

# PEBB Insurance Accounting Manual

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## Invoicing

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Invoicing is created in one of three ways:

- **Monthly invoicing** is an automated process that runs after the 25<sup>th</sup> payroll and is for the following month. It runs on “cycle 3”, which is the last weekday of the month, excluding holidays. Invoicing is for coverage for the following month (for example, invoicing created on 01/31/23 will be for February 2023 coverage).
- **Daily invoicing** is when an agency enters an eligibility change after monthly invoicing has already processed for the month, a daily “invoice” is created. For example, if an agency retro-enrolls a subscriber on 03/31/23 with an effective date of 01/01/23, the daily process would recognize *that* January 2023, February 2023, and March 2023 *invoicing* had already run and would post ALL 3 invoices as part of the daily process. These invoices would be part of the April 2023 state share transfer.
- **Manual invoicing** occurs when an agency requests an adjustment (usually via HCA Support) because they cannot key the correct effective date for an eligibility change online. In most cases this would be due to the effective date of the change being beyond the lower limit date, the effective date of the change being prior to an existing effective date already on the account, or to correct a keying error. PEB Outreach & Training staff will enter/correct the eligibility information and PEB Accounting staff will manually post adjustments to the affected invoices.

## Payments

Payments for insurance premiums are made in one of two ways:

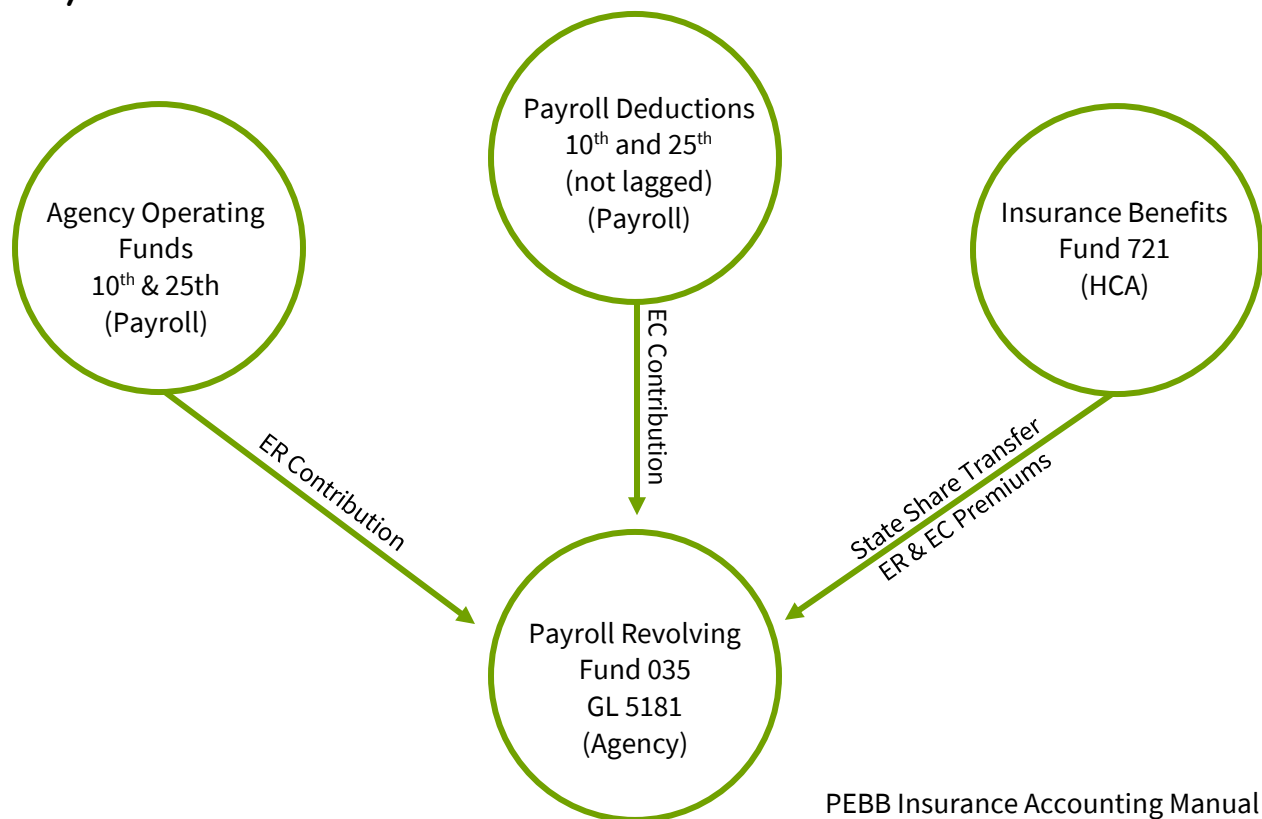
- **State Share Process:** this is the automated monthly process by which the state payroll system transfers insurance premiums from your 035 agency revolving fund to Health Care Authority (HCA).
- **Manual Journal Vouchers:** these are very rarely needed, but Journal Vouchers can be used to transfer premiums outside the automated processes. Journal Vouchers for LTD or employer health premiums **need to be pre-approved by HCA** before your agency keys its side or sends a Journal Voucher to the Office of the State Treasurer (OST) please send it to HCA for approval. Once the journal voucher is approved, we will send the original to the OST and send a copy back to you.

