THE EMPLOYER SELF SERVICE PORTAL (ESS)

AASBO Winter 2024

Employer Services

Hunter Norris

Information You Should Know!

- Payroll Schedules
- Contract Schedules
- RSA-1 Updates
- RSA-1 ESS Portal Updates
- Enrolling New Hires
- Post-Retirement Part-Time
- Post-Retirement Full-Time
- Ending Enrollments
- Common Contribution Errors
- PEEHIP 3&1 Rule
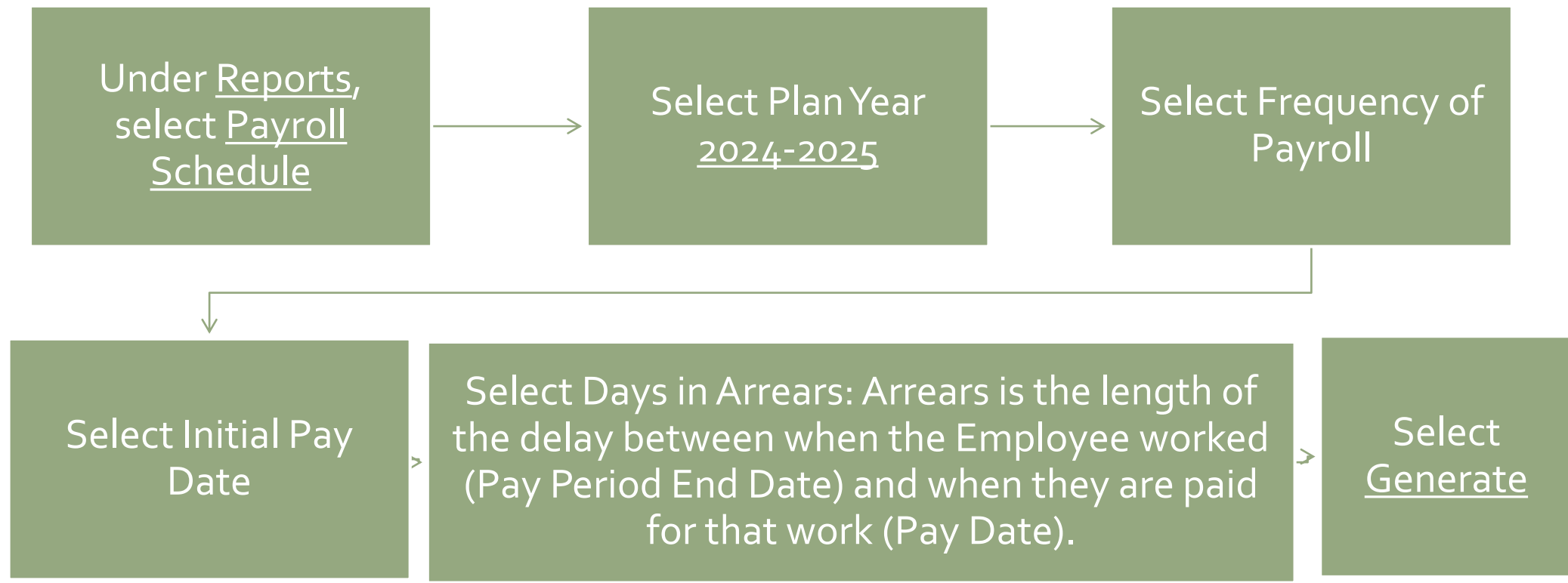- Training Opportunities

PAYROLL SCHEDULES

Employer Self-Service   Employer Home   Report   Services   PEEHIP   Account   Admin   Logout

Submit Report

View History

View Reporting Packets

Download PIDs

Invoices

Payroll Schedule

Error Correction

Contract Schedule

Welcome to The Retirement Systems of Alabama (RSA) Emp[...] e provides employers with a number of resources to accurately and efficiently report Retirement Systems of Alabama (RSA). From this site, emplo[...] number of ways, including:

- Reporting wages and contributions
- Processing EFT Payments
- Processing employee wage adjustments
- Adding or updating employer information
- Reviewing employer reports and invoices
- Verifying Personal Identification numbers (PIDs)
- Reviewing and verifying contribution rates

Payroll schedules must be set up by March 1, 2024.

Under Reports, select Payroll Schedule → Select Plan Year 2024-2025 → Select Frequency of Payroll

Select Initial Pay Date > Select Days in Arrears: Arrears is the length of the delay between when the Employee worked (Pay Period End Date) and when they are paid for that work (Pay Date). > Select Generate

		Retirement System *	Plan Year *	Payroll Frequency *	Initial Pay Date *	Arrears *	Generate
⚙ Action ▾	⊞	Teachers' Retirement System of Alabama	2024 - 2025	Monthly	07/31/2024	0 Days	
	⊞	Teachers' Retirement System of Alabama	2023 - 2024	Monthly	07/31/2023	0 Days	
	⊞	Teachers' Retirement System of Alabama	2022 - 2023	Monthly	07/31/2022	0 Days	
		Teachers' Retirement System of Alabama ⌄	⌄	⌄		⌄	⬇ Generate

