

REV – Iowa Care Premium and Waiver Processing Procedure

Purpose:

IowaCare is a state-subsidized health insurance program administered by the Iowa Medicaid Enterprise (IME). Beneficiaries pay a monthly income-based premium and have access to a limited set of healthcare services at specified healthcare institutions. Premiums are due at the end of every month. If a beneficiary cannot afford to pay the premium, the beneficiary can submit a hardship waiver and IME will waive the fee.

Identification of Roles:

Wells Fargo Bank

- a) Receive Premium payments and Hardship waivers from United States Postal Service (USPS).
- b) Copy and deposit checks
- c) Post payments to IowaCare member's account via a file transfer
- d) Premiums and Hardships that will not load to the file are sent to the IME
- e) Prepare Premium and Waiver documentation for daily pickup by IME Core Unit

IME Core Unit

- a) Picks up packet containing premium payments and hardship waivers daily from Wells Fargo Bank.
- b) Hand deliver packet picked up from Wells Fargo to Revenue Collections.
- c) Receive premium payments and hardship waivers through the mail.
- d) Scan all documentation received into OnBase Revenue Collections Miscellaneous or IowaCare Queue.

Revenue Collections

- a) Revenue Collections monitors the OnBase Queues daily and transfers the hardships waivers and premiums in other queues over to the IowaCare Queue.
- b) Live premium check is keyworded and indexed with a "Return" status in OnBase.
- c) Documentation which accompanied live check is printed out from OnBase.
- d) Live check is pulled from the safe and mailed with accompanying documents to the Wells Fargo IowaCare Lock Box.
- e) Returns bad check to IowaCare member along with appropriate form letter informing member of what corrective steps need to be taken.

Fiscal Management -E-mails Revenue Collections a copy of bad check

Performance Standards:

Daily – within 24 hours

Path of Business Procedure:

Step 1: The member mails the premium statement with a check or signed to claim a hardship to a P.O. Box administered by the Wells Fargo Bank. (**See also # 14 Examples for Iowa Care Processing**)

Step 2. Wells Fargo deposits and posts the premium payments to the IowaCare member's account.; prepares a deposit report; and then packages all documentation for pick up by IME on a daily basis. However, if the Premium Statement does not match the check, Wells Fargo does not post the payment. If the check does not have adequate information to deposit, Wells Fargo sets the check aside with the hardship waivers. Missing information includes:

- a) Wrong payee
- b) Post-dated or undated check
- c) Check not signed
- d) No dollar amount filled in
- e) Insufficient funds

Wells Fargo prepares a packet of premium statements, checks, and hardship waivers that is picked up daily by the IME Core Unit. (**See # 14 Examples for Iowa Care Processing**)

Step 3. A Core representative picks up the packet each day and hand delivers the packet to Revenue Collections between 11:00 a.m. –1:00 p.m. The packet contains:

- a) Premium Statements/ Hardship Waivers
- b) Copies of scanned checks
- c) Wells Fargo Deposit Statement

Wells Fargo bank will also submit a Postage Due Statement. After removing the Statement from the daily Wells Fargo Bank IowaCare packet, Revenue Collections will hand deliver to designated Core representative on Monday through Thursday. On Friday, the original Postage Due Statement is given to

the Revenue Collections State Unit Manager and a copy given to the Core representative.

- Step 4.** The IowaCare Posting Specialist will keyword the hardship waiver and completes it in OnBase, and then post the hardship waiver into Medicaid IowaCare Premium System (MIPS). The IowaCare Posting Specialist will handle these documents in the same manner as hardship waivers that are received via mail. (**See # 14 Examples for Iowa Care Processing**)
- Step 5.** Occasionally the member will mail the hardship or check directly to IME. The mailroom scans these documents into OnBase→REV01 – Revenue Work LC→REV01 – IowaCare Premiums.
- Step 6.** If a member mails a premium check to the IME, the check will be scanned into OnBase→CHK01 – Checks LC→CHK01 – Misc Check Logging Queue and placed into the safe. After the check is identified as an Iowa Care premium payment, the check is logged and indexed as “Returned” in OnBase with Principle Classification of 49. A Revenue Collections representative will remove the check from the safe and hand deliver to the IowaCare Posting Specialist, who then mails the check to the Wells Fargo Lock Box for further processing. A copy of the check is retained by Revenue Collections for the file.
- Step 7.** Revenue Collections performs the following actions on all received IowaCare documentation **within 24 hours of receipt:**
- Step 8.** Hardship Waivers and premium payments are posted into the MIPS system and then filed by Revenue Collections: (**See # 14 Examples for Iowa Care Processing**)
- a) Remove bundle of scanned premium payment checks from the Wells Fargo Bank. The Deposit Statement will be attached to the front.
 - b) Make sure that the account is not the generic account that was used as an example form by some offices. That account number on the generic account is 022858642006022800003000018. If this is noted on a hardship or payment form the representative needs to research and correct the member’s correct account.
 - c) If the member’s State Identification number (ID) is not listed on the check or any of the documents, search the Medicaid

