

## 2021 Non-compensatory Health Insurance Stipends for Postdoc Scholars

- 1) Confirm the existing regular stipend amount funded by the grant reflects the appropriate amount and meets both the NIH and Duke minimums. This wage type is posted as 4002 on the Noncompensatory iForm.
- 2) Set up the Non-compensatory Insurance Stipend for healthcare coverage using the Non-compensatory iForm effective 12/2020 posted on wage type 4012.
- 3) Insurance stipends must be effective on the first day of the month since insurance amounts are not pro-rated. Contact the Postdoc Scholar to confirm no changes were made during open enrollment. The insurance stipends must be based upon the payee's level of healthcare coverage as well as the specific benefit plan selected. Based upon the Postdoc policy, Duke has agreed to cover the full cost of individual healthcare coverage. If payee selects additional coverage, the entity paying for the coverage can vary. Payment may come from the Institutional Allowance or the payee. If the Institutional Allowance is the funding source, the department must ensure that the Institutional Allowance covers the full cost of individual coverage for the year before allowing the Institutional Allowance to be used for additional levels of coverage. The allowable range for stipend amounts is recorded below. The high end of the range is the Total Postdoc Deduction while the low end of the range is the Duke Contribution plus the Postdoc Scholar benefit.

**Health Insurance Stipend Table**

	Payee (no range)	Payee/Child	Payee/Children	Payee/Spouse	Family
Duke Select	\$485.00	\$606.00- \$723.00	\$695.00 - \$903.00	\$808.00 - \$1136.00	\$904.00 - \$1328.00
Duke Basic	\$411.00	\$524.00 - \$604.00	\$610.00 - \$753.00	\$718.00 - \$949.00	\$808.00 - \$1096.00
Blue Care	\$999.00	\$1163.00 - \$1329.00	\$1254.00 - \$1510.00	\$1427.00 - \$1859.00	\$1610.00 - \$2225.00
Duke Options	\$949.00	\$1118.00 - \$1282.00	\$1232.00- \$1508.00	\$1399.00 - \$1851.00	\$1557.00 - \$2166.00

- a. Assign wage type 4012 and the corresponding dollar amount based upon the table above and the funding source to be paid in accordance with the Postdoc policy. Funding source may be assigned to the Institutional Allowance cost center/WBS element, Principal Investigator cost center, department cost center, etc. **Please note that health insurance stipends cannot exceed the amount included in the table above. Dental and vision insurance must be deducted from the payee's stipend amount and are not included in the 4012 Wage Type.**

**IMPORTANT: Departments must remind Postdoc Scholars that this insurance stipend will be included in taxable income. The benefit deductions will be withheld on a post-tax basis. Please review this with Postdoc Scholars prior to the individuals' first payment.**

- b. Assign a beginning and ending date to the new wage type to reflect dates of coverage. The end date should be no later than 11/2021, since the premium amounts generally change for the new plan year.
  - c. The service type/service category for the health insurance stipend will be 635200 (Recipient Designated) or 636200 (Recipient Undesignated) depending upon the type of Postdoc.
  - d. iForms must be submitted and approved based upon posted deadlines on the Noncompensatory payment schedule. This information can be found on the Corporate Payroll Website.
- 4) Deduction amounts will be set up based upon the level of coverage. Deductions will be withheld from the Noncompensatory Insurance payments on a post tax basis.

### **Benefit Deductions for New Postdocs Receiving Non-compensatory Payments**

- 1) In order to invoke benefits eligibility, you must hire the Postdoc as an exempt employee for a minimum of 30 days on the regular payroll. As of January 1, 2013, **all** new Duke employees (faculty, staff, and postdocs) must enroll for benefits within 30 days of hire. If the employee enrolls in time for the deduction to be taken from the salary payment, he/she will gain the benefit of the pretax deduction. If the employee does not enroll in time for the salary deduction, he/she must incur the full cost of the deduction (employee and employer portion) on a post tax basis.
- 2) Create the award payment funded by the grant to reflect the appropriate amount and to meet both the issuing agency and Duke minimums. This wage type is posted as 4002 on the Noncompensatory Payment.
- 3) Set up the Non-compensatory Insurance Stipend using the Non-compensatory Payment iForm effective the first day of the month after having been on the compensatory payroll for a minimum of 30 days. Insurance stipends must be effective on the first day of the month since insurance amounts are not pro-rated.
  - a. Assign wage type 4012 and the corresponding dollar amount based upon the table above and the funding source to be paid in accordance with the Postdoc policy. Funding source may be assigned to the Institutional Allowance cost center/WBS element, Principal Investigator cost center, department cost center, etc. **Please note that health insurance stipends cannot exceed the amount included in the table above. Dental and vision insurance must be deducted from the payee's stipend amount and are not included in the 4012 Wage Type.**

**Please note that this insurance stipend will be included in taxable income. The benefit deductions will be withheld on a post-tax basis. It is very important that the Postdoc Scholar understand this.**

- b. Assign a beginning and ending date to the new wage type to reflect dates of coverage. In the event payees have elected coverage for the current month, one-time insurance stipend amounts will be required in addition to the recurring payments for prospective coverage.

- c. The service type/service category for the health insurance stipend will be 635200 (Recipient Designated) or 636200 (Recipient Undesignated) depending upon the type of Postdoc.
  - d. iForms must be submitted and approved based upon posted deadlines on the Noncompensatory payment schedule. This information can be found on the Corporate Payroll Website.
- 5) Deduction amounts will be set up based upon the level of coverage. Deductions will be withheld from the Noncompensatory Insurance payments on a post tax basis.

### **Changes in Coverage**

- 1) Noncompensatory recipients must notify departments regarding any changes in benefit coverage.
- 2) The department will submit a Noncompensatory Change iForm to change the amount of the medical insurance stipend in accordance with the new benefits coverage and the Postdoc Policy.
- 3) Departments will submit notification via email to Jennifer Frazier in Human Resources and Kirby Hays in Benefits Accounting.
- 4) Human Resources will update the vendor records and Benefits Accounting will submit new deductions for processing by Corporate Payroll.

### **Changes in Premiums during Changes in Plan Year (Open Enrollment)**

- 1) Departments must submit revised Noncompensatory Change iForms to reflect new premium amounts for the health insurance stipend – wage type 4012. Departments should contact all Postdoc Scholars prior to submitting insurance stipend amounts to ensure coverage level remains the same.
- 2) Changes in existing deductions will be submitted by the Human Resources Benefits team based upon the Noncomp Postdoc's election during the Open Enrollment period.

***Note: Under no circumstances can insurance payments be paid using journal entries posting directly to grants or other funding sources.***