

# WSE Offboarding — What Closes Itself, and What Waits for a Person

One coordinated termination case: final pay, benefits, COBRA, carrier notice, and access.

When a client terminates a worksite employee, Stratum opens **one coordinated offboarding case** that runs final pay, benefits, COBRA, carrier notice, and system access together, instead of an HR admin chasing five separate steps across five separate systems. Every deterministic step closes itself, on the day it's due — a person is pulled in only for the calls that genuinely need judgment, and the case shows exactly which ones and why.

## 1 What closes itself, and what waits for a person

| Step                        | What it does                                                                                                                                                                                                                                        | Closes automatically when...                                                     | Stays open when...                                                                                                                                                                                                     |
|-----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Termination notice</b>   | Records the separation (dates, reason, severance) and opens the case. For a backdated termination, it also opens correction cases for anything that doesn't self-heal — post-termination workers'-comp premium, benefit premiums, and PTO accruals. | Always — the notice is the trigger.                                              | —                                                                                                                                                                                                                      |
| <b>Final pay</b>            | Computes the last check: wages through the last day, PTO payout, and severance, less lawful deductions — resolved against that state's final-pay deadline.                                                                                          | Immediately, when the calculation is clean: positive, on time, no exceptions.    | Any exception — a negative or clawback check, a late-payment penalty exposure, a legally-forced off-cycle deadline, open expenses or unfinalized hours, a lump-sum garnishment, unpaid commissions, or an estate case. |
| <b>Benefits end-date</b>    | Ends active elections, dated through the end of the termination month so coverage flows into COBRA with no gap.                                                                                                                                     | On or before the termination date.                                               | Never blocks — always resolves by the termination date.                                                                                                                                                                |
| <b>COBRA initiation</b>     | Creates the qualifying event, starts the statutory notice clock, and furnishes the election notice.                                                                                                                                                 | Same timing as benefits end-date.                                                | —                                                                                                                                                                                                                      |
| <b>Carrier notification</b> | Sends the electronic termination notice to the insurance carrier so coverage actually ends on their side too — including state-specific notices (e.g. Texas's medical-carrier notice) where they apply.                                             | Once transmitted, or not applicable if there was no active enrollment to notify. | The carrier isn't set up for electronic transmission, or a required state notice hasn't been confirmed yet — flagged for manual follow-up rather than assumed done.                                                    |
| <b>System access</b>        | Deactivates the portal login and withdraws electronic-delivery consent, so the final W-2 routes to physical mail at the last-known address.                                                                                                         | On or before the last day worked.                                                | —                                                                                                                                                                                                                      |
| <b>Final paycheck</b>       | Confirms the final wages were actually disbursed.                                                                                                                                                                                                   | Automatic for direct deposit — the run itself is the confirmation.               | Only when the client requested a mailed physical check, until it's confirmed sent.                                                                                                                                     |

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| Step         | What it does                                                                     | Closes automatically when...                                 | Stays open when...                                                                                             |
|--------------|----------------------------------------------------------------------------------|--------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|
| Case closure | Marks the employee terminated in the system of record and closes the whole case. | Fires automatically the moment every step above is resolved. | Any step above is still outstanding — a held final-pay exception or a carrier notice needing manual follow-up. |

## 2 Why that matters

**A case closes for a reason, not on a timer**

- The same close-check re-runs from every path that can resolve a step — the initial submit, the carrier hand-off, the daily automated review, and a manual step-complete — so whichever step resolves last is the one that triggers the close, exactly once.
- A carrier notice that's been sent but not yet acknowledged doesn't hold the case open on its own — handing it off is the PEO's action, and the carrier's own acknowledgment is tracked separately. Only a failed hand-off blocks.
- A held final-pay exception correctly keeps the case open until a person resolves it — the system never closes a termination with an unresolved paycheck.

**The result:** a termination is compliant by construction — the final-pay deadline, the COBRA clock, and the carrier notice all fire on time without an admin tracking them on a spreadsheet — and the case is transparent about exactly which of the eight steps are still open and why, instead of a black box that says “pending.”

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