Management Information Systems (MMIS) under the member's name to obtain the State ID and verify IowaCare status.

- d) If the member cannot be located in the MMIS System, mail the documents to the IowaCare Unit at the Hoover Building. They will return the documents to Revenue Collections with the member's State ID, if the check is actually an IowaCare premium payment.
- e) If a Medicaid for Employed People with Disabilities (MEPD) premium payment is deposited through the IowaCare Lockbox in error, those funds will need to be transferred from the IowaCare account to the MEPD account. Revenue Collections will send the check to Fiscal Management to have payment amount transferred to correct account.
- f) Access the MIPS System and post the premium payment or hardship waiver to the IowaCare member's account. **Note:** The client should submit one hardship waiver form per member (i.e.; if there is more than one member per family, the client must submit multiple hardship waiver forms.)
- g) When posting a payment it is important to verify that the amount is actually due for the member. If there is not a balance then the payment could be due for another member and research needs to be done to determine where the payment should be applied. (i.e. Mary Smith sends \$52.00 however her balance owed is \$0.00. However upon researching it is found that Bob Smith at the same address has \$52.00 owing. Therefore the payment would be applied to Bob Smith's amount due even if he is not listed on the check.)
- h) **Note: If the deposit date is older than 30 days:** When entering the payment, enter all 9's in the deposit date field. The deposit date cannot be in the future, nor can it be more than 30 days in the past.
- i) File documents alphabetically by day and store for 6 months. After 6 months, the IowaCare Posting Specialist will destroy documents by shredding.

Step 9. Premiums payments that were not posted by Wells Fargo Bank are posted into the MIPS system under the member's State ID Number.

Step 10. Wells Fargo Bank returns bad checks that the bank cannot deposit for various reasons to Fiscal Management at the Hoover Building. Fiscal Management will email a copy of the check to Revenue Collections. The IowaCare Posting Specialist will generate the appropriate form letter and mail to the member with a copy of the check. A copy of this correspondence will also be mailed to the member's Department of Human Services (DHS) caseworker. Hard copies will also remain on file at the IME. Print out copy of check received from Fiscal Management e-mail.

- a) Generate appropriate form letter and return to IowaCare member along with copy bad check and documentation.
- b) Access State Network Entry System (NES) System to obtain the name and address of the IowaCare member and worker information.
- c) Mail copy of documents sent to IowaCare member to member's DHS caseworker.
- d) If any comments are received such as "please cancel, address changes, etc" the original statements or notices from the Member is sent to Fiscal management via interoffice envelope.

Step 11. The IowaCare Post Specialist provides documentation to the Revenue Collections Account Manager of daily IowaCare premium or waiver processing. Revenue Collections will balance the premium payments entered into MIPS with Deposit Statement from Wells Fargo Bank on a daily basis.

- a) Print out a copy of the MIPS Balance Screen that documents daily postings by Revenue Collections. The number of hardship waivers received and number of hardship waivers posted for that day are handwritten on the bottom of the Balance Screen printout
- b) Deduct any premium payments that could not be entered into the MIPS System from the Wells Fargo Bank Deposit Statement.
- c) Verify that the MIPS Payment Balance Screen amount matches the Wells Fargo Bank Deposit Statement total after deducting premium payments that could not be entered into MIPS.

- d) Once the MIPS balance equals the deposit statement minus deductions, print out the MIPS Payment Balance Screen.
- e) Attach a copy of the electronic payment / Deposit Statement log posted by Wells Fargo Bank
- f) Hand deliver to the Revenue Collections Account Manager.

