

**From:** Goins, Rebecca A  
**Sent:** Friday, July 10, 2015 10:12 AM  
**To:** HR Newsletter Distribution  
**Subject:** HR Heads Up - biweekly insurance rates

## **Alert: new insurance rates are prorated on today's biweekly paycheck**

In May when we announced the July 1 increase in employee medical and dental premium costs, we stated the new rates would hit biweekly-paid employees' paychecks on July 24. This was based on how SAP normally applies new rates – that it waits until the first pay period that begins on or after the effective date, which in this case would be the July 5-18 biweekly pay period.

We have now learned that the new rates did affect today's paycheck, but prorated. The old rates applied to the first 10 days in the pay period (June 21-30), the new rate applied to the other 4 days (July 1-4). The cause of this are the extraordinary actions made to implement the new organizational changes and other fiscal year changes on exactly July 1.

We apologize for the short notice and the incorrect effective date earlier communicated. Please share this with your biweekly staff who may be affected, and thank you for doing so.

Here are examples of the different rates over the course of three paychecks. These are Classic medical and dental premiums for "employee only" coverage:

- Old medical premium - \$39.18 deducted on June 26  
Prorated premium - \$41.24 deducted today, July 10  
New premium - \$46.41 will be deducted on July 24
- Old dental premium - \$7.38 deducted on June 26  
Prorated premium - \$8.44 deducted today, July 10  
New premium - \$11.08 will be deducted on July 24

If your employees have questions about their benefits, please refer them to HR Employee Services at (501) 686-5650 or [AskHR@uams.edu](mailto:AskHR@uams.edu). They can also log into [Employee Self Service](#) to view their benefit coverage and deductions.

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Benefit or HR questions? Check out [www.hr.uams.edu](http://www.hr.uams.edu).  
Or contact HR Employee Services: phone (501) 686-5650, email [askhr@uams.edu](mailto:askhr@uams.edu).