Service Request 83660

W-2 StayWell and EAP

Technical Specification

July 06, 2012
Revised – January 14, 2013

Prepared by Baskar Chitravel

Information Resources & Communications
Office of the President
University of California
# Version History

<table>
<thead>
<tr>
<th>Version #</th>
<th>Date</th>
<th>Revised By</th>
<th>Reason for Change</th>
</tr>
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<tbody>
<tr>
<td>1.0</td>
<td>07/06/2012</td>
<td>Baskar Chitravel</td>
<td>Initial version</td>
</tr>
<tr>
<td>1.1</td>
<td>07/27/2012</td>
<td>Baskar Chitravel</td>
<td>Revised check date logic after kick-off</td>
</tr>
<tr>
<td>1.2</td>
<td>09/07/2012</td>
<td>Baskar Chitravel</td>
<td>Revised logic for campus sub-location. Added flags to end of output file to be used in subsequent W2 process for eliminating duplicate months of EAP coverage.</td>
</tr>
<tr>
<td>1.3</td>
<td>01/14/2013</td>
<td>Baskar Chitravel</td>
<td>Addendum to SR83660 - Revised StayWell selection logic</td>
</tr>
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1 Introduction

1.1.1 Service Request 83660

SR8360 asks PPS to include the cost of the employer-paid StayWell program and EAP when reporting employer paid health insurance costs starting with the employee W-2 issued for tax year 2012 and beyond.

2 Overview of System Modifications

The non-COBRA cost of the StayWell Program and EAP must be reported for all eligible employees on the 2012 Form W-2 issued in 2013.

Currently, the cost of StayWell and EAP are not tracked in PPS so there are no separate GTNs for wellness and EAP programs. Therefore, a separate process is needed to calculate EAP and StayWell costs by verifying employee’s enrollment in a list of medical plans and association with participating Bargaining Units. Fixed PAR contains the Employee Bargaining Unit details and DRC (Deduction, Reduction, and Contribution) array contains the GTN details for the medical plans. Therefore, for a given tax years, all the employee’s PAR file records are accessed to calculate the EAP and StayWell amounts.

The EAP and StayWell amounts calculation process, using the merged PAR file of all the required PAR files of the prior year, should be completed before the current year’s W-2 production.

2.1.1 Yearly One-Time Process

A new yearly one-time process will be developed to calculate the EAP and StayWell costs using the input spec-card EAP and StayWell rates. The process will need to consider the employee’s EBEUC/EBERC and Medical Plans from the PAR file records as well.
3 Design Considerations

3.1 Assumptions and Dependencies

- Since employees can change plans mid-year if they have a life-change event, the medical plan coverage codes should be reviewed on a monthly basis.
- If the Check Date in the fixed PAR is within a particular month, then the DRC array contains medical contributions that belong to that Check Date month.
- For EAP amount calculation, EAP rates are inputted into this process along with the Sub Location value that should be matched against the Home Department Location Indicator of the PAR Department Number.
- For StayWell amount calculation, all 4 (U, UA, UC, and UAC) rates are inputted into this process along with the non-participant Bargaining Units (max of 18).
- This process should produce an output file that contains the employee’s calculated rates, which will be read by the yearly W-2 process.
- The request to consolidate health insurance, EAP, and StayWell costs together and report them on the W-2 will be addressed in a later BRD.
- For EAP eligibility, when the HME table lookup returns a value of space in the sub-location field it will be treated as a campus sub-location.
4 Mainframe Design

4.1 Yearly One-Time Process

4.1.1 COBOL Program

4.1.1.1 PPSWEAPY (new)

PPSWEAPY will be a new program which will calculate employee’s StayWell and EAP yearly costs derived from the input spec-card and PAR file details.

Inputs and Outputs

Inputs to this program are spec-card and yearly merged PAR file.