Step12. Examples for Iowa Care Processing:

When a partial payment is postmarked on or before the end of the month for which the premium is due, this will be considered a request for a hardship exemption if the member also signs the hardship statement. If the hardship statement is signed, an exemption shall be granted for the balance of the premium owed for that month.

Partial payments received without a signed request for hardship are treated as a credit to the member's IowaCare account or used to pay the balance on a month owed.

Examples:

- a) Mr. T is single and applies for IowaCare on April 30. He is approved for IowaCare May 2. The four mandatory months are June, July, August, and September. When he finds out his premium amount, he says it will be tough to pay. The IM worker explains he can claim a hardship on his premium billing statement and that he must do this monthly.
 - 1. Mr. T receives the billing statement for June with a due date of June 30. He signs a statement that he would have a hardship paying the premium for June. The envelope is postmarked June 30. Personnel at the IME enter hardship for the month of June.
 - 2. In July, a billing statement is sent to Mr. T with a due date of July 31. He sends in \$25 as a partial payment and signs the hardship statement on the billing statement. This is postmarked by the due date on the billing statement. The Department applies the partial payment to the month of July and grants Mr. T a hardship for the remaining amount of the premium.
 - 3. In August, another billing statement is sent to Mr. T. He doesn't sign and return the statement that he has a hardship by August 31. He is now required to pay the August premium.
 - 4. In September, the fourth mandatory billing statement is sent to Mr. T with a due date of September 30. He signs a statement that it would be a hardship paying the premium for September. Personnel at the IME enter hardship for the month of September.

5. Mr. T has not paid the premium for August. He receives a notice of cancellation effective October 1. If he pays the premium and it is postmarked before September 30, his IowaCare case will be reopened.
- b) Mr. A receives a *Notice of Decision* stating the amount of his premium. He receives his *IowaCare Premium Notice Reminder* May 17. Mr. A calls his IM worker on May 18 and explains that he does not have enough money to pay his May premium, but that he could pay \$20.
1. The worker tells him to send the check for \$20 and to sign the hardship statement at the bottom of the *IowaCare Premium Notice Reminder*. The worker also tells him that the hardship claim must be postmarked no later than May 31. The worker explains that the \$20 will be applied to the month of May and Mr. A will be exempted from paying the remainder of the May premium.
 2. The worker explains that for the future months, Mr. A has three options:
 - A. To pay the premium in full, or
 - B. To make a partial payment (the amount that he can afford to pay) and sign the hardship statement stating he is unable to pay, or
 - C. To sign the hardship statement indicating that he is unable to pay the entire premium due to hardship.
- c) The premium is \$52 and the balance owed is \$52. The member pays \$25 and signs the *IowaCare Billing Statement* claiming hardship. The statement is postmarked by the due date. \$25 is applied to the month and MIPS zeroes out the remainder of the amount. The balance is zero.
- d) The premium is \$52 and the balance owed is \$52. The member pays \$25 and does not sign the *IowaCare Billing Statement* claiming hardship. MIPS applies the \$25 as a credit. The balance owed is \$27. The member may still claim hardship for the remainder of the month by sending in a signed *IowaCare Billing Statement* that is postmarked by the due date.
- e) The premium is \$52 and the balance owed is \$104. The member pays \$52 and signs the *IowaCare Billing Statement* claiming hardship. The statement is postmarked by the due date. MIPS applies the \$52 to previous month and hardship is granted for the current month. The balance owed is zero.

- f) The premium is \$52 and the balance owed is \$104. The member pays \$25 and signs the *IowaCare Billing Statement* claiming hardship. The statement is postmarked by the due date. When a partial payment is paid for a previous month, MIPS applies the \$25 as a credit and hardship is granted for the current month. MIPS will show \$52 owed. The actual balance owed is \$27 (\$52 owed - \$25 credit).
- g) The premium is \$52 and the balance owed is \$52. The member pays \$52 and signs the *IowaCare Billing Statement* claiming hardship. The statement is postmarked by the due date. MIPS applies the \$52 to the month. MIPS does not allow hardship for the month as the member made full payment for the month. The balance owed is zero.
- h) The premium is \$52 and the balance owed is \$52. The member pays \$72 and signs the *IowaCare Billing Statement* claiming hardship. The statement is postmarked by the due date. MIPS applies \$52 to the month and applies a \$20 credit. MIPS does not allow hardship for the month as the member made full payment for the month. The balance shows a \$20 credit.

