

PEEHIP Accounting for Invoicing and Payments

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PEEHIP Employer Contribution Clarification

- Always add new positions before ending the old positions for the same person whether it is due to incorrect hire date, change in position status or contribution group.
- If a manual entry is made in the ESS Portal, the enrollment needs to be updated as well. Otherwise, it reverts back to old status.

PEEHIP Employer Contribution Clarification

- **00_Not on Unpaid Leave** For enrollment purposes, everyone will have an LOA Status, but most people will remain with this status and will earn PEEHIP Employer contributions.
- Enter all Unpaid Leave dates timely in order to reduce the member from owing several months at one time
- **01_Unpaid FMLA** The employee continues to earn PEEHIP Employer contributions and therefore, a contribution is due for each month that an employee is on Unpaid FMLA.

PEEHIP Employer Contribution Clarification

Employees transferring from one system to another system are considered current employees.

- They must keep existing PEEHIP coverage and cannot make insurance changes until the Open Enrollment period for an October 1 effective date.
- **Please notify** transferred employees that they may have to pay OOP for the first transferred month.
- If a member works the full year, but has transferred school systems during the middle of the year, it is the current employer who will be responsible for all 3 summer contributions.

PEEHIP Employer Contribution Clarification

August to August Rule - This change is treated prospectively, i.e. terminations and contracts ending **after 4/1/21** trigger the burning of allocations using an August to August methodology. Regardless of the Employment End Reason **OR** if the contract period is 9, 10, 11 or 12 month, **IF** an employee works nine or more months out of the year, they are eligible to burn 3 allocations with the last month they would be able to burn being August. The old rule was September to September.

PEEHIP Employer Contribution Clarification

When an employee transfers from one participating system to another without a break in coverage, the **new** system will be responsible for paying the contribution for the **first full month**, including when hired on the August 1st of the employee's contract and all additional months of coverage, thereafter.

Example: Coach Smith has worked with system TXYZ for 3 consecutive years, but terminates as of 5/21/22. She transfers to system TABC on 7/26/22. TABC will pay the August Employer Contribution.

PEEHIP Employer Contribution Clarification

- **The 3-1 Rule** applies to any employee regardless of whether they are paid on a 9, 10, 11, or 12 month contract.
- If an employee is hired mid-year during the 2021-2022 school year **and** does not earn the right to coverage under the 3-1 rule as an employee during the entire Summer 2022 **and** will be returning to work at the beginning of the 2022-2023 school year, then the employer should **NOT** terminate the employee.
- Instead, the PEEHIP system will calculate the amount of months earned under the 3-1 rule. When coverage under the 3-1 rule is exhausted, the PEEHIP system will change the employee's account status to COBRA and will send the appropriate COBRA notice to the employee. Then at the beginning of the 2022-2023 scholastic year, the PEEHIP system will return the employee to employed status, bill the employee rate (rather than COBRA) along with the employer contribution.

PEEHIP Employer Contribution Clarification

For example: Sally is hired by County School System on February 1, 2022 and works until the end of her contract on May 18, 2022. Sally will continue to work for County School System the following 2022-2023 scholastic year where her contract begins August 9, 2022. Sally is entitled to health insurance coverage as an employee for February 2022-June 2022 under the 3-1 rule. If Sally wanted to continue her health insurance coverage for July 2022, she would have to pay the COBRA rates and County School System would not be charged the \$800 employer contribution for July 2022. Then, for August, Sally would pay the employee health insurance premium rate. The employer does not have to terminate Sally at the end of May 2022 in order for this above to occur.

PEEHIP Employer Contribution Clarification

- Some employers have expressed a desire to pay the employer contribution and allow the employee to pay the employee premium rate for mid-year hires through the summer regardless of whether the employee has earned enough months by the 3-1 rule.
- Around 61% of the Employers have now adopted this policy and it does remain in effect. If you did not adopt this policy and would like to, please contact PEEHIP Revenue.

PEEHIP Employer Contribution Clarification

- A member that has paid a LOA rate or COBRA rate for July and returns to work after 8/1 but before 8/17, would be entitled to a full August contribution.
- PEEHIP will still send COBRA notification automatically when termination date is entered. The term date should be the last day of the contract as this should be the last day worked.
- If member does not elect COBRA and has a lapse in coverage, a new enrollment form must be completed to re-enroll within 30 days of their start date.

PEEHIP Employer Contribution Clarification

- **3-1 Rule** An employee does not burn allocation months until the end date of their contract. If a new contract is not entered, a termination date for non-renewals should **be** entered. An employee can earn or burn an allocation in August.
- **Example:** An employee has been in hire status for a consecutive 9 months and contract ends after June 16th. The member will have a contribution to burn for July, August but not September.
- **Please notify** retirees that the first premium after the burning of contributions will be invoiced to them prior to being deducted from the retirement check.

