

<b>Type: System Enhancements</b>	<b>ID Number: SE 74</b>
<b>Date: August 26, 2011</b>	<b>Subject: Benefits Underpayment Letter</b>

**Suggested Audience:**

Personnel Officers and Benefits Administrators

**Details:**

System enhancements are being implemented on August 27, 2011, to improve the current process used to trigger benefits underpayment letters. Effective with this release, two separate benefits underpayment letters (first notice and final notice) will be printed and mailed to all subscribers that are underpaid by \$4 or more for the current month's health or supplemental insurance (except basic or optional life insurance).

Both letters will only be generated for subscriber underpayments, **not** employer underpayments. Both letters will include a look back of 24 months (current coverage month plus prior 23 months). Any subscriber underpayments during the look back period will be included in the underpayment amount in the letter to the subscriber.

The first notice letter (new letter) will be triggered on the second day of each month and will be sent to the subscriber via first class mail. If the subscriber does not correct the underpayment by the 15<sup>th</sup> of the coverage month, the final notice letter (existing letter) will be triggered for the subscriber and sent by certified mail. To ensure the subscriber does not lose insurance coverage, he/she must correct the underpayment by the end of the coverage month.

These enhancements are effective for the September 2011 coverage month.