## State Share Transfer Process

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- The state share transfer process is an automated process that transfers the amount invoiced for insurance coverage from your agency to HCA.
- This process runs once a month, around the 23<sup>rd</sup>, and after the payroll has run for the 25<sup>th</sup> payroll. See the enclosed calendar for 2023 state share transfer process dates or check the PAY1 system for the on-line calendar.
- The transfer includes the employer share, the employee contribution, and any applicable surcharges. The contributions are put into your 035 agency revolving fund and transferred to HCA on the State Share date. Employee contributions are deducted from the payrolls on the 10<sup>th</sup> and the 25<sup>th</sup> of each month for the current month's premium (not lagged like optional premiums).
- The state share transfer process is composed of all invoicing transactions that posted since the prior state share transfer process ran. The transfer includes the entire amount owed, regardless of the amount actually deducted from the employee's payroll. Example: March's state share process includes all transactions dated from February 24th through the night of March 23rd.
- Discrepancies between payroll deductions for the employee contribution and surcharges and the amount transferred on state share are reported via the A.23 screen on a monthly basis.

## Payroll and the State Share Process



PEBB Insurance Accounting Manual  
State (Central Pay) Agencies  
July 2023

# State Share Transfer Process Calendar for 2023

Do not key eligibility changes the day before and the day of the State Share Transfer Date.

State share dates		
<b>January</b>	<b>February</b>	<b>March</b>
01/23/2023	02/23/2023	03/23/2023
<b>April</b>	<b>May</b>	<b>June</b>
04/21/2023	05/23/2023	06/23/2023
<b>July</b>	<b>August</b>	<b>September</b>
07/21/2023	08/23/2023	09/22/2023
<b>October</b>	<b>November</b>	<b>December</b>
10/23/2023	11/22/2023	12/22/2023

For additional information, review the [State share keying instructions](#).

## System Limitations

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- **DO NOT key any eligibility changes that may affect premiums on the day state share runs.** The changes you key will not fully process before the state share process runs and may cause reconciliation problems for your agency, HCA, and/or the insurance carriers. **Anything not keyed prior to the day before state share runs must be held for two business days and not keyed until the day after state share run.** See “State Share Keying Instructions” on the PEBB BA websites [accounting webpage](#).
- **Keying two different effective dates for any changes on same day.** If you have two different effective dates for changes such as medical that is effective one date and tobacco attestation that is effective another date, **key each change on separate days**, letting the system update overnight for each change.
- **Keying an enrollment and a termination on the same employee or dependent on the same day causes invoicing problems.** If you make an error when keying a change, let the system process the change overnight, and then key the correction the next day.
- **One month of invoicing may not get backed out.** If an employee or dependent is enrolled in error and then terminated effective same date as the enrollment effective date, the insurance system assumes that they were enrolled for one month and will not back out the first month’s invoice. Contact HCA Accounting when this occurs, and we will manually adjust the invoicing.
- **Keying multiple SSN changes on the same employee or dependent on the same day will cause invoicing problems.** If you change the SSN of an employee or dependent and make a keying error, ***wait until the next day before keying the correction***. If you discover that an incorrect SSN was entered in the past, example: Employee hired 01/01/17, in November you uncover the error, DO NOT correct the SSN, contact PEB Accounting via HCA SUPPORT for assistance.
- **Keying eligibility screens out of numeric order can cause problems.** New enrollments (new hires) and multiple changes (like marriage) should be keyed in the order of the screen numbers (i.e., A.41, A.43, A.44, etc.). If the numeric order is scrambled (i.e., keying the A.45, then the A.44, then the A.43,) the invoicing process may not read the data correctly.

