

# MCHCP Health Care Plan

July 25, 2011 revised

*This procedure is used by counties where employees participate in the MCHCP Medical Plan.*

Missouri Consolidated Health Care Plan (MCHCP) recently notified MU Extension of changes in billing procedures. Due to a change in the Health Insurance Portability and Accountability Act (HIPAA), MCHCP no longer can bill the University for local County Extension Council health insurance premiums.

MCHCP will bill each extension office separately beginning with the July 2010 billing cycle. MCHCP bills will be sent to each extension office on approximately the 15<sup>th</sup> of the month prior to the premium billing coverage and represent member data received and processed prior to that date. Premium payment is due, and must be received at the MCHCP office, by the 15<sup>th</sup> of the premium coverage month. For example, the July 2010 bill will be mailed to the extension office on June 15, 2010 and will be due by July 15, 2010.

**Failure to make payment** within the appropriate time frame could result in **termination of coverage**.

## Contacts:

<b>MCHCP</b>	Each council employee with health insurance should receive information about their MCHCP Communication Specialist. If uncertain of contact, review the MCHCP Communication territories map site. <a href="http://www.mchcp.org/Publications/pe/CommunicationsTerritoriesMap.pdf">http://www.mchcp.org/Publications/pe/CommunicationsTerritoriesMap.pdf</a>
<b>MU Extension Coordinator</b>	Tamra Robbins, robbinst@umsystem.edu 573 882-7755
<b>QuickBooks Administrator</b>	Mary Ann Horvath, horvathm@missouri.edu 314 516-6153

## Invoice

The MCHCP invoice mailed to each extension office will include the university's subsidy, the council's (employer's) cost, and the employee's deduction, if any. The County Program Director and the Bookkeeper will be responsible for posting and creating MCHCP benefit payments in a timely manner to prevent insurance coverage cancellation.

## Special Expense Account

The council will pay the university's subsidy and will receive an advance 3-month payment from MU Extension prior to each quarter. The payment will be deposited in a **restricted QuickBooks Class code and an expense account as a reduction of expense**. Monthly payments for the university's subsidy will be posted to the **same class code and expense account** as offsetting entries. At the end of each quarter, if there is no change in personnel participating in the MCHCP plan, the expense account's balance should be zero.

## University Subsidy Reimbursement

The extension office may elect to have their university quarterly subsidy reimbursement

- Mailed as a check to the office, or
- Sent as a direct deposit to the council's bank account. For Direct Deposit information, go to <http://extension.missouri.edu/acctmanual/Deposits/Direct%20Deposits.pdf>

## Monthly Payments

The monthly MCHCP premium, including the council, employee, and university share, must be paid the month prior to the premium coverage. For example, February premium will be posted to the employee's January paycheck transaction. Premium check must be received at the Missouri Consolidated Health Care Plan office no later than the 15<sup>th</sup> of the premium coverage month.

## Changes for Posting MCHCP Premium Transactions in QuickBooks

Before reporting MCHCP medical premium transactions in QuickBooks, the following items need to be created.

MCHCP Vendor

New Class code for MCHCP university subsidy

MCHCP Medical University Expense account

MCHCP Medical Insurance Report to track the University's subsidy deposits and the monthly payments.

*The above tasks are performed one-time only.*

Deposit Transaction for University's quarterly subsidy.

The following items in QuickBooks need to be edited.

All Payroll items relevant to MCHCP payments – change payroll vendor.

### Create MCHCP Vendor

- Select **Vendor** from menu bar.
- Select **Vendor Center**.
- Select **New Vendor** button, top left corner.
- Enter address information for Missouri Consolidated Health Care Plan. Contact, phone, email information also may be added.
- Refer to MCHCP correspondence for correct address and phone number and email.
- Click **OK** to save.

### Create Class Code

- Select **Lists** from menu bar.
- Select **Class list**
- In the lower left corner, select **Class button**.
- Select **New**.
- Enter the class number and name as **2600 – MCHCP University Subsidy**.
- Place a checkmark preceding **Subclass of** Select 2000 – Center Operations. (this is optional)
- Click **OK** to save.

Note: If class 2600 already is in use, you may consider changing the existing 2600 class code to another number before creating the 2600 class for MCHCP University Subsidy.

### Create MCHCP Medical University Expense Account

- Select **Lists** from menu bar.
- Select **Chart of Accounts**
- In the lower left corner, select **Account button**. Select **New**.
- Select **Expense**. Select **Continue**.
- Number = **2836** (or another number).
- Account name = **MCHCP Medical University** (or another name).
- Place **checkmark** preceding subaccount of 2800 – Payroll expenses.
- Click **Save and Close**.

