

<b>Process:</b>	<b>Overall Process: How to determine if Employee owes Benefit Premium.</b>		Date:	August 1 <sup>st</sup> 2017
Benefit Premium Billing Process	The purpose of this document is to explain the process to identify when an employee has unpaid benefit premium. Agencies are required to ensure all employees pay their benefit premium timely. Agencies must send employees an Unpaid Benefit Premium Billing Statement by the Monday following the State of Arizona scheduled pay date.		Revision:	1
<b>Frequency</b>	<b>Action</b>		<b>Action Detail / Key Points</b>	
<b>Starting Process</b>				
Every Compute Cycle	1	Employee <b>enrolls</b> into an ADOA health plan and the associated benefit deductions are created in HRIS.	<p>Employee enrolls into an ADOA health plan either through the new hire enrollment, annual open enrollment or if there is an eligible qualifying life event.</p> <p>Once enrolled in HRIS, the appropriate deductions will be created for the employee.</p> <ul style="list-style-type: none"> <li>• EE Portion Deductions - reflects the EE portion of benefit premium of the specific health plan (medical, dental, life, etc.).</li> <li>• ER Portion Deductions - reflects the Agency portion of benefit premium of the specific health plan (medical, dental, life, etc.).</li> </ul>	
	2	HRIS will <b>collect</b> benefit premium during the <b>biweekly compute cycle</b> .	<p><b>EE Portion of Benefit Premium:</b> If sufficient funds are available, HRIS will deduct the benefit premium from the employee's paycheck.</p> <p>If insufficient funds are available, HRIS will create an unpaid deduction which will then appear on the Unpaid Benefit Premium Report.</p> <p><b>Note:</b> If the employee receives any monies (either through bi-weekly compute or manual payment) and owes benefit premium from a prior pay period, the system will deduct any outstanding amount owed.</p> <p><b>ER Portion:</b> ADOA will collect the employer portion of the benefit premium for every employee enrolled in</p>	

			a benefit plan, unless there is an adjustment for the employee to pay the employer portion
	3	Immediately after each compute cycle, agencies <b>must</b> review the <b>Unpaid Benefit Premium</b> report to determine which employees owe benefit premium.	<p>Agencies must review the Unpaid Benefit Premium Report each pay period to determine which employees owe benefit premium.</p> <p>Unpaid premium will continue to show on the report each compute cycle until ADOA receives payment from the employee, the benefit premium is deducted from employee's paycheck or the employee's benefit coverage is terminated.</p>
	4	If needed, submit <b>One Time Benefit Premium Adjustment</b> form to ADOA.	<p>If employee owes the employer portion of the premium, submit a <b>GAO73B – One Time Benefit Premium Adjustment</b> form to <a href="mailto:benefitpremium@azdoa.gov">benefitpremium@azdoa.gov</a></p> <p>Once the form has been successfully processed, ADOA will refund the agency any monies paid towards the premium, if applicable.</p>
	5	If needed, submit <b>Benefit Premium Research Request</b> form to ADOA.	<p>If the benefit premium shown on the report is inaccurate or you have questions as to why the benefit premium is shown on the report, please submit a <b>Benefit Premium Research Request</b> form to <a href="mailto:benefitpremium@azdoa.gov">benefitpremium@azdoa.gov</a>.</p>
	6	Create / Distribute the <b>Benefit Premium Billing Statement</b> to Employee <b>AND</b> ADOA.	<p>Create the benefit premium billing statement using the data shown on Unpaid Benefit Premium report</p> <p><b>Benefit Premium Billing Statements</b> should be sent as quickly as possible, <u>BUT</u> no later than the Monday following the scheduled pay date. This is critical, as the timeline to cancel an employee's benefits begins on the Scheduled Pay Date where the first unpaid payment occurred.</p> <p><b>A copy of all Benefit Premium Billing Statements must be sent to ADOA via email at <a href="mailto:benefitpremium@azdoa.gov">benefitpremium@azdoa.gov</a>.</b></p> <p>Billing statements should include <u>all</u> unpaid premium(s) shown on the Unpaid Benefit Premium report. It is critical to show the scheduled due date for each benefit premium. All this information can be found on the report.</p>

	7	Employee submits <b>Payment</b> .	<p>Employee will have 30 days from the scheduled pay date to make payment otherwise employee benefit will be terminated.</p> <p><b>EE must submit payment directly to ADOA / HITF (Health Insurance Trust Fund) to avoid any delay in processing time.</b></p> <p style="text-align: center;"><b>Arizona Department of Administration</b> <b>HITF Accounting</b> 100 N. 15th Ave., Suite 202 Phoenix, Arizona 85007</p> <p><b>Payment</b> received by HITF <b>must match exactly</b> what is owed in HRIS, otherwise, payment will be <b>rejected</b>.</p> <p>If ADOA receives payment from an employee who owes the employer portion, the agency will be refunded the agency's premium payment withheld previously.</p>
	8	If payment is not received by <b>Scheduled Due Date</b> , employee benefits will be terminated.	<p>If employee payment is not received by the due date, ADOA will terminate benefits.</p> <p>Employee will receive a <b>Benefit Termination Letter</b> from ADOA Benefit Services Division. Coverage will be terminated retroactive to the last day of the coverage for which the premium was paid in full.</p> <p>The Agency Benefit Liaisons will receive a copy of the employee benefit termination letter.</p> <p><b>If there are extenuating circumstances with the employee and they are unable to make payment, please contact Member Services immediately at 602.542.5008.</b></p> <p>Reinstatement will not be allowed until the following open enrollment.</p>
<b>Please contact Benefits Services Divisions at 602-542-5008 if you have any questions.</b>			