## Employee-paid LTD Accounting

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- **Employee-paid LTD premium deductions for the current month are taken on the 25<sup>th</sup> payroll of the current month and the 10<sup>th</sup> payroll of the following month and match the pay period for the pay date** (example: premiums for January 2023 are taken on 01/25/23 and 02/10/23).
- **Employee-paid premiums taken by payroll deduction are automatically transferred to HCA by the payroll system each payroll** (not monthly like state share).
- **Premiums collected manually (due to LWOP, FMLA etc.) can be transferred to HCA by Journal Voucher (JV).** (See [form and instructions](#).)
  - **If the employee writes a personal check:** Checks should be made payable to the “Health Care Authority” and sent to HCA with a completed “[Employee-paid LTD Payment Form](#)” detailing the reason for the payment.
  - **If the agency is paying the LTD premiums (usually due to the employee making the check payable to the agency instead of HCA):** Submit payment to HCA via JV (do not send the JV directly to the treasurer). You should also include the payment details on the JV in the “agency use” and/or “explanation of entry” boxes. Only items not deducted from payroll should be transferred this way. HCA will approve the JV and send it to the State Treasurer. We will also send a copy back to you.
  - **HRMS calculates retroactivity for employee-paid LTD:** If back premiums need to be deducted from an employee’s pay due to retroactive enrollment of employee-paid coverage, the payroll system will automatically calculate the amount that should be deducted. If an employee is receiving pay, the payment does not need to be made outside the system. The same is true for refunds that are due to employees due to terminated coverage or waivers.

## Using the Employee-paid LTD Payment Form

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The employee paid LTD payment form is used by State agencies when paying employee- paid LTD premiums by check or JV. This form must be sent to Health Care Authority with the payment in order to give HCA the information needed to post the optional payment(s) properly. The fields of the form should be filled out with the following information:

- **Agency/Sub-Agency:** Enter your agency and sub-agency number.
- **Agency Name:** Enter your agency name.
- **Date:** Enter the current date in MM/DD/YY format.
- **Employee Name:** Enter the name of the employee for which payment is being sent.
- **Employee SSN:** Enter the social security number of the employee for which payment is being sent.
- **Coverage Period:** Enter the coverage month(s) for which payment is being sent.
- **Coverage Type:** Enter the name of the type of premium(s) being sent “60% or 50%”.
- **Explanation:** Enter a brief explanation of why the payment is being sent (employee on LWOP, etc.).
- **Prepared By:** Enter the name of the person preparing the form (please print for easy identification if an HCA staff must call with questions).
- **Phone Number:** Enter the phone number of the person preparing the form (include area code if outside local calling area of Olympia).

**Send form with payment to:** Health Care Authority  
Attn: PEB Accounting  
PO Box 42691  
Olympia, WA 98504-2694

Remember to list each coverage period, coverage type, and premium amount being remitted. If the payment covers more than one coverage month and/or coverage type, each month and type must be listed separately on the form for proper processing. Contact PEB Accounting staff through HCA Support if you have any questions about completing the form correctly.





## 2023 Carrier Codes

Medical Plan Codes			
Plan code	Wellness code	Plan name	
<b>Current plans</b>			
C	CW	Kaiser WA Classic	
C1	C1W	Kaiser WA Sound Choice	
CV	CVW	Kaiser WA Value	
CHSA	CHSW	Kaiser WA CDHP	
D	DW	Kaiser Permanente	Classic
DHSA	DHSW	Kaiser Permanente	Consumer Directed Health Plan (CDHP)
MB		United Health Care	PEBB Balance
MC		United Health Care	PEBB Complete
U	UW	Uniform Medical Plan	Classic
U1	U1W	Uniform Medical Plan	UMP Plus UW Medicine ACN
U2	U2W	Uniform Medical Plan	UMP Plus Puget Sound High Value Network (PSHVN)
UHSA	UHSW	Uniform Medical Plan	Consumer Directed Health Plan (CDHP)
US	USW	Uniform Medical Plan	UMP Select
Z		No Plan Selected	
Dental Plan Codes			
Plan code	Plan name		
<b>Current plans</b>			
1	Uniform Dental Plan		
3	Willamette Dental Plan 2008		
4	DeltaCare		
9	No Plan Selected		
Other Plan Codes			
Plan code	Plan name		
8	Life and accidental death and dismemberment (AD&D) insurance		
6	Long-term disability (LTD) insurance		

## HCA Reports and Forms

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### HCA Reports Format

Your **AGY/AGY-SUB** is in the top left corner.