		Retirement System *	Plan Year *	Payroll Frequency *	Initial Pay Date *	Arrears *					Generate
⚙ Action ▾	⊟	Teachers' Retirement System of Alabama	2024 - 2025	Monthly	07/31/2024	0 Days					

	Pay Date	Pay Period Begin Date	Pay Period End Date	Skip Report
⚙ Action ▾	07/31/2024	07/01/2024	07/31/2024	☐
⚙ Action ▾	08/30/2024	08/01/2024	08/31/2024	☐
⚙ Action ▾	09/30/2024	09/01/2024	09/30/2024	☐
⚙ Action ▾	10/31/2024	10/01/2024	10/31/2024	☐
⚙ Action ▾	11/29/2024	11/01/2024	11/30/2024	☐
⚙ Action ▾	12/31/2024	12/01/2024	12/31/2024	☐
⚙ Action ▾	01/31/2025	01/01/2025	01/31/2025	☐
⚙ Action ▾	02/28/2025	02/01/2025	02/28/2025	☐
⚙ Action ▾	03/31/2025	03/01/2025	03/31/2025	☐
⚙ Action ▾	04/30/2025	04/01/2025	04/30/2025	☐
⚙ Action ▾	05/30/2025	05/01/2025	05/31/2025	☐
⚙ Action ▾	06/30/2025	06/01/2025	06/30/2025	☐
⚙ Action ▾				

Three components to the payroll schedule:

1. Pay date: The date the wages are paid

2. Pay period begin date: The first day of the pay period

3. Pay period end date: The last day of the pay period

The dates in the payroll schedule must match the same dates used when reporting wages and employee contributions.

Edit Payroll Schedules

		Retirement System *	Plan Year *	Payroll Frequency *	Initial Pay Date *	Arrears *					Generate
⚙ Action ▾	⊟	Teachers' Retirement System of Alabama	2024 - 2025	Monthly	07/31/2024	0 Days					

	Pay Date	Pay Period Begin Date	Pay Period End Date	Skip Report
⚙ Action ▾	07/31/2024	07/01/2024	07/31/2024	☐
⚙ Action ▾	08/30/2024	08/01/2024	08/31/2024	☐
⚙ Action ▾	09/30/2024	09/01/2024	09/30/2024	☐
⚙ Action ▾	10/31/2024	10/01/2024	10/31/2024	☐
⚙ Action ▾	11/29/2024	11/01/2024	11/30/2024	☐
⚙ Action ▾	12/31/2024	12/01/2024	12/31/2024	☐
⚙ Action ▾	01/31/2025	01/01/2025	01/31/2025	☐
⚙ Action ▾	02/28/2025	02/01/2025	02/28/2025	☐
⚙ Action ▾	03/31/2025	03/01/2025	03/31/2025	☐
⚙ Action ▾	04/30/2025	04/01/2025	04/30/2025	☐
⚙ Action ▾	05/30/2025	05/01/2025	05/31/2025	☐
⚙ Action ▾	06/30/2025	06/01/2025	06/30/2025	☐
⚙ Action ▾				

A pay period is highlighted in yellow if the pay date falls on a weekend or holiday.

If the pay date falls on a weekend or a holiday, it will be adjusted to the previous business day.

To Edit a specific pay period:

- Select Action by the pay period you wish to change > Edit.

- Correct the dates to match your payroll schedules/dates.

- Select Action > Save Changes.

- These dates will not be able to be changed once contributions have been posted to that particular pay period.

CONTRACT SCHEDULES

Employer Self-Service   Employer Home   Report   Services   PEEHIP   Account   Admin   Logout

- Submit Report
- View History
- View Reporting Packets
- Download PIDs
- Invoices
- Payroll Schedule
- Error Correction
- Contract Schedule

Welcome to The Retirement Systems of Alabama (RSA) Emp... ...e provides employers with a number of resources to accurately and efficient Retirement Systems of Alabama (RSA). From this site, emplo... ...number of ways, including:

- Reporting wages and contributions
- Processing EFT Payments
- Processing employee wage adjustments
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- Reviewing employer reports and invoices
- Verifying Personal Identification numbers (PIDs)
- Reviewing and verifying contribution rates

Contract Schedules must be set up by March 1, 2024.

Before setting up your contract schedules, you should know the different types of payroll contracts in your system and the beginning and ending dates for those contracts (e.g. 182 days, 2080 hours, etc.).

Contract Schedule Screen

1 — Employer Contracts

		Plan Year *	Contract Description *	Begin Date *	End Date *
◉	⚙ Action ▾	2024 - 2025	189 Teams Teachers	08/05/2024	06/04/2025
○	⚙ Action ▾	2024 - 2025	9 month (Teacher & Bus Drivers)	08/05/2024	05/28/2025
○	⚙ Action ▾	2024 - 2025	Lunchroom Workers 184 days (1288 hours)	07/31/2024	05/23/2025
○	⚙ Action ▾	2024 - 2025	Lunchroom Manager 185 days (1388)	07/29/2024	05/23/2025
○	⚙ Action ▾	2024 - 2025	10 month 202 days	07/25/2024	06/09/2025
○	⚙ Action ▾	2024 - 2025	11 month 222 days	07/11/2024	06/20/2025
○	⚙ Action ▾	2024 - 2025	12 month	07/01/2024	06/30/2025
○	⚙ Action ▾	2023 - 2024	189 Teams Teachers	08/02/2023	06/04/2024
○	⚙ Action ▾	2023 - 2024	9 month (Teacher & Bus Drivers)	08/02/2023	05/24/2024
○	⚙ Action ▾	2023 - 2024	Lunchroom Workers 184 days (1288 hours)	07/31/2023	05/23/2024
	⚙ Action ▾	[▾]	[ ]	[ ]	[ ]

