



ADMINISTRATIVE POLICY MANUAL	SECTION PERSONNEL	NUMBER AM-504.1	DATE EFFECTIVE 04-06-93
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POLICY:

It is the policy of the County to allocate costs for the employee health care and life insurance programs to the appropriate departments/offices and to collect payment from those individuals whose participation is optional. This shall be a joint effort between the Personnel Department, the Office of Management and Budget, Data Processing, and the participating constitutional officers.

COMMENT:

1. Health care and life insurance costs are handled under a "self insurance plus" plan with a third party providing administrative services, utilization management, life insurance and stop loss coverage. Access to the Board of County Commissioner's employee program is available to Constitutional Officers, retired employees and COBRA participants.

2. Each month the Personnel Department initiates actions to generate cost billings for health care and life insurance. Because the handling of the client groups differ, the procedure discussion is organized to reflect "Board of County Commissioners' employees". Details relative to the "Constitutional Officer's employees", retired employees, and COBRA participants" will show the different billing procedures.

A. Board of County Commissioners' employees

1. The Personnel Department maintains an employee data base on the mainframe computer in Data Processing. From this data base, an "Insurance Premium Report" is generated indicating each employee's status relative to health care and life insurance, including whether health care coverage is single, family, or none. It further calculates and presents the "Health Cost", "Life Cost" and "Total Premium" for each department.

2. The "Insurance Premium Report" is generated monthly and used by the Personnel Department to prepare a billing for each department. This is accomplished on Warrant (check) Request forms with the billing divided into two charges: administrative costs (life insurance premium, administrative fee, utilization management fee, and stop loss coverage fee), and health insurance. The billing is totaled and balanced against the "Insurance Premium Report."



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The warrant request forms are attached to the "Insurance Premium Report" and sent to the Finance Division of the Clerk's Office for payment through internal account charges. Finance then prepares checks as follows:

- a. One check payable to the carrier/third party administrator for administrative costs (as detailed in 2. A. 2. above).
- b. One check payable to the health insurance reserve trust representing each department's payment for funding health insurance. This shall be deposited in a local bank and drawn upon by the carrier/third party administrator for the payment of claims.
- c. One check payable to the life and health insurance reserve trust representing the employees' contributions for optional family coverage. This shall be deposited in a local bank and drawn upon by the carrier/third party administrator for the payment of claims.

The timetable for the events above will be generally as follows:

Insurance Premium Report	Approximately	1st of month
Warrants to Finance Section	Approximately	10th of month
Checks issued	Approximately	15th of month

B. Constitutional Officer's employees

The "Insurance Premium Report" is sent to each participating Officer's representative along with a billing detailing their costs. This person prepares checks as defined in paragraphs a., b., and c. above.

C. COBRA and Retired employees

Participants make individual payments through Personnel to Finance for their coverage. When the monthly billing for these individuals is sent to Finance, Finance charges their individual accounts. Finance then prepares checks as described in a., and b. above.