## Edit all Pertinent Payroll Items Relevant to MCHCP Council Contribution

If the following MCHCP payroll items currently are in use, edit the payroll item and change the payroll vendor name to **Missouri Consolidated Health Care Plan**. Your payroll item names may vary.

- MCHCP Medical-Employer
- MCHCP Dental-Employer
- MCHCP Vision-Employer
- MCHCP EAP-Employer
- MCHCP Medical-Employee deduction (Pre-tax)
- MCHCP Dental-Employee deduction (Pre-tax)
- MCHCP Vision-Employee deduction (Pre-tax)

- Select **Lists**.
- Select **Payroll Item List**.
- Right click on one of the MCHCP payroll items, as described in above-mentioned list.
- Left click on **Edit Payroll Item**.
- Click **Next** to go to 2<sup>nd</sup> screen. Change the payroll vendor name to **Missouri Consolidated Health Care Plan**.
- Continue clicking **Next** button until last screen. Select **Finish**.
- Repeat for each appropriate MCHCP Payroll item.

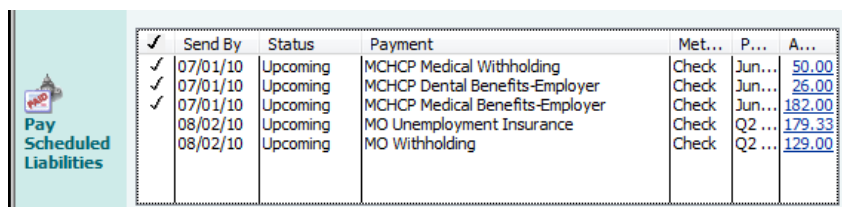
## Prepare the MCHCP Check Transaction

**When the employee's paycheck transaction is created**, the MCHCP council and employee liability transactions will be created. The council, employee, and university MCHCP contributions are due, and must be received at the MCHCP office, by the **15<sup>th</sup> of the premium coverage month**. For example, the July 2010 bill will be mailed to the extension office on June 15, 2010 and will be due by July 15, 2010.

The council and employee's portion of the MCHCP premiums included in the employee paycheck transaction will display in one of the following views: Payroll Plan Subscriber or Non-Payroll Plan Subscriber.

The University's monthly subsidy will be added to the liability check transaction.

### Payroll Plan Subscriber view



✓	Send By	Status	Payment	Met...	P...	A...
✓	07/01/10	Upcoming	MCHCP Medical Withholding	Check	Jun...	50.00
✓	07/01/10	Upcoming	MCHCP Dental Benefits-Employer	Check	Jun...	26.00
✓	07/01/10	Upcoming	MCHCP Medical Benefits-Employer	Check	Jun...	182.00
	08/02/10	Upcoming	MO Unemployment Insurance	Check	Q2 ...	179.33
	08/02/10	Upcoming	MO Withholding	Check	Q2 ...	129.00

Select **View/pay** to display liability check transaction.

In order for the 3 payroll items to be made under one check to the same payroll vendor, be sure to enter the same MCHCP account number assigned to your office in each Payroll Item. **Lists, Payroll Item Lists**.

**Agency for company-paid liability**

Enter name of agency to which liability is paid:

Enter the number that identifies you to agency:

## Non-Payroll Plan Subscriber View

✓	Payroll Item	Payable To	Balance	Amt. To Pay
✓	MCHCP Dental Benefits-Emp...	Missouri Consolidated Health Care Plan	26.00	26.00
✓	MCHCP Medical Benefits-Emp...	Missouri Consolidated Health Care Plan	182.00	182.00
✓	MCHCP Medical Withholding	Missouri Consolidated Health Care Plan	50.00	50.00

- Select the appropriate MCHCP council contribution and employee deduction from the **Scheduled Liabilities screen or the Custom Liabilities screen**, as noted above, to create the liability check transaction.
- Add the University's monthly subsidy payment under the **Expenses tab** in the liability check transaction, as illustrated in sample check transaction below.
- Use account 2836-MCHCP Medical University.
- Assign class 2600-MCHCP University Subsidy
- Enter the amount of the University's monthly subsidy
- In Memo field, identify the month for the premium payment coverage. *Remember that you are posting the premium payment one month prior to the premium coverage.*
- Under the **Payroll Liabilities Tab**, the **class code should be blank**.
- **Change the amount of the check** to combine the totals from the Expenses tab and the Payroll Liabilities tab.
- **Save** the transaction and print the check when ready.

