

Macomb Community College
Frequently Asked Questions (FAQ) Regarding the
Refund of the 3% Michigan Public School Employee Retirement Systems
(MPERS) Healthcare Contribution from the
Office of Retirement Services (ORS)

To effectively and efficiently answer additional inquiries, please send any questions not addressed below to payroll@macomb.edu.

How do I know if I have a refund coming?

If you had reportable wages from MCC between July 2010 and September 2012, the 3% healthcare contribution during that period will be refunded.

What is the amount of my refund?

Around January 22, 2018, the ORS sent emails to recipients including the exact amount that they should expect to receive. If you have not received an email, you may want to login into your miAccount on the ORS website (<http://www.michigan.gov/ors>) and send a message via the Message Board. Responses are generally received within one to two business days.

When will I receive my refund?

Current employees: The refunds will be paid on **March 2, 2018**.

Former employees: The refunds will be paid during the week of **March 5, 2018**.

How to update my current address?

If your mailing address is no longer current, you will need to update your address by contacting Human Resources at humanresources@macomb.edu to ensure proper processing of your refund.

How do I update my direct deposit banking information?

For active MCC employees, the direct deposit banking information can be updated by accessing the link below:

<https://app.perfectforms.com/PresentationServer/Form.aspx/Play/GsckAgIm?f=GsckAgIm>

For assistance with the form or with additional questions please contact payroll@macomb.edu

[For former employees, the refund will be paid via check and mailed to your address on file.](#)

Will taxes be deducted on the refund?

Yes, to comply with IRS requirements regarding taxation, the refund will be taxed for Federal, Michigan, FICA/Medicare in accordance with the W-4 on file. There will be no other deductions (such as foundation donations, HSA contributions, premium deductions, etc.) on this special pay. Also, as the initial deductions were reported to the ORS, the refund will not have MIP/DC/PHF withheld. The refund will be deposited in accordance with your direct deposit form on file. You may wish to consult your own tax advisor if you have questions about the taxability of your refund.

How do I change my taxes?

For active employees, a W-4 Federal withholding form and/or a State of Michigan MIW-4 withholding form must be completed and returned to payroll@macomb.edu for processing the new withholding elections. **Exemption withholding changes for this special payroll are a “one-time” only change.** All future regular payrolls will be processed with the current withholding forms on file. The forms are located under the My Macomb Portal or you can access the links below:

Federal Withholding form:

<https://my.macomb.edu/staff/business/financialservices/payroll/Documents/Spec%20HC%20Refund%20Fed%20W.H.%20form.pdf>

State Withholding form:

<https://my.macomb.edu/staff/business/financialservices/payroll/Documents/Spec%20HC%20Refund%20State%20W.H.%20form.pdf>

How do I direct my refund to a deferred salary investment account?

For current employees only, to direct your refund portion (no interest) into a 403(b) or 457 deferred compensation plan/account please access the link below for the one-time special election form.

<https://my.macomb.edu/staff/business/financialservices/payroll/Documents/Special%20Health%20Care%20refund%20403b%20457%20link.pdf>

In advance of completing the election form, you may want to review the annual maximum 403(b) and 457 contribution limits.

403(b) contribution limits (link provided):

<https://my.macomb.edu/staff/business/financialservices/payroll/Documents/Universal%20Availability%20Notice.pdf>

457 contribution limits (link provided):

<https://my.macomb.edu/staff/business/financialservices/payroll/Documents/457%20Plan.pdf>

Can I direct my interest to a deferred salary investment account?

No. The interest portion of the refund is not eligible to be deferred into a 403(b) or 457 as it not considered wages

Can I direct my refund to my HSA account?

No. Neither the refund or interest portion of the refund are eligible for deposit into a HSA Account.

Why can't the ORS send this refund directly to me instead of sending it to our employer?

There are taxation rules for these payments that can only be implemented by the employer.

When did employees agree to elect the 3% contribution to the Retiree Healthcare Fund?

The ORS mandated (Public Act 300 of 2012) all public school employees elect, through their ORS miAccount, to continue to contribute 3% of their compensation to the Retiree Healthcare Fund and retain eligibility for the Retiree Healthcare Insurance Premium Subsidy offered by the State upon their retirement.

Members could have elected to opt-out of the 3% contribution of their compensation to the Retiree Healthcare Fund, and instead elect to contribute to a Personal Healthcare Fund where 2% of their wages are placed in a 457 account managed by VOYA. Any member that did not make an election automatically defaulted to continue contributing to the 3% Retiree Healthcare Fund.

Elections were one-time only and cannot be changed.

My refund is not 3% of the wages I made between July 2010 and September 2012? Why is that?

It's true for most people that, when PA 75 was implemented, they contributed 3% of reportable wages for funding healthcare in retirement. However, in 2010, the year PA 75 was implemented, the law allowed an exemption for those people who either made less than \$18,000.00 in the prior school fiscal year, or those who began working after July 1, 2010 with a starting salary of less than \$18, 000.00. People who qualified for that exemption only contributed 1.5% of reportable wages. During the school year beginning July 1, 2011, all persons contributed 3% of reportable wages for funding healthcare in retirement.

Be assured, the amount of your refund is the amount that you've contributed toward funding of healthcare. In some circumstances and because of the exemptions just mentioned, the total may not be a full 3% of wages earned during the period PA 75 was in effect.

See the original text of the enrolled senate bill that became PA 75 (link below) and scroll to Sec. 43e.

<http://www.legislature.mi.gov/documents/2009-2010/publicact/pdf/2010-PA-0075.pdf>

What about healthcare contributions made between September 4, 2012 and February 1, 2013, when ORS began implementing the 2012 reform changes based on member elections? How do I know what happened to that money?

The period for which contribution refunds are due ends on September 3, 2012 because PA 300 of 2012—the law that provided members a healthcare benefit election—took effect on September 4, 2012. For the period between the law’s effective date and its implementation (9/4/2012 – 2/1/2013), healthcare contributions were deposited into the appropriate accounts, depending on the member’s election. For members who elected the Personal Healthcare Fund, contributions were deposited into their 401(k) accounts with Voya Financial® in February 2013. ORS sent a letter dated February 26, 2013 with the estimated amount of the transfer. For those who elected the Premium Subsidy option, contributions were deposited in the Retiree Healthcare Fund, to fund that benefit upon members’ retirement.

Who do I contact for additional questions?

Please email any additional questions to payroll@macomb.edu or review [Frequently Asked Questions](#) page on the ORS website for answers and further assistance.

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