1 2 3

2 — Employer Contract and Payroll Schedule

	Payroll Schedule *	First Pay Period End Date *
⚙ Action ▾	Monthly, Initial Pay Date 07/31/2024, 0 days in arrears.	08/31/2024
⚙ Action ▾	[▾]	[▾]

1

3 — Employer Contract Units

	Type of Units Worked *	Units Contracted *
⚙ Action ▾	Days	189
⚙ Action ▾	Hours	1,512
⚙ Action ▾	[▾]	[ ]

1

4 — Full Time Units per Pay Period

	Plan Year	Contract Description	Payroll Schedule	Contract Length
⊞	2024 - 2025	189 Teams Teachers	Monthly, Initial Pay Date 07/31/2024, 0 days in arrears	189 Days
⊞	2024 - 2025	189 Teams Teachers	Monthly, Initial Pay Date 07/31/2024, 0 days in arrears	1,512 Hours

Contract Schedule Grid One

1

Employer Contracts

		Plan Year *	Contract Description *	Begin Date *	End Date *
●	⚙ Action ▾	2024 - 2025	189 Teams Teachers	08/05/2024	06/04/2025
○	⚙ Action ▾	2024 - 2025	9 month (Teacher & Bus Drivers)	08/05/2024	05/28/2025
○	⚙ Action ▾	2024 - 2025	Lunchroom Workers 184 days (1288 hours)	07/31/2024	05/23/2025
○	⚙ Action ▾	2024 - 2025	Lunchroom Manager 185 days (1388)	07/29/2024	05/23/2025
○	⚙ Action ▾	2024 - 2025	10 month 202 days	07/25/2024	06/09/2025
○	⚙ Action ▾	2024 - 2025	11 month 222 days	07/11/2024	06/20/2025
○	⚙ Action ▾	2024 - 2025	12 month	07/01/2024	06/30/2025
○	⚙ Action ▾	2023 - 2024	189 Teams Teachers	08/02/2023	06/04/2024
○	⚙ Action ▾	2023 - 2024	9 month (Teacher & Bus Drivers)	08/02/2023	05/24/2024
○	⚙ Action ▾	2023 - 2024	Lunchroom Workers 184 days (1288 hours)	07/31/2023	05/23/2024
	⚙ Action ▾	[▾]	[ ]	[ ]	[ ]

1 2 3

Set up a 9-month contract and indicate the dates the work will be performed for that contract.
Note**You cannot have overlapping dates for your contracts.

You will need to set up separate contracts that have different begin and end dates.
Example: If you have multiple contracts under "9-month contracts" with different begin and end dates that have different contract units, you will need to set up separate contract schedules.

If you have employees with the same number of contract units but have different begin and end dates, you will need to give the largest date frame for your Contract Schedule from beginning to end.
Example: You have 2 groups of employees who are contracted to work 182 days but have different begin and end dates. The date range will need to be the largest date frame.

Contract Schedule Second Grid

Employer Contract and Payroll Schedule

	Payroll Schedule *	First Pay Period End Date *
⚙ Action ▾	Monthly, Initial Pay Date 07/31/2024, 0 days in arrears.	08/31/2024
⚙ Action ▾	▾	▾

1

In the 2nd grid, a drop-down box is provided for you to connect your contract schedule to the payroll schedule.

If you have only one payroll schedule, you will see only one option in the drop-down box.

In this example, the first pay period end date is 8/31/2023 because the 9-month contract schedule begins on 8/02/2023.

Select Action, then select Save.

Contract Schedule Third Grid

3

Employer Contract Units

	Type of Units Worked *	Units Contracted *
⚙ Action ▾	Days	189
⚙ Action ▾	Hours	1,512
⚙ Action ▾	[dropdown] ▾	[ ]

1

In the 3rd grid, you will enter your contract units that work under that particular contract schedule.

Units contracted should be full-time.

For example, you may have employees on this 9-month contract type who would be considered full-time if they work 182 days or 364 shifts.
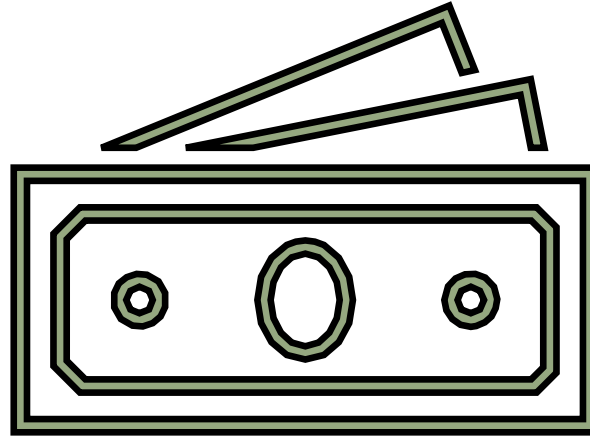
Upcoming RSA-1 Changes