Employees are listed alphabetically by last name in the **NAME** column.

Next is the employee's **SSN**

**BATCH NUMBER AND SEQUENCE#** are assigned by the system and show the source of the adjustment

**DLY** - Daily eligibility updates (system generated)

**ADJ** - Adjustments made by Health Care Authority Accounts Auditors

**INV** - Invoicing (system generated)

**XFE** - Transfers (system generated)

**COV PER** indicates the coverage period which is affected

The **TRAN DATE** is the date the transaction occurred and is the same as the run date for daily reports.

**AGY/SUB-AGY** is listed for the adjustment

The **ACCTS REC** shows the **ER**, which includes both the employer portion and the employee health portion.



## Daily Reports

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### Using the Daily Eligibility Update Report and Daily Adjustment report

These reports are produced nightly out of the daily invoicing process based on eligibility updates and manual adjustments that have been keyed throughout each day.

- In order to verify accurate accounting corrections, the following fields of the report should be checked when an account appears on the report:
  - **Employee Name and SSN:** Verify you have keyed or requested updates for all employees listed (not all changes will show, employees will only show if the eligibility changes resulted in premium changes). If you keyed changes on additional employees that don't show up, but you think the changes affected the premium, contact HCA via HCA SUPPORT (secure information, i.e.. SSN).
  - **Coverage Period:** In YYYY format. Verify you have received accounting changes for each month.
  - **Agency/Sub-Agency:** Verify that only invoices/credits for your employees have been invoiced and/or credited and the correct sub-agency was keyed.
  - **Amount:** A negative sign ("-") after a dollar amount indicates a credit to your agency. No negative sign indicates a charge to your agency.
  - **Carrier Premiums (Health and Dental):** Verify the health and/or dental carrier codes are accurate. The amounts listed are what will be paid to the carrier and do not directly relate to the amount the agency or employee pays. HCA pays carriers based on what is entered into PAY1.
  - **Med EC:** Verify that the appropriate carrier code and corresponding employee contribution has been properly credited and/or billed. Although this detail falls under "Carrier Premiums", it represents the amount your agency will be charged under "Employee Contributions".
  - **Accts Rec – ER:** Verify that your agency is being credited and/or billed the appropriate employer amount. This amount listed is the combined total of the employer contribution (**\$1,145.00**) plus the employee contribution.

If you identify any discrepancies or expected different charges, please contact HCA Accounts Receivable for a review of the transactions.

The net result of these daily eligibility updates will process during the next State Share cycle and will be transferred to HCA. You will see a line for each invoice or credit, for each month, for each employee on the MDR from state share.

# Daily Eligibility Update Report

**REPORT NAME:** Daily Eligibility Update Report by Agency

**REPORT NUMBER:** HRISDB5044-R04

**DESCRIPTION:** Shows daily eligibility updates made by the agency payroll offices, and/or HCA's eligibility department that resulted in daily premium adjustments. The daily eligibility update report shows invoices and credits for each affected coverage period for each employee. Agencies should receive this report the day after changes affecting premiums have been keyed for that agency/sub-agency.