Step 13. The Revenue Collections Verification Specialists create an Excel spreadsheet every week listing active IowaCare participants that have verified active primary health insurance coverage known as Third Party Liability (TPL) coverage. However, if an IowaCare participant only has pharmacy, vision, dental, etc., but not medical coverage, then the TPL is not reported on the Excel spreadsheet.

- a) The TPL referral is verified by a Verification Specialist.
- b) The member's MMIS TPL Resource File is electronically updated.
- c) If an active IowaCare participant has active TPL medical coverage, the information is entered into the Excel spreadsheet.
- d) The Excel Spreadsheet consists of the following column headings: Medicaid I.D. No.; Medicaid Member; Insurance Company; Effective Date; Coverage Type; IowaCare Dates; County No.; Worker No.; and Case No.

An error report will be generated and reviewed of any Iowa Care TPL that has not loaded correctly, Revenue Collections will verify update these errors manually.

Forms/Reports: N/A

RFP References: N/A

Interfaces: Core, Iowa Care, Wells Fargo

Attachments:

Incorrect Payee Form Letter



Iowa Department of Human Services

Terry E. Branstad
Governor

Kim Reynolds
Lt. Governor

Charles M. Palmer
Director

<Date>

<Member Name>

<Member Address 1>
<Member City, State, Zip>

Member SID: <SID>

Dear <Member Name>:

You recently sent in your <month> IowaCare Billing Statement with a payment made payable to <Incorrect payee>. Your Billing Statement and payment are being returned to you (attached), as we are unable to deposit this payment.

If you would like to continue your coverage under the IowaCare program, please send your payment, made out to "IowaCare", along with your Billing Statement in the enclosed envelope.

If you have any questions about this, call 1-800-338-8366. If you live in Polk County, call 256-4606.

Sincerely,

Iowa Medicaid Enterprise
Revenue Collections Unit

cc: IME – Member Services

<Name of> County, Worker <Code>

NSF Form Letter



Iowa Department of Human Services

Terry E. Branstad
Governor

Kim Reynolds
Lt. Governor

Charles M. Palmer
Director

<Date>

<Member Name>

<Member Address 1>

<Member City, State, Zip>

Member SID: <SID>

Dear <Member Name>:

You recently sent in your <month> IowaCare Billing Statement, along with a check. Your Billing Statement and check are being returned to you (attached), as your bank returned your check for non-sufficient funds (NSF).

If you would like to continue your coverage under the IowaCare program, please send a valid payment, along with your Billing Statement, in the enclosed envelope.

If you have any questions about this, call 1-800-338-8366. If you live in Polk County, call 256-4606.

Sincerely,

Iowa Medicaid Enterprise

Revenue Collections Unit

cc: IME – Member Services

<Name of> County, Worker <Code>

Incomplete Check Form Letter



Iowa Department of Human Services

Terry E. Branstad
Governor

Kim Reynolds
Lt. Governor

Charles M. Palmer
Director

<Date>

<Member Name>

<Member Address 1>

<Member City, State, Zip>

Member SID: <SID>

Dear <Member Name>:

You recently sent in your <month> IowaCare Billing Statement, along with a check. Your Billing Statement and check are being returned to you (attached), as your check is unsigned.

If you would like to continue your coverage under the IowaCare program, please resend a signed check, along with your Billing Statement in the enclosed envelope.

If you have any questions about this, call 1-800-338-8366. If you live in Polk County, call 256-4606.