RSA-1 Updates
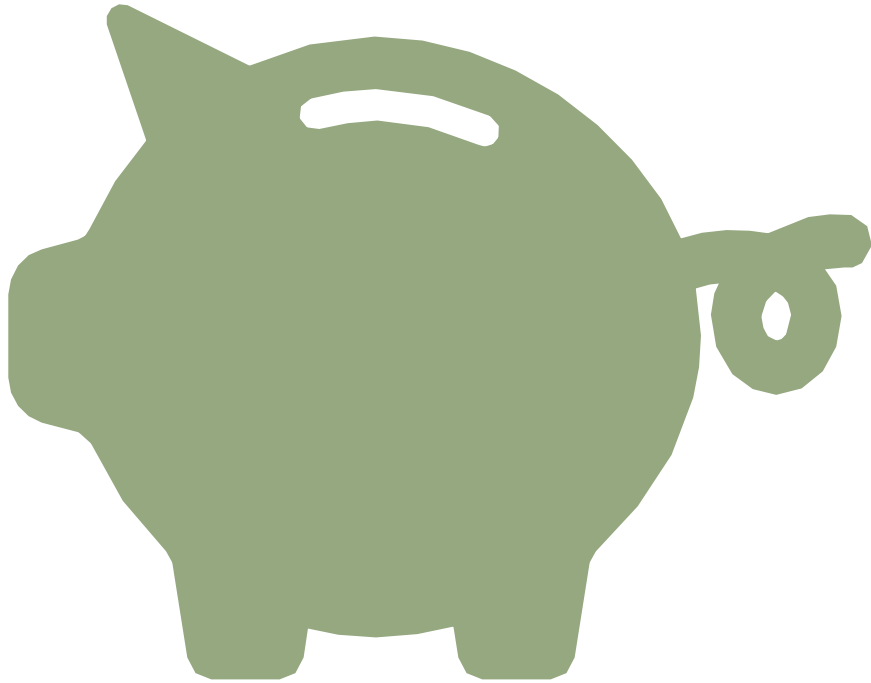
- RSA-1 "Go-Live" is now April 1, 2024

- RSA-1 is a **voluntary** Governmental Defined Contribution Plan. The plan is based on Section 457(b) of the IRS and authorized by the Code of Alabama.

- RSA-1 has **No** fees of any kind!

- Adding Roth as an account type

- Contribution allocations can be changed daily.

- Fund reallocations can be changed monthly.

- **Payroll Contributions will not be accepted if the member is not enrolled in the Plan.**

DIFFERENCES IN PRE-TAX & ROTH ACCOUNTS

	Regular Contributions (Pre-Tax)	Roth Contributions (After-Tax)
Contributions:	Pay no income taxes on contributions. Taxes are deferred until withdrawn.	Income taxes are not deferred.
Withdrawals:	Pay taxes on contributions and interest upon separation from service.	Tax free withdrawals for qualified distributions.
Required Minimum Distributions:	Must begin a minimum distribution at age 73, unless still publicly employed.	No Required Minimum Distributions on a Roth account.

New RSA-1 Member Online Services Features

- **Online Processing**:

  - Enroll Online

  - Contribution allocation changes

  - Fund reallocation changes

  - Update federal tax withholding

  - Submit special catch-up requests

  - Initiate and upload distribution requests and beneficiary changes

  - Stop periodic distributions

  - Check the status of requests and view account details

Employers will be required to report Retirement and RSA-1 submissions separately.

Employers can report and work on RSA-1 and Retirement contributions simultaneously and independently of each other, provided an Enrollment submission is not in progress

RSA-1 Contribution Submission – Container Details

- The current screen has been changed to only show the RSA-1 monies and wages when the employer is working on RSA-1 Contribution Only submission.

RSA-1 Contribution Submission – View Member Details in a Container

- Changes made to the existing view for RSA-1 Contribution Submission to show data in a column view per payment reason and PID.

View individual PID details in the RSA-1 Contributions Only report for error correction or adjusting RSA-1 pre-tax and post-tax monies.

Report Submission #:	Submission Date:	Type:	Mode:	Status:
215333	09/12/2023	RSA-1 Contributions Only	Enter Online	In Progress

Update Employee Contribution:

Personal Information

PID:	10084875	SSN:	XXX-XX-8750
First Name:	JANE	Last Name:	DOE
Tier/Group:	Tier 1	Employment Period:	10/29/2012 - Present
Contribution Group:	Contributing Law Enforcement	Position Status:	Regular
Payroll Period:	06/25/2023 - 07/08/2023 paid on 07/14/2023	Payroll Frequency:	Bi-Weekly
LOA Status Effective Date:	02/10/2019	LOA Status:	Not on Unpaid Leave

RSA-1 Contribution Information : Employer EPRA - PRATTVILLE

		Payment Reason	Error Count	Wages	Pre-Tax RSA-1 Contribution	Post-Tax RSA-1 Contribution	Override Warnings
⦿	🗑 Delete	Regular pay	0	$2,459.77	$50.00	$0.00	☐
							☐
		Total:		$2,459.77	$50.00	$0.00	

