's claim is considered for payroll processing only if his or her claim is accounted.

Prerequisites

- You must have carried out the procedure [Entering a Claim \[Page 160\]](#) for your employee.
- In Customizing for Payroll for your country, you must have assigned the claim wage types to the claim plans in the step, *Payroll* → *Benefits* → [Assign Wage Types to Claim Plans \[Ext.\]](#).

Procedure

4. On the *SAP Easy Access* screen, choose *Human Resources* → *Personnel management* → *Benefits* → *Claims (Asia)* → *Approval*.
The *Claims Processing – Main Program* screen appears.
5. In the *Period* group box, select the appropriate period indicator. If you select the *Other period* indicator, enter the appropriate date or a range of dates.
6. In the *Selection* group box, you may select any one of the criteria or a combination of different criteria listed below:
 - Enter the personnel number or a range of personnel numbers of your employees for whom the claim has to be accounted or leave blank for all personnel numbers.
 - Enter a personnel area, or a range of personnel areas, or leave blank for all personnel areas.
 - Enter the personnel subarea, or a range of personnel subareas, or leave blank for all personnel subareas.
 - Enter the employee group, or a range of employee groups, or leave blank for all employee groups.
 - Enter the employee subgroup, or a range of employee subgroups, or leave blank for all employee subgroups.
 - Enter the payroll area, or a range of payroll areas, or leave blank for all payroll areas.
5. In the *Additional data* group box, further selection criteria are available. You may restrict your selection of employees based on the criteria below too.
 - Enter the benefit area, or a range of benefit areas, or leave blank for all benefit areas.
 - Enter the 1st program grouping, or a range of 1st program groupings, or leave blank for all 1st program groupings.
 - Enter the 2nd program grouping, or a range of 2nd program groupings, or leave blank for all 2nd program groupings.
15. After entering the criteria of your choice, execute the function.
The *Claims Processing: Data Entry and Account Records* screen appears. The list of claims already entered for the employee during the specified period is displayed.

Accounting a Claim



You can also enter new claims for the employee by choosing *Insert line* on this screen.

16. Select the employee's claim record to be accounted and choose *Account Records*.

The *Status* field is automatically set to **Accounted** for the claim chosen.



To account all the claims entered for an employee, choose *Select all* and then choose *Account Records*.

Result

1. Your employee's claim is now considered for payroll processing. That is, a record is created or updated in the *Additional Payments* infotype (0015) for this employee and this is considered during a payroll run. Based on the type of claim accounted, there are two kinds of records that can be created:
 - If the claim is of type **Bill**, then a record is created with a deduction wage type for the amount displayed in the *EE Amount* field. This amount is deducted from the employee's salary or wages during payroll.
 - If the claim is of type **Receipt**, then a record is created with an addition wage type for the amount displayed in the *ER Amount* field. This amount is added to the employee's salary or wages during payroll.
2. The *Claims processing Balance table* (T7XASG) for the employee is updated with the year-to-date claimed amount for the claim plan and the date of the claim accounted. The number of claims accounted for the employee is also updated. This is necessary since certain claim plans have a limit for the number of claims that can be accounted in a year.

Entitlements and Claim Details Reporting

Entitlements and Claim Details Reporting

Use

This report displays the employee's entitlements for claim plans and claim reimbursement details. This can be used to keep track of an employee's entitlements and claims details at any point of time.

To access this report on the *SAP Easy Access* screen, choose *Human Resources* → *Personal management* → *Benefits* → *Claims (Asia)* → *Entitlement and Claims Dtls.*

Prerequisites

You must have enrolled the employee in a claim plan.

Features

Selection

You restrict data selection using the following parameters:

- Personnel number
- Benefit area
- 1st program grouping
- 2nd program grouping

You can display the entitlements and claims valid upto a particular date. The current date appears by default.

Output

Entitlements

This report displays the following details for each claim plan the employee is enrolled along with dependent details:

- Plan start date
- Plan end date
- Claim limit amount
- Year-to-date claim amount

Claims

This report lists the following details for each claim entered for the employee and dependents:

- Bill date
- Bill number
- Claim amount
- [Co-payment \[Ext.\]](#) amount
- Reimbursement amount

Entitlements and Claim Details Reporting

- Overclaim amount
- Non-reimbursable amount

The date on which the claim is entered is also displayed for each claim.

You can preview or print this report.

Infotypes

Infotypes

There are no special infotypes for Asia-specific claims. The Claims component uses the existing Miscellaneous Plans infotype (0377) to store the employee's enrollment details. The following infotypes are required for Claims enrollment and processing depending on the claim plan for which the employee is eligible for:

- General Benefits Information (Infotype 0171)
You have to create this infotype record for every employee who enrolls in a claim plan.
- Miscellaneous Plans (Infotype 0377)
This is a mandatory infotype and is automatically created when you enroll an employee in a claim plan.
- Basic Pay (Infotype 0008)
You can set up the plan limit as a percentage of the basic pay for certain plans if required.
- Family/Related Person (Infotype 0021)
This data is required during enrollment if dependents are covered in a plan.
- Additional Payments and Deductions (Infotype 0015)
The claim amount for an employee is processed during payroll based on the records created in this infotype. However, the records in this infotype are automatically created on [accounting \[Page 163\]](#) a claim.