1REPORT NO: HRISDB5044-R04

STATE OF WASHINGTON  
HEALTH CARE AUTHORITY  
DAILY ELIGIBILITY UPDATE REPORT BY AGENCY

RUN DATE: 02/04/21

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AGY/AGY-SUB: 107-

NAME	SSN	BATCH NBR	SEQ#	COV PER	TRAN DATE	AGY-SUB	AMOUNT	TYPE
JONES, BOBBY	XXX-XX-XXXX	DLY0204	178	1512	02/04/21	107	976.00	EMPLOYER BASIC
							72.00	EMPLOYEE MEDICAL CONTRIBUTION
							TOTAL	1048.00
ROBINSON, JOE	XXX-XX-XXXX	DLY0204	005	1512	02/04/21	107	976.00-	EMPLOYER BASIC
							159.00-	EMPLOYEE MEDICAL CONTRIBUTION
							25.00-	EMPLOYEE TOBACCO SURCHARGE
							TOTAL	1160.00-
SMITH, JOSEPHINE	XXX-XX-XXXX	DLY0204	050	1512	02/04/21	107	976.00-	EMPLOYER BASIC
							186.00-	EMPLOYEE MEDICAL CONTRIBUTION
							25.00-	EMPLOYEE TOBACO SURCHARGE
							TOTAL	1190.00-
							=====	
						AGECNCY 107	TOTAL	1078.00
							EMPLOYER TOTAL	1078.00
							EMPLOYEE (OPTIONAL LIFE AND LTD) TOTAL	.00

# Daily Adjustment Report

**REPORT NAME:** Daily Adjustment Report by Agency  
**REPORT NUMBER:** HRISDB5044-R02  
**DESCRIPTION:** Shows all manual adjustments made by HCA accounting staff on a specific date. These adjustments could not be made on-line and may have been requested through payroll offices, through the HCA SUPPORT process, or to correct erroneous invoicing due to keying errors. The daily adjustment report shows invoices and credits made to one or more coverage periods. Agencies will only receive this report for days on which manual adjustments have been keyed for that agency.

1REPORT NO: HRISDB5044-R02

STATE OF WASHINGTON  
 HEALTH CARE AUTHORITY  
 DAILY ADJUSTMENT REPORT BY AGENCY

RUN DATE: 03/11/21  
 PAGE 1

AGY/AGY-SUB: 107-

NAME	SSN	---BATCH---		COV PER YY/MM	TRAN DATE MM/DD/YY	AGY-SUB	AMOUNT TYPE		
		NBR	SEQ#						
ANDERSON, BILL	XXX-XX-XXXX	ADJ03/11	547	1511	2103	03/11/21	107	976.00- EMPLOYER BASIC	
								105.00- EMPLOYEE MEDICAL CONTRIBUTION	
								TOTAL 1081.00-	
ANDERSON, BILL	XXX-XX-XXXX	ADJ03/11	548	1511	2103	03/11/21	107	976.00 EMPLOYER BASIC	
								159.00 EMPLOYEE MEDICAL CONTRIBUTION	
								TOTAL 1134.00	
SMITH, WILL	XXX-XX-XXXX	ADJ03/11	576	1510	2103	03/11/21	107	976.00- EMPLOYER BASIC	
								105.00- EMPLOYEE MEDICAL CONTRIBUTION	
								TOTAL 1081.00-	
SMITH, WILL	XXX-XX-XXXX	ADJ03/11	577	1510	2103	03/11/21	107	976.00 EMPLOYER BASIC	
								TOTAL 976.00	
							AGENCY 107	TOTAL	52.00-
								EMPLOYER TOTAL	52.00-
								EMPLOYEE (OPTIONAL LIFE AND LTD) TOTAL	.00

# Daily Transfer Hold Forwarding Report

**REPORT NAME:** Daily Transfer Hold Forwarding Report by Agency  
**REPORT NUMBER:** HRISDB5044-R06  
**DESCRIPTION:** Shows employee accounts which were in transfer-out status, and which had not been appointed by the new agency prior to the monthly invoicing cycle. This report will only be produced for those employees in transfer-out status during the monthly invoicing cycle.

1REPORT NO: HRISDB5044-R06

STATE OF WASHINGTON

RUN DATE: 02/11/21

HEALTH CARE AUTHORITY

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## DAILY TRANSFER HOLD FORWARDING RPT BY AGENCY

AGY/AGY-SUB: 107-

NAME	SSN	BATCH NBR	SEQ#	COV PER	TRAN DATE	AGY-SUB	AMOUNT	TYPE
SMITH, JOE	xxx-xx-xxxx	XFE0211	000	0819	02/11/21	107	976.00	EMPLOYER BASIC
							105.00	EMPLOYEE MEDICAL CONTRIBUTION
							<b>TOTAL</b>	<b>1081.00</b>
							<b>TOTAL</b>	<b>1081.00</b>
							<b>EMPLOYER TOTAL</b>	<b>1081.00</b>
							<b>EMPLOYEE (OPTIONAL LIFE AND LTD) TOTAL</b>	<b>.00</b>

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# Monthly Reports

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## Using the Monthly Eligibility Update and Adjustment Reports

- **Monthly Eligibility Update Report:** This report is a compilation of all the Daily Eligibility Updates that have occurred since the last monthly report, and it can be used in conjunction with your Monthly Adjustment Report to check your monthly state share MDRs for accuracy.
- **Monthly Adjustment Report:** This report is a compilation of the manual accounting adjustments that have occurred since the last monthly report, and it can be used in conjunction with your Monthly Eligibility Update Report to check your monthly state share MDRs for accuracy.

