

**HEALTH SERVICE SYSTEM
CHANGING THE BENEFIT COVERAGE PERIOD
FROM BI-MONTHLY TO MONTHLY**

I. REASON FOR THE CHANGE

In an Enterprise Resource Planning (ERP) system such as the one Project eMerge is implementing, all payroll, human resources and benefits administration operations are integrated into a single system that eliminates duplication of work, ensures data integrity and provides timely access to information.

In order for an ERP system to work correctly, certain rules are built into the system to control the complexity and the large number of business processes that are required to maintain employee data, produce paychecks and administer healthcare benefits.

The rules within the new PeopleSoft system that will control healthcare deductions for the Health Service System do not provide an option for semi-monthly coverage periods. HSS staff and Project eMerge staff have worked together to identify the most beneficial alternative available for both HSS members and staff and have clarified the impacts of the alternative. This alternative has been vetted by the unions and they have no issues with the proposed changes.

II. IMPACT OF THE CHANGE

A. HEALTH SERVICE SYSTEM RULE CHANGES

1. **Effective Dates:** Permanent, provisional and temporary exempt employees of CCSF and their dependents
 - New hires 1st – 31st, coverage begins the first of the following month.
 - Terminations 1st – 31st, coverage ends the last day of the month in which the event occurs.
2. **Delinquencies:**
 - Coverage is terminated as of the last day of the month of the unpaid delinquency.

B. OTHER

1. **Conversion Date:**
 - Conversion to monthly coverage period effective January 1, 2010.
2. **Participating Employers:**
 - eMerge will collaborate with HSS to convert CCSF, CCD, active SFUSD, and non-classifieds to a monthly coverage period prior to January 1, 2010.

III. CLEAN UP CHANGES – Other rule change have been made for improved clarity and document flow.