Messages

Code	Message	Severity	Category

‹ Previous   ✗ Cancel   🖫 Save Changes   Next ›

✎ Edit	DOE	JANE	XXX-XX-0290	11047029	07/12/1999	0	Contributing Local Employee T2	Regular	06/25/2023-07/08/2023	07/14/2023	Regular pay	$1,661.11	$75.00	$0.00

RSA-1 Contribution Only submission summary screen

The Retirement Systems of Alabama

Employer Self-Service   Employer Home   Report   Services   Account   Admin   Logout

EPRA - Agency Epra

| Getting Started > | Details > | Summary > | Payments | Results |

Report Submission #:	Submission Date:	Type:	Mode:	Status:
215333	09/12/2023	RSA-1 Contributions Only	Enter Online	In Progress

RSA-1 Contribution Summary

RSA-1 Contributions

Employer	Pre-Tax RSA-1 Contributions	Post-Tax RSA-1 Contributions	Total Amount
EPRA - PRATTVILLE	$ 6,038.84	$ 0.00	$ 6,038.84
Total	$6,038.84	$0.00	$6,038.84

Invoices

Apply	Employer	Invoice	Invoice Type	Date	Amount
You have no invoices outstanding.					

◄ Unsubmit and Review Details   Proceed to Payment ►

RSA-1 Contribution Only submission payment screen

The Retirement Systems of Alabama

Employer Self-Service   Employer Home   Report   Services   Account   Admin   Logout

EPRA - Agency Epra

| Getting Started > | Details > | Summary > | Payments | Results |

Report Submission #:	Submission Date:	Type:	Mode:	Status:
215333	09/12/2023	RSA-1 Contributions Only	Enter Online	In Progress

Contribution Payments

Review Your Payment Information

Employer	Pre-Tax RSA-1 Contributions	Post-Tax RSA-1 Contributions	Total RSA-1 Contributions
EPRA - PRATTVILLE	$0.00	$6,038.84	$6,038.84
Totals	$0.00	$0.00	$6,038.84

Invoices

Employer	Invoice	Invoice Type	Date	Amount
No invoices were selected.				
Total Invoices Applied				$0.00

Remit Your RSA-1 Payments: Save Allocation

Pay For EPRA - PRATTVILLE	Trustmark - TRUSTMARK NATIONAL BANK, ...0663	$0.00	Total Reported:	$6,038.84
			Total Applied:	$0.00
			Balance Remaining:	$6,038.84
			Total Amount Due:	$6,038.84
			Total Applied:	$0.00
			Balance Remaining:	$6,038.84

ESS PIN: *   0000
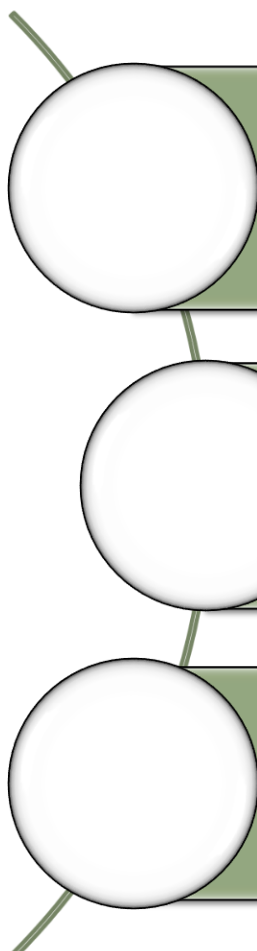
< Go Back   Submit Your Payment >

ESS PORTAL- GENERAL INFORMATION

Enroll New Hires

Enrollments need to be entered in a timely manner as employees have 30 days from their date of hire to enroll in coverage(s) through member online services, so they are eligible for PEEHIP.

All employees, including non-participating and contract employees, need to be enrolled and have their wages reported.

Except for substitutes and board members, <u>unless they are retirees</u>.

Postretirement Employment-Part Time

A TRS retiree employed with **an ERS or TRS agency** may continue to receive full benefits provided that the retiree meets all of the following conditions:

A Retiree must have at least a 30-day break in service from the effective date of retirement before being reemployed with a TRS or ERS member agency.

→

A Retiree must not be employed in a permanent, full-time capacity.

→

A Retiree's salary cannot exceed the limitation on earnings.

Limits are subject to change each year based on the Consumer Price Index.

→

Failure to adhere to these restrictions will result in the suspension of retirement benefits.

Retirees are to be enrolled with non-participating contribution groups and reported with pensionable payment reasons (Regular Pay, Lump Sum/Longevity) so they show on the Postretirement Employment Report.

