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**Medical, Life Insurance and Long Term Disability Billing  
Procedure (BEN-P005)**  
Milford Public School District

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**1.0 SCOPE:**

- 1.1 This procedure describes the steps in which the Benefits Department processes medical, life/accident death and dismemberment insurance and long term disability bills on a monthly or annual basis.

The on-line version of this procedure is official. All printed versions are uncontrolled copies.

**2.0 RESPONSIBILITY:**

- 2.1 Director of Human Resources

**3.0 APPROVAL AUTHORITY:**

- 3.1 Benefits Coordinator

*Approval Signature on File*  
\_\_\_\_\_  
Signature Date

**4.0 DEFINITIONS:**

- 4.1 AD&D – Accidental Death and Dismemberment
- 4.2 LTD – Long Term Disability

**5.0 PROCEDURE: -**

**Medical**

- 5.1 Create a purchase order for new fiscal year.
- 5.2 Calculate approximate annual cost.
- 5.3 Monthly bills are received from the insurance carrier for each group.
- 5.4 Check bill for additions and deletions.
- 5.5 Total the amounts for groups.
- 5.6 Forward check information to accounts payable department.
- 5.7 Benefits department receives check.
- 5.8 Mail check with corresponding bills to insurance carrier.

**Life Insurance**

- 5.9 Create a purchase order for fiscal year.
- 5.10 Calculate approximate annual cost.
- 5.11 Update life spreadsheet by, but not limited to:
  - 5.11.1 Changing salaries
  - 5.11.2 Adding employees
  - 5.11.3 Deleting employees
  - 5.11.4 Transferring retirees from non-paying to paying or paying to non-paying groups.

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5.12 Total each spreadsheet.

5.13 Calculate premiums.

5.14 .Enter amounts on billing form.

5.15 Forward check information to accounts payable department.

5.16 Benefits department receives check.

5.17 Mail check to insurance carrier.

**Long Term Disability**

5.18 Benefits department is in receipt of completed LTD form.

5.19 Forward LTD form to insurance carrier.

5.20 Calculate premium.

5.21 Forward notification to payroll regarding employee LTD deduction.

5.22 Add new employee to LTD spreadsheet.

5.23 Benefits department is in receipt of the monthly bill.

5.24 Update bill for:

5.24.1 Additional employees

5.24.2 New premiums based on age or salary

5.24.3 Terminated employees

5.25 Forward check request with a copy of the bill to the accounts payable department.

5.26 Benefits department receives check.

5.27 Mail check with a copy of the bill to the insurance carrier.

**6.0 ASSOCIATED DOCUMENTS:**

6.1 Insurance bill – External Form

6.2 Check request Form (APAR-F003)

6.3 CIGNA Forms for Life and AD&D Calculations – External Form

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**7.0 RECORD RETENTION TABLE:**

<u>Identification</u>	<u>Storage</u>	<u>Retention</u>	<u>Disposition</u>	<u>Protection</u>
Documents 6.1 and 6.3	Benefits Office	7 Years	Shredded	Locked Cabinet Locked Office
Benefits Data Base	Electronic	Years of Service	Update Excel spreadsheet to reflect current status	Electronic Back Up

**8.0 REVISION HISTORY:**

<u>Date:</u>	<u>Rev.</u>	<u>Description of Revision:</u>
08/25/2003	A	Initial Release

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