

# Hot Off The Press

## SB51

Senate Bill 51, passed during the last Texas Legislative Session, addresses the timely reporting of employee and dependent coverage terminations to health insurance carriers. This bill makes A&M System members liable for any premiums beyond the employee's stop date if the termination is reported to the carrier after the stop date. For example, if an employee terminates employment on July 15, his/her coverage would normally be effective through the end of that month, July 31. However, if the termination information is not entered into the BPP System and sent to the carrier by July 31, the A&M System member is liable for premiums for that individual through the end of the month in which the termination of coverage was sent to the carrier - August 31 or later in this example.

Several changes have been made to the BPP System to facilitate the timely reporting of terminations to the insurance carriers.

1. The B/P/P Operations Center Production Schedule has been modified so that the last update file sent to the carriers will be processed on the last working day of the month. This means that for the last week of every month, reports normally run during the Wednesday night Insurance process (INSUR19/INSUR13W on the calendar) may run on another night of the week. The COBRA Notify Flag (BP7835) and the Initial COBRA Letter (BP2002) reports are also created by these insurances jobs. **Please see the BPP Website for a current Production Schedule, since these changes have been added recently.**
2. Starting this week, the B/P/P Operations Center will begin running a new monthly process to turn off coverage for all insurances on Screen 106 if the deduction code is on, and the stop date is before the first day of the coming month. This will make it possible for processors to enter a termination of coverage (stop date) before all the payroll deductions have been made.
  - If a terminating employee has already had all their deductions taken, then the deduction code should be set to N and the stop date entered.
  - If a terminating employee still has deductions that need to be taken, a future termination may be created by entering **the future stop date only and leaving the deduction code "on". The deduction code must remain "on", so that the payroll calculation process will take the remaining deductions.**

The new month-end process will change the deduction code to N and update the change date after all payrolls for the month have been calculated. Once the deduction code has been changed to N, a termination will be sent to the carrier. When the coverage is turned off, dependent flags and stop dates will be updated and a benefit history record will be created as well. You will receive three new reports from the process (BP8049N).

- Errors encountered on Screen 106 that prevented the update. These will need to be manually corrected on Screen 106 ASAP
- Due dates prior to the stop date. These are the individuals for whom extra premium payments will be owed to the carrier.
- Coverage turned off. This will show all coverage turned off by the automatic process. No action is needed; it is just for information and may be discontinued at a future date.

This process will run for billed participants as well. For those individuals, the process will run at Billing Month-end, BILL0007 on the calendar.

Please contact [bpphelp@tamu.edu](mailto:bpphelp@tamu.edu) with problems or questions.

