



Retiree Payment of Monthly Premiums Procedure (BEN-P025)

Clarksville-Montgomery County School System

1.0 SCOPE:

- 1.1 This procedure outlines the manner in which retiree payment of monthly premiums are made.

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

3.0 APPROVAL AUTHORITY:

- 3.1 Chief Human Resources Officer

4.0 DEFINITIONS:

- 4.1 ACH Debit – Automatic Clearing House Debit. Automatic deduction taken from retiree's designated bank account on a monthly basis.

5.0 PROCEDURE:

- 5.1 Benefits Associate receives written notification from CMCSS HR Designee or county designee that an employee is retiring and has elected to continue benefit enrollment.
- 5.2 Benefits Associate sends payment policy and letter to county retiree stating when coverage will begin under retiree subgroup, cost of plan, and payment due date.
- 5.3 CMCSS retiree is given the above information while meeting with CMCSS HR Designee.
- 5.4 Retiree has a choice to pay monthly premium by ACH Debit, cash, check, money order, or cashier's check.
 - 5.4.1 If ACH Debit is chosen:
 - 5.3.1(a) Premium is deducted from retiree's designated account on the 5th of each month. If the 5th falls on a weekend or holiday, the premium is deducted the following workday.
 - 5.3.1(b) If account is found to have insufficient funds, the Montgomery County Trustee's Office will notify the benefits office who will then contact the retiree by letter requesting that the payment be made within 7 days by money order or cash. The NSF fee of \$20 will be assessed. (The retiree will be allowed 2 occurrences and will then follow the guidelines for retirees who pay by check or cash monthly.)
 - 5.3.1(c) If payment is not received, policy will be terminated effective the 1st of the current month.
 - 5.3.2 If the retiree does not choose to pay by ACH Debit, he/she is allowed to pay by cash, check, money order, or cashier's check, which will be administered as follows:
 - 5.3.2(a) Payment is due the 5th of each month. If the 5th falls on a weekend or holiday, the payment is due the following workday.



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5.3.2(b) If payment is not received within 7 days of the due date, a warning letter will be sent stating that payment must be received within 7 days or policy will be terminated effective the 1st of the current month. A \$20 late fee will be assessed.

5.3.2(c) If payment is received by check but account is found to have insufficient funds, the Montgomery County Trustee's Office will notify the benefits office and the Benefits Associate will send a warning letter stating that payment of cash/money order must be received within 7 days or policy will be terminated effective the last day of the previous month. A \$20 NSF fee will be assessed. Retiree will be allowed this occurrence 2 times during enrollment. On the third occurrence, the retiree will be required to pay by cash/money order/cashier's check on a monthly basis.

5.5 If payment is submitted to the Benefits Office by the end of the month, coverage will be reinstated effective the 1st of the current month, with no lapse in coverage. The late fee of \$20 will be assessed. Retiree will be allowed this occurrence 2 times during their enrollment. On the third occurrence, coverage will not be reinstated.

6.0 PERFORMANCE MEASURE(S):

None identified

7.0 INTERACTIONS:

7.1 CMCSS HR Personnel

Montgomery County Human Resources Office

Montgomery County Trustee Office

7.2 OTHER PROCEDURES/PROCESSES

None identified

8.0 ASSOCIATED DOCUMENTS:

8.1 Authorization Agreement for ACH Debits - ACH Form [BEN-F001](#)

8.2 Retiree Payment of Monthly Premiums - [BEN-A002](#)

8.3 Retiree ACH Withdrawal of Monthly Premiums - [BEN-A003](#)

9.0 RECORD RETENTION TABLE:

<u>Identification</u>	<u>Storage</u>	<u>Retention</u>	<u>Disposition</u>	<u>Protection</u>
Authorization Agreement for ACH Debits	Central Office	Indefinitely	Permanent	Locked Office/Building



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Blank voided check	Central Office	Indefinitely	Permanent	Locked Office/Building
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10.0 REVISION HISTORY:

<u>Date:</u>	<u>Rev.</u>	<u>Description of Revision:</u>
2/19/10		Initial Release
3/13/12	A	In 5.3.1 (c) took out "check" as an option for payment
3/20/15	B	Deleted 4.2, added CMCSS HR Designee to 5.1, added Benefits Associate and the word county to 5.2, added 5.3, updated 5.4 and 5.3.2 to include cashier's check, changed last sentence in 5.3.2(c) to state on third occurrence and includes reference to cashier's check, updated logo, added flowchart to procedure
4/12/23	C	Minor wording changes. Changed the date in 5.3.2(c) from first day of the current month to last day of the previous month.

***** End of Procedure *****