PEEHIP Invoicing and Payments

- NEW employees will need to pay PEEHIP directly for the initial payment if enrolled in coverage on their date of hire or first of the next month.
- New employees will receive a direct PEEHIP invoice because insurance is deducted from an employee's paycheck one month in advance and those new employees did not receive a paycheck for the prior month.

PEEHIP Invoicing and Payments

PEEHIP currently has a total of **1455 members** on Claim Hold due to Non-payment/past due.

- As you know, since insurance premiums are always paid one month in advance, the member may not have received a paycheck to deduct their first month of coverage. This may also happen if the member enrolled in coverage on their first day of hire. We have mailed several bills to the member and they have not responded to these bills. Perhaps a gentle reminder from their PEEHIP/Payroll Coordinator will get the information to them so that they will pay these premiums.

PEEHIP Invoicing and Payments

There are basically two ways for the member to make payments:

- Through an additional payroll deduction that you can make at the end of February and then add it to your invoice reconciliation for March.
- Or a member may make credit card payments by visiting our Member Online Services at <https://mso.rsa-al.gov> and going through to the Make Payment site. **PLEASE NOTE: Payments made through this system may take 2 – 4 business days to be reflected in their current balance.**

TRS Open Invoices/Credits

- As of January 25, 2022, there are 72 Agencies with open TRS invoices/credits available to be resolved.
- 55 of these Agencies have net credit invoices with the largest single agency having a net credit to be taken of (\$38,980.25).
- You can find the invoices/credits under the Report Tab in ESS and then select Invoices. If you need assistance using these invoices, then give us a call.

PEEHIP Invoice Reconciliation

- **Do not** ignore recurring errors on the invoice. Making corrections on the invoice does not correct the error in our system.
- **Do not** add out of pocket premiums on the reconciliation report and also request that it be refunded to the member on this report. If you realize that you have deducted the premiums in error, please refund directly to the member at the local level.

PEEHIP Invoice Reconciliation

- **Do not** take the tobacco charge off without checking with PEEHIP. Employee may need to update tobacco status.
- **Collect** future OOP & Flex premiums for burning months if paying out a member at the end of employment.
- **Call** your PEEHIP Revenue contact person before removing or adding invoice corrections. Look for PEEHIP Coordinator monthly email on the first day of the month.

PEEHIP Coordinator Monthly Email

To receive the monthly email, please make sure those individuals who should be receiving it are checked as the **Primary PEEHIP Clerk Contact** within ESS. Both boxes must be checked.



Contact Type(s)

- | | |
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| <input checked="" type="checkbox"/> Disability Contact | <input type="checkbox"/> Set as Primary Contact |
| <input checked="" type="checkbox"/> Enrollment Coordinator | <input type="checkbox"/> Set as Primary Contact |
| <input checked="" type="checkbox"/> Human Resource Director | <input type="checkbox"/> Set as Primary Contact |
| <input checked="" type="checkbox"/> Office Coordinator | <input type="checkbox"/> Set as Primary Contact |
| <input checked="" type="checkbox"/> PEEHIP Clerk | <input checked="" type="checkbox"/> Set as Primary Contact |
| <input checked="" type="checkbox"/> Retirement Certification | <input type="checkbox"/> Set as Primary Contact |
| <input checked="" type="checkbox"/> Service Purchases | <input type="checkbox"/> Set as Primary Contact |
| <input type="checkbox"/> Withdrawal Certification | |
| <input checked="" type="checkbox"/> Reporting Official | <input type="checkbox"/> Set as Primary Contact |
| <input checked="" type="checkbox"/> Agency Head | <input type="checkbox"/> Set as Primary Contact |
| <input checked="" type="checkbox"/> IT | <input type="checkbox"/> Set as Primary Contact |
| <input checked="" type="checkbox"/> RSA-1 | <input type="checkbox"/> Set as Primary Contact |

Questions?

For more Information on Invoicing or
payments, please contact:
Your PEEHIP Invoicing contact Person
at 1-877-517-0020

Questions?

School Code	Contact Person	Email
A	Petrice Robinson	Petrice.Robinson@rsa-al.gov
B	Matthew Olson	Matthew.Olson@rsa-al.gov
C	Chris Gehman	Chris.Gehman@rsa-al.gov
D - F	Kendrea Reese	Kendrea.Reese@rsa-al.gov
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J-L	Tyler Thompson	Tyler.Thompson@rsa-al.gov
M (other than MOB)	Jenna Hale	Jenna.Hale@rsa-al.gov
MOB	Dawn Wood	Dawn.Wood@rsa-al.gov
N - R	Beth Jones	Elizabeth.Jones@rsa-al.gov
S	Kamryn Warren	Kamryn.Warren@rsa-al.gov
T-W	Dawn Wood	Dawn.Wood@rsa-al.gov