Postretirement Employment-Full Time

If a TRS retiree returns to full-time employment with a **TRS agency or ERS Agency, benefits will be Suspended.**
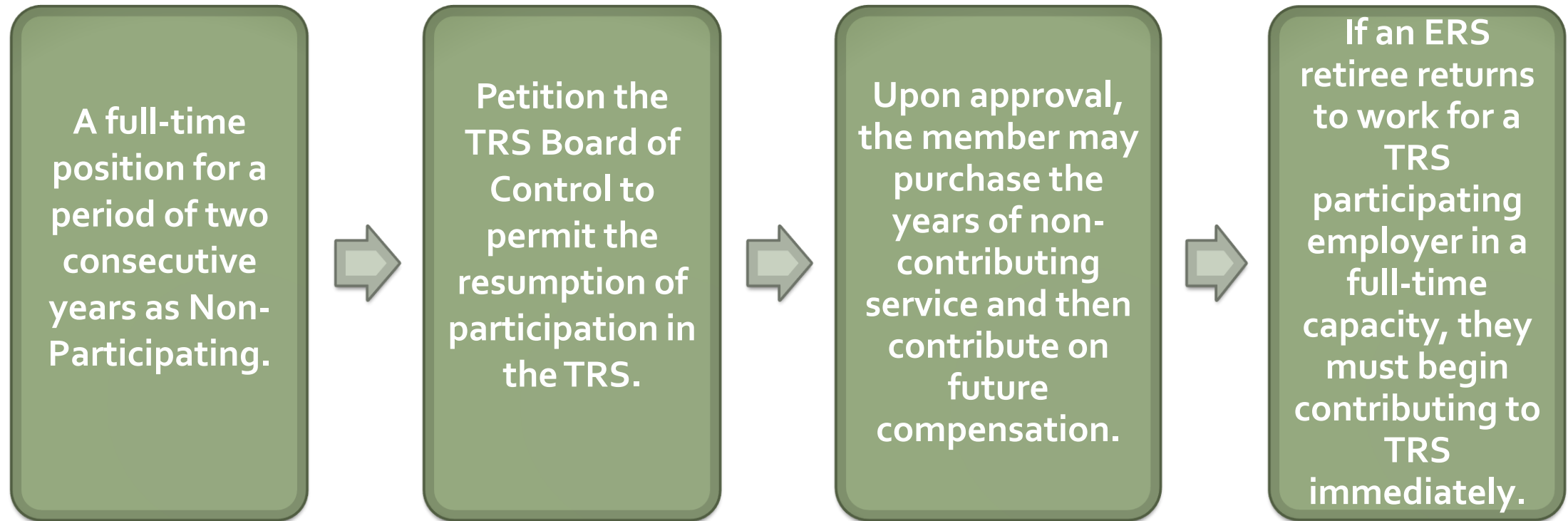
A full-time position for a period of two consecutive years as Non-Participating.	Petition the TRS Board of Control to permit the resumption of participation in the TRS.	Upon approval, the member may purchase the years of non-contributing service and then contribute on future compensation.	If an ERS retiree returns to work for a TRS participating employer in a full-time capacity, they must begin contributing to TRS immediately.

Retirees are to be enrolled with non-participating contribution groups and reported with pensionable payment reasons (Regular Pay, Lump Sum/Longevity) so they show on the Postretirement Employment Report.

Enrollments need to be ended in a timely manner.

The Enrollment End Date should be the last day the employee worked unless vacation or sick leave were used in lieu of working.

Enrollment End dates can be future-dated in ESS if done manually via Search Demographics and in the Application Center of Nexgen if done by enrollment file.

Data on Enrollment Files can override data that was manually entered.

Ending Enrollments

Common Contribution Errors

ER00039: "Actual Units Worked is not valid."

- This error message occurs when the actual units worked is blank or not valid based on the pay period and/or contract schedule dates.

    - To correct this: The Actual Units Worked need to reflect the amount of days, hours, shifts, or courses that an employee worked based on the pay period dates being reported and when their contracts began in relation to the pay period.

- This error can also occur if you provide units worked for an employee that is past their termination date.
    - To correct this: The Actual Units Worked would need to be changed to zero.

Common Contribution Errors

ER0086: "The employee was reported with contributions but either does not have an enrollment or the Pay Period End Date is earlier than the Enrollment Begin Date."

- This error message typically occurs on contribution files when an enrollment has not been created for this employee or the enrollment information does not match what was previously reported.

    - To correct this, The user will need to either create an enrollment under their employer for this employee or validate that the enrollment information is correct. Refer to pages 62 – 64 in the TRS ESS Portal Manual for more information on ER0086.

Common Contribution Errors

ER0265: "The Type of Units Worked does not match the Type of Units Worked on the employee's enrollment record."

- **This error message occurs when the Type of Units Worked is blank or incorrect.**

  - **To correct this: The user must change the Type of Units Worked to reflect the Type of Units Worked on the employee's enrollment.**

Common Contribution Errors

ER0320: "The Actual Units Worked are more (or less) than expected based on the Scheduled Units Worked per Week."

- This warning message occurs when the Actual Units Worked is more or less than what is expected of the employee to work per their Enrollment.