Input spec card details are as follows:

<table>
<thead>
<tr>
<th>Program Name - Specification</th>
<th>Sub Loc</th>
<th>EAP Rate</th>
<th>SW U Rate</th>
<th>SW UC Rate</th>
<th>SW UA Rate</th>
<th>SW UAC Rate</th>
<th>Tax Year for W-2</th>
<th>Non-Participant Barg. Unit Code (BUC) Array</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>13</td>
<td>14</td>
<td>15 19</td>
<td>20 24</td>
<td>25 29</td>
<td>30 34</td>
<td>35 39</td>
<td>40 43 44-45 … … 78-79</td>
</tr>
<tr>
<td>PPSWEAPY-SPEC</td>
<td>M</td>
<td>00219</td>
<td>01088</td>
<td>01088</td>
<td>01783</td>
<td>01783</td>
<td>2012</td>
<td>BXHXK7NXTX …</td>
</tr>
</tbody>
</table>

Input merged PAR file:

Run program PPP460 to merge all the PAR files produced with a **Check Date** that falls within the prior Tax Year (Jan 1 – Dec 31) period.
Output The output file produced from this program will be as follows:

Define an output file of record length 70. Calculate the output EAP and StayWell amount details and populate them into a record format as below:

<table>
<thead>
<tr>
<th>Employee ID</th>
<th>EAP #Mon</th>
<th>EAP Rate</th>
<th>SW U #Mon</th>
<th>SW U Rate</th>
<th>SW UC #Mon</th>
<th>SW UC Rate</th>
<th>SW UA #Mon</th>
<th>SW UA Rate</th>
<th>SW UAC #Mon</th>
<th>SW UAC Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>123456789</td>
<td>10</td>
<td>00219</td>
<td>02</td>
<td>01088</td>
<td>03</td>
<td>01088</td>
<td>03</td>
<td>01783</td>
<td>01</td>
<td>01783</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EAP Amount</th>
<th>StayWell Amount</th>
<th>EAP Coverage Flags</th>
<th>Filler Spaces</th>
</tr>
</thead>
<tbody>
<tr>
<td>45</td>
<td>50</td>
<td>51</td>
<td>56</td>
</tr>
</tbody>
</table>

002190 012572 YYNNYYYYYYYY

WORKING-STORAGE

- Define working variables for storing EAP and all the StayWell input rates (PIC 999V99).
- Define working variables for storing input sub location (PIC X) and Tax Year (PIC 9999).
- Define working array for StayWell Non-Participant BUCs SW-NON-PARTICIPANT-BUC (Occurs 18 - PIC XX).
- Define working variables for storing the Number of EAP months EAP-MONTHS and Number of StayWell Months (SW-MONTHS-U /UA /UC /UAC → one each for U, UA, UC, and UAC).
- Define Total EAP and SW Amount for reporting at the end of the program.
Define working variables for the output record for outputting Employee’s StayWell and EAP total amounts (refer the above layout for specific details).

Define an array to store the monthly EAP and StayWell Plan presence verified from the PAR as below:
SW-CALCULATE-U/ UA/ UC/ UAC (for StayWell Plan) occur 12 times and EAP-CALCULATE (for EAP Plan) occur 12 times (one for each month from Jan – Dec). The format is PIC X (values defaulted to ‘N’ – will be set to ‘Y’ after employee eligibility criteria are met).

PROCEDURE DIVISION

Initialization

Open, read, and validate the Specification Card – Program Name (1-13) should be PPSWEAPY-SPEC.

Validate all the input rates and year to be numeric and move them to corresponding working variables.

Load all the non-participating BUCs into the array defined in the working storage area.

Move the Sub Location into the working value as well.

Open the input merged PAR file and read the first record. If no records found, abort the program.

Read PAR file records until all the PCR records are skipped and first employee record is reached.

Loop through the merged PAR file in which all the records in employee ID order. For each employee ID found:

If the PAR type is expense, i.e. if XPAR-EXPENSE-TRANSFER is true, then go to read and process the next PAR.

Convert the XPAR-CHECK-DATE to ISO date and verify that if the CCYY matches with the input Tax Year. If no match, then go to read and process the next PAR.

If (XPAR-PAY-CYCLE = ‘MO’) AND (XPAR-PAY-END-MO = XPAR-CHECK-MO), then add +1 to XPAR-CHECK-MO.

If XPAR-CHECK-MO < 1 OR > 12, print a warning message and go to read and process the next PAR.
If EAP-CALCULATE (for XPAR-CHECK-MO) is set to ‘Y’, then skip the next EAP step.

Go through the XPAR-CUR-DED-REFS deduction array XPAR-NO-DED-REF times to verify whether the GTN Number, which is referred by XPAR-CUR-DED-CODE is present at least once in the following list:
303, 359, 305, 311, 309, 337, 313, 145, 064, 049, 052, 321, 330, 626, 628, and 316.