**Change the check amount** to combine the totals under the Expenses tab and the Payroll Liabilities tab.

Enter class 2600 for expense account 2836 under the **Expenses tab**.

Expenses	\$200.00	Payroll Liabilities	\$258.00	<input checked="" type="checkbox"/> To be printed
Payroll Item	Amount	Memo	Class	
MCHCP Medical Withholding	50.00			
MCHCP Medical Benefits-E...	182.00			
MCHCP Dental Benefits-E...	26.00			

Do not enter a class code under the **payroll liabilities tab**

## Create Deposit Transaction for MCHCP Medical University Subsidy

For the deposit transaction for the University's 3-month subsidy, use the account 2836-MCHCP Medical University expense (or whatever account number and name created) and class code 2600-MCHCP University Subsidy. This deposit transaction is a reduction of expense. The university subsidy can be included with other transactions waiting to be deposited.

**Payment Method** may be check or Direct Deposit type.

Received From	From Account	Memo	Chk ...	Pmt Meth.	Class	Amount
University of Missouri-Columbia	2800 · Payroll Expenses:2836 ...	3rd Qtr MCHCP University subsidy		Direct Deposit-University	2000 - Center Operations:2600 - MCHCP Univ...	600.00

For Direct Deposit information, go to

<http://extension.missouri.edu/acctmanual/Deposits/Direct%20Deposits.pdf>

## Create a New Payment Method – Direct Deposit (optional)

If you signed up for the University’s direct deposit, create a new payment method type.

- Select **Lists** from the menu bar
- Select **Customer and Vendor Profile Lists**
- Select **Payment Method List**
- At bottom left, select **Payment method button**. Select **new**.
- Enter **Direct Deposit-University (or another name)**
- Under Payment type, select **Cash**.
- Select **OK** to save.

## Create the MCHCP Medical University Subsidy Report

**Twice a year**, the MCHCP Medical University Subsidy Report is sent to **Tamra Robbins** at the MU Extension fiscal office. Due dates are July 15 and January 15. The subsidy report is a **continuous, multi-year report** with the date range 01/01/2010 (the year the subsidy procedure changed) to 12/31/current\_year.

**Once a year, change the ending date to 12/31/current\_year** in the date range. The **beginning date always should be 01/01/2010**. The two bi-annual reports should include the multi-year date range.

This report will track the university’s quarterly subsidy deposit and the monthly subsidy payments. The deposit will be a reduction of expense. At the end of the year, if there is no change in personnel participating in the MCHCP plan, the balance for account 2836 should be zero.

- Select **Reports** from menu bar.
- Select **Custom Transaction Detail Report**.
- Select **Filters** tab.
- Under **Choose Filter**, select **Account**.
- A little to the right, under **Account**, select the **down arrow** and scroll down the list of accounts and select **2836-MCHCP Medical Univ** (or whatever name you created).
- On the left, under **Choose filter**, scroll down and select **Class**.
- A little to the right, under **Class**, select the down arrow and scroll the list of classes and select **2600 – MCHCP University Subsidy**.
- Select the **Header/Footer** tab.
- In the Report Title text box, change the **report title** to MCHCP Medical University Subsidy Report, or another title.
- Click **OK**. Click **OK** again.
- Remove unnecessary columns but retain the following columns, as noted in the sample report.
- **Type, Date, Number, Name, Memo, Class, Amount, Balance**.
- At top of report, the **date range** should be **01/01/2010 to 12/31/current\_year**.
- Select **Memorize** and create a **Report Name**. (The Report Title may be used as the Report Name)
- Save report in a group, if desired.
- Click **OK**.

Here is a sample report.

07/25/11									
University Insurance Subsidy Report									
Accrual Basis									
January 2010 through December 2011									
Type	Date	Num	Name	Memo	Account	Class	Amount	Balance	
Jan '10 - Dec 11									
Deposit	06/20/2010		University of Miss...	3rd Qtr University...	2836 · MCHCP...	2000-Center Operations:2600...	-300.00	-300.00	
Liability Check	07/31/2010	6421	Missouri Consolid...	July University s...	2836 · MCHCP...	2000-Center Operations:2600...	100.00	-200.00	
Liability Check	07/31/2010	6422	Missouri Consolid...	August Universit...	2836 · MCHCP...	2000-Center Operations:2600...	100.00	-100.00	
Liability Check	08/31/2010	6423	Missouri Consolid...	September Unive...	2836 · MCHCP...	2000-Center Operations:2600...	100.00	0.00	
Deposit	06/22/2011	9876	University of Miss...	3rd qtr univ subsidy	2836 · MCHCP...	2000-Center Operations:2600...	-300.00	-300.00	
Liability Check	06/30/2011		Missouri Consolid...	July univ premium	2836 · MCHCP...	2000-Center Operations:2600...	100.00	-200.00	
Jan '10 - Dec 11							<u>-200.00</u>	<u>-200.00</u>	

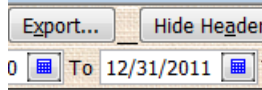
## Status Report

The report will be reviewed to determine current balance of university subsidy deposits and monthly MCHCP university payments.

