

Hot Off The Press

Billing Schedule Changes

Shorter grace period for past due bills

In response to the Senate Bill 51 (SB51) regulations, the System Human Resources Office (SHRO), after discussions with the HR Officers, has implemented the following two changes designed to reduce the number and length of retroactive insurance coverage terminations:

- shortening the time allowed for past due bills to be paid.
- requiring that all workstations participate in the automatic turn-off of coverage for past due amounts.

These changes are in effect with the November billing cycle. Billing processors were e-mailed last week when the new Production Schedule was posted to the BPP website reflecting the new schedule for past-due and cancellation processing.

Because of the shortened time-frame for the billing cycle, we will be modifying the processes for past due letters and bill printing so that these time-critical documents will print at each workstation. Until that change is complete, we will be delivering the past due letters and bills to the College Station-based offices on the day they are printed. We will continue to overnight the documents to remote campuses until the change is made.

Until now, billing participants were not dropped from coverage until they had more than a month's past-due premiums. They were given 45 days from the time of the original bill until coverage was dropped for non-payment. They were sent two past-due letters, past due amounts were shown on subsequent bills, and finally they were sent and a cancellation letter. Under the new rules, **only one past-due letter will be sent and coverage will be turned off when amounts are 15 days past due.** Bills will still be printed (BILL0008) on or near the 20th of the month for the coming month. The past-due letters (BILL0006) will be printed on or near the 5th of the month and the cancellation process (BILL0009) will run on or after the 15th. Coverage cancellations will be sent to the carrier on the Wednesday following BILL0009. See the B/P/P Production Schedule on the B/P/P website for exact dates of the jobs indicated.

One significant change is that coverage will be canceled even if a partial payment has been made.

Previously, a partial payment prevented a participant's coverage from being canceled until the following month. You may have a number of retirees who were chronically late, but paid before the 45-day deadline, and so were never dropped. Under the new rules, any coverage for which **complete** payment has not been received by the 15th of the month will be canceled. A refund may need to be given depending on the type of coverage. SHRO will send out additional information to help determine when refunds should be made. **Because of this, it is important that any partial payments received be applied to Medical coverage first, rather than spread evenly over all insurance coverages.**

Workstations can expect a large number of automatic terminations from the cancellation process scheduled to run on the night of November 15th. This run will include all those with past due amounts from October as well as November. System Human Resources will be sending out a list of anticipated terminations early next week. Please review this list and contact SHRO or e-mail BPPHelp@tamu.edu if you have any questions.