



INSURANCE STATEMENT RECONCILIATION AND PAYMENT PROCEDURE (BEN-P017)

Clarksville-Montgomery County School System

1.0 SCOPE:

- 1.1 This procedure outlines the process of reconciling insurance statements and providing payment to Insurance Companies.

The online version of this procedure is official. Therefore, all printed versions of this document are unofficial copies.

2.0 RESPONSIBILITY:

- 2.1 Benefits Associate
- 2.2 Accounting Department

3.0 APPROVAL AUTHORITY:

- 3.1 Human Resources Director

4.0 DEFINITIONS:

- 4.1 Insurance Companies (Vendors): Blue Cross Blue Shield, Vision Service Plan, Jefferson Pilot, Provident, Colonial, Prepaid Legal, Med America, ReliaStar Life, American General, etc.
- 4.2 CMCSS: Clarksville-Montgomery County School System

5.0 PROCEDURE:

- 5.1 Benefits Office receives a monthly statement from an insurance company.
 - 5.1.1 Vision Service Plan, Jefferson Pilot and Prepaid Legal bills are sent to Accounting for billed premium information to be entered into excel spreadsheet.
 - 5.1.2 Med America, ReliaStar Life, American General, Provident and Colonial Supplemental Insurance bills are filed in insurance folders.
 - 5.1.3 Blue Cross Blue Shield of TN bill is sorted by the Benefits Office,
 - 5.1.3.1 County and Highway portions are forwarded to them for reconciliation. Changes are communicated to BCBS.
 - 5.1.3.2 School System and retiree portions remain in Benefits office for reconciliations. Changes are communicated to BCBS.
 - 5.1.3.3 Cover sheet and Account Bill Summary are forwarded to Accounting for review and check preparation. Summary and check is then forwarded to Benefits Office preparation of cover letter.
 - 5.1.3.4 Letter, check and bill are mailed to BCBS
- 5.2 Benefits Office receives a payroll deduction register for each deduction after each payroll is run.



INSURANCE STATEMENT RECONCILIATION AND PAYMENT PROCEDURE (BEN-P017)

Clarksville-Montgomery County School System

- 5.3 After four payrolls have run (one teacher, two support staff, and one administrator) the deduction registers are compared to the insurance statements.
 - 5.3.1 Accounting staff enters deduction registers for designated vendors. This ensures that each employee having insurance through CMCSS has a deduction for the specific insurance company statement being reconciled.
 - 5.3.2 Checks are automatically generated with each payroll run for Med America, ReliaStar Life, American General and Colonial Supplemental Insurance.
 - 5.3.2.1 Checks are compared to the billed amounts for accuracy and mailed to the vendors with the exception of Colonial.
 - 5.3.3 Colonial Supplemental Insurance reconciles its' bill.
 - 5.3.3.1 CMCSS Technology department provides an electronic file comprised of all the deductions taken from the appropriate four payrolls.
 - 5.3.3.2 Benefits Office verifies that the file equals the payroll generated checks.
 - 5.3.3.3 Electronic file is sent and checks are mailed with the bill cover sheet to Colonial.
 - 5.3.3.4 Colonial staff applies payment to the current bill.
 - 5.3.3.5 Discrepancies are mailed to Benefits Office where the cause is determined and communicated to Colonial. Cause examples are cancellations of policy, termination of employment, Leave of Absences, etc.
- 5.4 When payroll registers and insurance statements have been reconciled, the Accounting Office issues a check for payment (ref. [ACC-P001](#)).
- 5.5 When the check is issued, the check, along with the insurance statement, is forwarded to the Benefits office.
- 5.6 Benefits staff sends statement and check to the insurance company and makes a copy of the statement and check, notes the date the statement and payment were sent to the insurance company and places in files.

6.0 ASSOCIATED DOCUMENTS:

- 6.1 Insurance Company Statements
- 6.2 Payroll Deduction Registers
- 6.3 Recording Deposit Transmittal Checks for Employees, Retirees and Insurance Companies (BEN-P016)
- 6.4 Supplement Form ([BEN-F010](#))
- 6.5 Accounts Payable ([ACC-P001](#))



**INSURANCE STATEMENT RECONCILIATION
AND PAYMENT PROCEDURE
(BEN-P017)**

Clarksville-Montgomery County School System

7.0 RECORD RETENTION TABLE:

<u>Identification</u>	<u>Storage</u>	<u>Retention</u>	<u>Disposition</u>	<u>Protection</u>
Insurance Company Statements, Check copies, supplement form	Benefits Office	10 years	Shred	Secured Building

8.0 REVISION HISTORY:

<u>Date:</u>	<u>Rev.</u>	<u>Description of Revision:</u>
11/11/03		Initial Release
9/29/06	A	Update procedure & flowchart re MUNIS
3/05/07	B	Update 4.1, clarify procedure & update flowchart

9.0 FLOWCHART:

9.1 A flowchart detailing this process can be found in "Exhibit A" of this procedure.

* * * E n d o f p r o c e d u r e * * *

Insurance Statement Reconciliation and Payment Flowchart