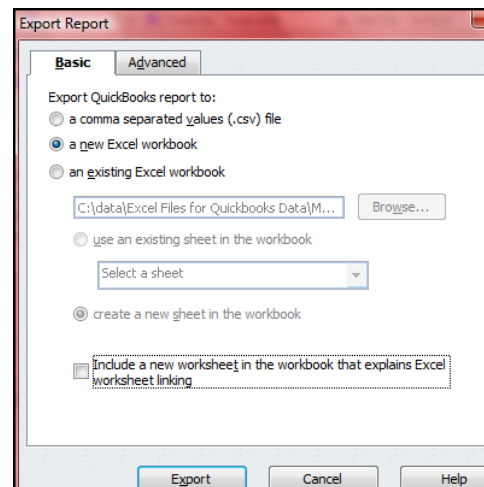
## Export the MCHCP Report

Export the report to Excel in an **Excel format**, create a filename, and save it to your desktop (or a folder) before attaching it to an email message to Tamra Robbins.

With the MCHCP Report opened, click the **Export** button just above the date range.



- In the Export Report screen, select **Basic** tab.
- **Select a new Excel workbook.**
- **Uncheck Include a new worksheet in the workbook that explains Excel worksheet linking.**
- Select **Export** button.
- The report will open in Excel.



## Save the file.

- Select **file** from the menu bar.
- Select **Save As**.
- In the Save As screen, select a folder name.
- Save the file using the following scheme,
  - **MCHCP-XX-YYYYY-N.xlsx**, where
  - XX = your 2-character region
  - YYYYY = your county name
  - N = 1 or 2      1 is the first report due in July; 2 is the second report due in January.
  - For example: MCHCP-CM-Audrain-1
- Select **Save**.

## Attach the File to an Email Message

- Create an email message to **Tamra Robbins** and attach the MCHCP Medical University Subsidy Report.
- Send the message.

## Funds Class Balance Report

In the Funds Class Balance report, the **net effect** of the reduction of expense (deposit) to account 2836-MCHCP Medical University and to class 2600-MCHCP University Subsidy when the deposit is posted, less the monthly expense, as reflected in the above MCHCP Medical University Subsidy report, is illustrated in the sample Funds Class Balance reports for June, July, and August.

Funds (Classes) Balances to Date	
As of June 30, 2010	
	◊ Jun 30, 10 ◊
2000 - Center Operations	
2600 - MCHCP University Subsidy ▶	400.00 ◀
Total 2000 - Center Operations	400.00
<b>TOTAL</b>	<b>400.00</b>

\$400.00 = Net effect of \$600.00 deposit in June less \$200.00 monthly expense.

Funds (Classes) Balances to Date	
As of July 31, 2010	
	◊ Jul 31, 10 ◊
2000 - Center Operations	
2600 - MCHCP University Subsidy ▶	200.00 ◀
Total 2000 - Center Operations	200.00
<b>TOTAL</b>	<b>200.00</b>

Funds (Classes) Balances to Date	
As of August 31, 2010	
	◊ Aug 31, 10 ◊
<b>TOTAL ▶</b>	<b>0.00 ◀</b>

**If an employee resigned or retired** before the end of the quarter and did not participate in the MCHCP health plan for one or more months within a quarter, the council may apply the university subsidy deposit to the new employee. Therefore, the council may carry a positive balance in class 2600 until a new employee is hired.

**Refund**

If a new employee is not hired for a considerable duration of time, the Council may be required to create a **refund check** payable to University of Missouri for the unused advanced university subsidy deposit. The check transaction should include the 2836-MCHCP Medical University expense account (or whatever account number and name created) and class code 2600-MCHCP University Subsidy.

Account	Amount	Memo	C.	B..	Class
2800 · Payroll Expenses:2836 · MCHCP Medi...	400.00	Refund unused university subsidy			2000 - Center Operations:2600...

For assistance, call your regional QuickBooks Trainers or the QuickBooks Administrator