    - If the information reported is correct, the user can select Override Warnings and Save Changes.
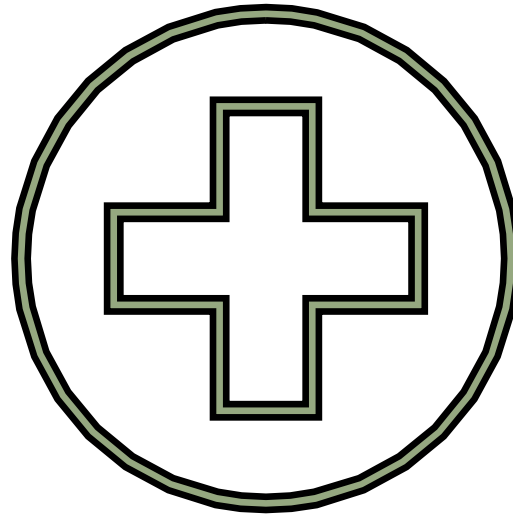
PEEHIP 3&1 RULE/MID-YEAR HIRES

3-1 or August to August Rule

- **3-1 Rule -** The Employer contribution count starts on August 1st and ends August 31st of the next year. For every three months worked (in Hired Status), one extra month is earned.

- Regardless of the Employment End Reason **OR** if the contract period is 9, 10, 11, or 12 months, **IF** an employee works nine or more months out of the year, they are eligible to burn 3 allocations with **the last month they would be able to burn being August**.

3-1 or August to August Rule

▪ **The 3-1 Rule** applies to any employee regardless of whether they are paid on a 9-, 10-, 11-, or 12-month contract.

▪Each month will be examined by the PEEHIP system to determine if the individual was in Hired Status for **at least half the days** in that month. If they were, the person will earn an Employer Contribution for that month that will be billed on the Invoice.

▪When the system determines that a person has earned 3 of these months, an additional Employer Contribution is stored in the system for that person.

▪If in any month a person does not meet the Hired Status conditions, the system will examine if any additional Employer Contributions were earned and are available; if so, the Employer will be billed for the Contribution that month.

▪**The additional Employer Contribution count resets each August 31st .**

3-1 or August to August Rule

▪ **3-1 Rule**: An employee does not burn allocation months until the **end date of their contract**. If a new contract is not entered, a termination date for non-renewals **should be** entered.   An employee can earn or burn an allocation in **August**.

▪ *Example:* An employee has been in hire status for a consecutive 9 months, and the contract ends after June 15. The member will have a contribution to burn for July and August but not September.

3-1 or August to August Rule
Examples

Contract begins prior to Sept 17th   Contract ends May 31st

August	Sept	October	November	December	January	February	March	April	May	June	July	August
		1 extra month				2 extra months			3 extra months	Burn	Burn	Burn

Use 1 extra month in June
Use 2nd extra month in July
Use 3rd extra month in August
if still in Hired Status

Contract begins prior to Oct 18th   Contract ends June 30th

August	Sept	October	November	December	January	February	March	April	May	June	July	August	Sept
			1 extra month			2 extra months			3 extra months		Burn	Burn	COBRA

Use 1 extra month in July
Use 2nd extra month in August
if still in Hired Status
No coverage (COBRA) for September

End of School Year/Beginning of School Year Earn and Burn Dates

The Member will be Terminated on or contract will end on...

May		June	
1	Burning	1	Burning
2	Burning	2	Burning
3	Burning	3	Burning
4	Burning	4	Burning
5	Burning	5	Burning
6	Burning	6	Burning
7	Burning	7	Burning
8	Burning	8	Burning
9	Burning	9	Burning
10	Burning	10	Burning
11	Burning	11	Burning
12	Burning	12	Burning
13	Burning	13	Burning
14	Burning	14	Burning
15	Earning	15	Earning
16	Earning	16	Earning
17	Earning	17	Earning
18	Earning	18	Earning
19	Earning	19	Earning
20	Earning	20	Earning
21	Earning	21	Earning
22	Earning	22	Earning
23	Earning	23	Earning
24	Earning	24	Earning
25	Earning	25	Earning
26	Earning	26	Earning
27	Earning	27	Earning
28	Earning	28	Earning
29	Earning	29	Earning
30	Earning	30	Earning
31	Earning		

The Member will be rehired on or contract will be resumed on...

August		September		October	
1	Earning	1	Earning	1	Earning
2	Earning	2	Earning	2	Earning
3	Earning	3	Earning	3	Earning
4	Earning	4	Earning	4	Earning
5	Earning	5	Earning	5	Earning
6	Earning	6	Earning	6	Earning
7	Earning	7	Earning	7	Earning
8	Earning	8	Earning	8	Earning
9	Earning	9	Earning	9	Earning
10	Earning	10	Earning	10	Earning
11	Earning	11	Earning	11	Earning
12	Earning	12	Earning	12	Earning
13	Earning	13	Earning	13	Earning
14	Earning	14	Earning	14	Earning
15	Earning	15	Earning	15	Earning
16	Earning	16	Earning	16	Earning
17	Earning	17	Not earning/Burning	17	Earning
18	Not earning/Burning	18	Not earning/Burning	18	Not earning/Burning
19	Not earning/Burning	19	Not earning/Burning	19	Not earning/Burning
20	Not earning/Burning	20	Not earning/Burning	20	Not earning/Burning
21	Not earning/Burning	21	Not earning/Burning	21	Not earning/Burning
22	Not earning/Burning	22	Not earning/Burning	22	Not earning/Burning
23	Not earning/Burning	23	Not earning/Burning	23	Not earning/Burning
24	Not earning/Burning	24	Not earning/Burning	24	Not earning/Burning
25	Not earning/Burning	25	Not earning/Burning	25	Not earning/Burning
26	Not earning/Burning	26	Not earning/Burning	26	Not earning/Burning
27	Not earning/Burning	27	Not earning/Burning	27	Not earning/Burning
28	Not earning/Burning	28	Not earning/Burning	28	Not earning/Burning
29	Not earning/Burning	29	Not earning/Burning	29	Not earning/Burning
30	Not earning/Burning	30	Not earning/Burning	30	Not earning/Burning
31	Not earning/Burning			31	Not earning/Burning

