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Benefits Administration Letter

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Subject

Important Changes For All Local Public Bodies (LPBs) to Disability Claimant Payment Processes

Purpose

In order to improve efficiency and accuracy in the payments, tax withholding, and W-2 production for LPB Disability claimants, the benefit payment processes will change effective January 1, 2014. This Letter of Administration is to provide notice of these important changes to Disability Claimant Payment Processes.

LPB Disability Claimant Payment Process

As of January 1, 2014 the following processes will go into effect for all LPBs:

- Individual claimant checks will no longer be issued by the State and sent directly to claimants;
- Each LPB will receive:
 - A report detailing which of the organization's employees are on Short or Long-Term Disability and the amount of each employee's benefit amount; and
 - A single check reflecting the aggregate benefit amount due to all of the organization's employees on Short or Long-Term Disability;
- Using the report, each LPB must make appropriate withholdings and issue individual benefit payments to each of their claimants;
- The LPB must report the withholdings information to the IRS and State Taxation and Revenue and issue W-2's;
- Questions should be directed to CompuSys/Erisa, the Third Party Administrator for the State's Disability Program.

Contact Information for CompuSys/Erisa

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Sincerely,

A.J. Forte, Director, Risk Management Division