## Monthly Eligibility update Report

<b>REPORT NAME:</b>	Monthly Eligibility Update Report by Agency
<b>REPORT NUMBER:</b>	HRISDB5044-R14
<b>DESCRIPTION:</b>	This report is an accumulation of all daily eligibility updates keyed on-line throughout the period.
<b>SEQUENCE:</b>	Agency/Sub-Agency
<b>TIMING:</b>	Produced around the 22nd of each month (not produced if no changes were keyed during the prior month).

## Monthly Adjustment Report

<b>REPORT NAME:</b>	Monthly Adjustment Report by Agency
<b>REPORT NUMBER:</b>	HRISDB5044-R12
<b>DESCRIPTION:</b>	This report is an accumulation of all daily adjustments keyed on-line throughout the period.
<b>TIMING:</b>	Produced around the 22nd of each month (not produced if no changes keyed).

## Monthly Transfer Hold Forwarding Report

<b>REPORT NAME:</b>	Monthly Transfer Hold Forwarding Report by Agency
<b>REPORT NUMBER:</b>	HRISDB5044-R16
<b>DESCRIPTION:</b>	This report includes all information reported on the Daily Transfer Hold Forwarding Reports by Agency for the period.

It is important you verify that an employee does not continue to show on the report for more than one month. If they do, then the gaining agency or HCA accounts receivable needs to be contacted.

## Reconciliation Notes

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- It is your responsibility to reconcile the payroll deductions to the HCA reports and report any discrepancies to HCA accounting.
- Each month, compare your payroll reports to the HCA state share invoice (MDR) to identify any differences between what you were billed and what you expected to be billed.  
Reports; A.23      Employee HRISD-PAY001P1-R01 (HCA)  
                         Employer HRISD-B5570-R01 (HCA)  
                         General Ledger Account Analysis Flexible, acct 035 & GL 5181 (Enterprise Reporting)  
                         PC00\_M99\_URMR (HRMS)  
                         ZHR\_RPTPY126 (HRMS ER costs)
- For any differences noted, determine where the difference is and if the adjustment needs to occur on the payroll side or if HCA needs to make adjustment.
- If the discrepancy was caused by an enrollment change that has not been keyed or has been keyed incorrectly, simply correct the enrollment in the PAY1 insurance system. Contact HCA if you need assistance at [HCA Support](#).
- The adjustments will come through on the next state share process.
- If the eligibility is correct, but the premiums charged are wrong, please contact HCA Accounting section.
- Review the accounts identified on the previous month's reconciliation to ensure that the corrections have come through. Errors or changes should be corrected by HCA within two billing cycles of being reported. If you do not see the correction, contact HCA Accounting via HCA Support.
- Remember the HCA "Retroactive Termination Policy". Keep in mind that if the policy applies, manual intervention in HRMS is needed to stop the entire refund from going back to the employee(s). If the termination or change isn't processed timely, you could end up being responsible for the premiums for the months beyond the policy.
- This also applies to adjustments to the employee's contribution amount. If retroactive terminations are made for dependents then this is also subject to the "Retroactive Termination Policy". If the retro term policy does apply, watch the employee's paycheck as the credit and charges will not be processed on the same dates.
- Remember to check your state share MDR if you were expecting a credit to hit the insurance reconciliation screen and it appears to have not happened. Depending on when the transaction was keyed, you may have received full credit under the employer instead of the employee contribution crediting separately. Your MDR can verify that problem if it occurs. (Changes for both the EC and ER portions would show under Employer column)

### Basic Reconciliation formula

(Employer HRISD-B5570-R01) – (Corrected HRMS total on HRISD-B5570-R01) + (A.23 ending balance prior month) – (A.23 ending balance current month) = (GL 5181 activity for current month)