Mid-Year Hire

- If an employee is hired mid-year during the 2023-2024 school year **and** does not earn the right to coverage under the 3-1 rule as an employee during the entire Summer of 2024 **and** will be returning to work at the beginning of the 2024-2025 school year, then the employer should **NOT** terminate the employee.

- Instead, the PEEHIP system will determine if any additional Employer Contributions were earned and if one is available. When coverage under the 3-1 rule has been exhausted, the PEEHIP system will change the employee's account status to COBRA and will automatically send the appropriate COBRA notice to the employee. Then at the beginning of the 2024-2025 scholastic year, the PEEHIP system will return the employee to employed status, bill the employee rate (rather than COBRA) along with the employer contribution.
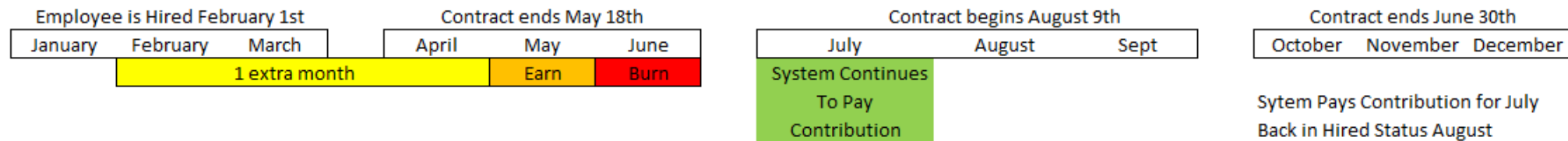
Mid-Year Hire - Example

Sally was hired by County School System on February 1, 2024 and works until the end of her contract on May 18, 2024. Sally will continue to work for the County School System for the following 2024-2025 scholastic year, where her contract begins August 9, 2024. Sally is entitled to health insurance coverage as an employee for February 2024-June 2024 under the 3-1 rule. If Sally wanted to continue her health insurance coverage for July 2024, she would have to pay the COBRA rates, and the County School System would not be charged the $800 employer contribution for July 2024. Then, for August, Sally would pay the employee health insurance premium rate. **The employer does not have to terminate Sally at the end of May 2024 in order for this above to occur**.

Employee is Hired February 1st				Contract ends May 18th				Contract begins August 9th			Contract ends June 30th	
January	February	March		April	May	June		July	August	September	October	November December
	1 extra month				Earn	Burn		COBRA				

COBRA for July
Back in Hired Status August
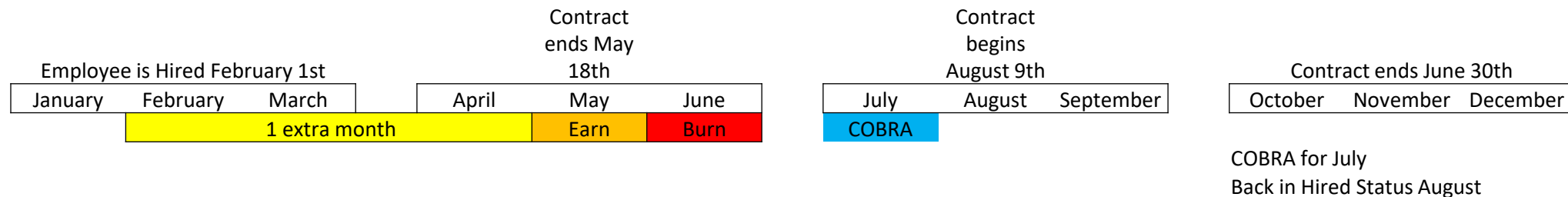
Mid-Year Hire Resolution

- Some employers have expressed a desire to pay the employer contribution and allow the employee to pay the employee premium rate as opposed to the COBRA rate for mid-year hires through the summer, regardless of whether the employee has earned enough months by the 3-1 rule.

Employee is Hired February 1st				Contract ends May 18th			Contract begins August 9th			Contract ends June 30th		
January	February	March		April	May	June	July	August	Sept	October	November	December
	1 extra month				Earn	Burn	System Continues To Pay Contribution			System Pays Contribution for July Back in Hired Status August		

- Around **61%** of all TRS Employers have now adopted this policy and it does remain in effect. If you have not adopted this policy and would like to, please contact PEEHIP Revenue.

ESS Portal Training

- In-house ESS Portal training sessions are available in Montgomery, AL, at the RSA Headquarters Building.

- Employer Services Representatives can be reached at 334.517.7005, option 2, or by email at Employer.Services@rsa-al.gov and are available for assistance Monday-Friday, 8 A.M.-5 P.M.