If yes, then select HME_DEPT_LOC_IND from PPPHME table for HME_DEPT_NO = XPAR-DEPT-NR into :HME-DEPT-LOC-IND.

If HME-DEPT-LOC-IND matches with the input Sub Location, then set the EAP-CALCULATE (for XPAR-CHECK-MO) to ‘Y’. Additionally, if the input Sub-Location is a “C” and the returned HME-DEPT-LOC-IND is a space, then set the EAP-CALCULATE (for XPAR-CHECK-MO) to ‘Y’.

If any of the flags SW-CALCULATE-U/ UA /UC /UAC (for XPAR-CHECK-MO) is set to ‘Y’, then go to read and process the next PAR.

Go through the XPAR-CUR-DED-REFS deduction array XPAR-NO-DED-REF times to verify whether the GTN Number, which is referred by XPAR-CUR-DED-CODE is present in the following list:
303, 359, 305, 311, 309, 337, 313, 145, 064, 626, 628, and 316.

If yes, then verify whether XPAR-EMP-BEN-ELIG-REP-CD is ‘C’ and the value of XPAR-EMP-BEN-ELIG-UNIT-CD is present in the input non-participant BUC array SW-NON-PARTICIPANT-BUC. If yes, then skip further processing on this PAR and go to read the next PAR.

If the above conditions are satisfied, convert XPAR-MED-COVERAGE-WODM into WS-COVERAGE after changing value ‘X’ to ‘A’ and ‘Y’ to ‘C’.

Depending on the value of WS-COVERAGE, set the SW-CALCULATE-U/ UA/ UC/ UAC (for XPAR-CHECK-MO) to ‘Y’.

Read the next PAR record.

If the next PAR record does not belong to the current employee or PAR file is at end, perform the following employee level break logic:

Count the total number of EAP-CALCULATE (1 thru 12) = ‘Y’ in the working field EAP-MONTHS. In the same way, count the total number of SW-CALCULATE-U/UA /UC /UAC (1 thru 12) into the corresponding working fields SW-MONTHS-U/UA /UC /UAC.
Populate the output record for the employee:

- Move the above totals to the output totals.
- Copy the associated input EAP / SW rates to this record.
- Calculate the Total EAP amount by multiplying EAP total with EAP rates.
- Calculate Total SW Amount by adding all the 4 SW amounts that we get by multiplying SW Total (of U /UA /UC /UAC) with its respective SW rate.
- Copy the EAP-CALCULATE array to the end of the output file.
- Add the Total EAP and SW Amounts for the employee to the Total EAP and SW Amount for reporting in the end.

If the Total EAP Amount or SW Amount is non-zero, then write the employee record to the Output file.

Initialize all the temporary fields used for the employee to get ready for the next employee.

- Go to process the next PAR record.

**Termination (wrap-up)**

- Write the Total EAP and SW Amount for statistical information reporting.
- Close all the opened files.
- If there are any errors, set the Return Code appropriately.
4.1.2 Bind Members

4.1.2.1 PPSWEAPY (new)

New Package bind member for PPSWEAPY.

4.1.3 Control Table Updates

4.1.3.1 System Messages Table (MSG)

New messages will be added to the System Messages table to handle invalid return from PPSWEAPY. These messages should all have severity = 5.

4.1.4 JCL Changes

4.1.4.1 PPSWEAPY

Sample JCL will be provided for running the yearly one-time program PPSWEAPY.
5 Unit Testing Requirements

5.1.1 Yearly One-Time Process

In the merged PAR file, get employee(s) with the varied PAR types as below:

- PAR type is expense; verify that it is not included in the decision making and calculation process.
- PAR with a check date other than the test year; verify that this PAR that has different input Tax Year is skipped.
- Include PAR with / without GTNs 049, 052, 321, 330; verify that no SW is calculated with the above GTNs and vice-versa.
- Select a PAR with a Home Department Number that has the Location Indicator other than the input Sub Location; this PAR should be skipped for EAP Amounts.
- Select PAR with Employee Benefit Eligibility Rep Code of ‘U’ and / or Employee Benefit Eligibility Unit Code equal to one of the input BUC; verify that this PAR is skipped.
- At least for one employee, calculate the EAP Amounts and various SW amounts; verify that the output record produced for that employee matches with the calculated values.