Sincerely,

Iowa Medicaid Enterprise

Revenue Collections Unit

cc: IME – Member Services

<Name of> County, Worker <Code>

Wells Fargo Deposit Statement



LOCKBOX NAME : IOWA MEDICAID IOWA CARES
 REFERENCE NUMBER : 31099
 ITEM COUNT : 87

ACCOUNT NUMBER : XXXXXXXXXX
 LOCK BOX NUMBER : 2010391
 DOLLAR AMOUNT : \$2,419.78 USD

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1.	2.00	16.	14.00	31.	28.00	46.	63.00
2.	39.00	17.	14.00	32.	50.00	47.	14.00
3.	6.00	18.	14.00	33.	24.00	48.	22.00
4.	12.00	19.	14.00	34.	7.00	49.	14.00
5.	43.00	20.	28.00	35.	94.00	50.	4.00
6.	12.00	21.	43.00	36.	94.00	51.	14.00
7.	43.00	22.	1.00	37.	4.00	52.	7.00
8.	14.00	23.	150.00	38.	4.00	53.	8.00
9.	14.00	24.	9.00	39.	28.00	54.	22.00
10.	43.00	25.	59.00	40.	18.00	55.	51.00
11.	43.00	26.	59.00	41.	94.00	56.	6.00
12.	7.00	27.	12.00	42.	6.00	57.	39.39
13.	45.00	28.	24.00	43.	12.00	58.	39.39
14.	43.00	29.	27.00	44.	43.00	59.	63.00
15.	4.00	30.	43.00	45.	14.00	60.	11.00



LOCKBOX NAME : IOWA MEDICAID IOWA CARES
 REFERENCE NUMBER : 31099
 ITEM COUNT : 87

ACCOUNT NUMBER : XXXXXXXXXX
 LOCK BOX NUMBER : 2010391
 DOLLAR AMOUNT : \$2,419.78 USD

03/22/2006 Page: 2

61.	71.00	76.	6.00
62.	11.00	77.	39.00
63.	10.00	78.	12.00
64.	9.00	79.	24.00
65.	18.00	80.	24.00
66.	9.00	81.	78.00
67.	9.00	82.	2.00
68.	86.00	83.	39.00
69.	24.00	84.	12.00
70.	14.00	85.	7.00
71.	1.00	86.	24.00
72.	39.00	87.	2.00
73.	12.00		
74.	50.00		
75.	9.00		



LOCKBOX NAME : IOWA MEDICAID IOWA CARES
 REFERENCE NUMBER : 31099
 TRANSIT ROUTING NUMBER: 518200431
 DEPOSIT LOCATION : 2010391
 ITEM COUNT : 87

ACCOUNT NUMBER : XXXXXXXXXX
 LOCK BOX NUMBER : 2010391
 DOLLAR AMOUNT : \$2,419.78 USD

03/22/2006

We have credited your account for the above Lock Box deposit

IOWA MEDICAID IOWA CARES
 100 ARMY POST ROAD
 DES MOINES, IOWA 50315

Postage Due Statement

First-Class Mail

P.S. 3582 - C

Business Reply Postage

LOCATION: 50318

DATE: 03/22/06

Permit Information

Permit: BR 781-011
 Company: IOWACARE PREMIUMS
 Address: PO BOX 10391
 DES MOINES, IA 50306-0391

Current Balance: \$6,371.68
 Contact: PATTI ERNST-BECKER
 Phone Number: 515-725-1347

Where Issued: n/a
 Comments: USING STATE OF IOWA PERMIT NUMBER.

Finance Number:

Type of (BRM) Account: High-Volume BRM Opening Balance: \$ 6,444.68

Mailing Date: 03/22/2006						
Seq#	Description	Weight Not Over (Ounces)	Number of Pieces	Postage per Piece	Per Piece Handling Charge	Postage
B1	Cards	0	0	0.240	0.110	0.000
B2	1 oz.	1	146	0.360	0.110	73.000
B2	1 oz. Nonmachinable Surcharge	1	0	0.130	0.000	0.000
B3	2 oz.	2	0	0.630	0.110	0.000
B4	3 oz.	3	0	0.870	0.110	0.000
B5	4 oz.	4	0	1.110	0.110	0.000
B6	5 oz.	5	0	1.350	0.110	0.000
B6	6 oz.	6	0	1.590	0.110	0.000
B6	7 oz.	7	0	1.830	0.110	0.000
B6	8 oz.	8	0	2.070	0.110	0.000
B6	9 oz.	9	0	2.310	0.110	0.000
B6	10 oz.	10	0	2.550	0.110	0.000
B6	11 oz.	11	0	2.790	0.110	0.000
B6	12 oz.	12	0	3.030	0.110	0.000
B6	13 oz.	13	0	3.270	0.110	0.000
B5	Postage Due	0	0	0.000	0.000	0.000
Total Postage:						\$ 73.00

TRANS# 200608108375116BM

Closing Balance: \$ 6,371.68

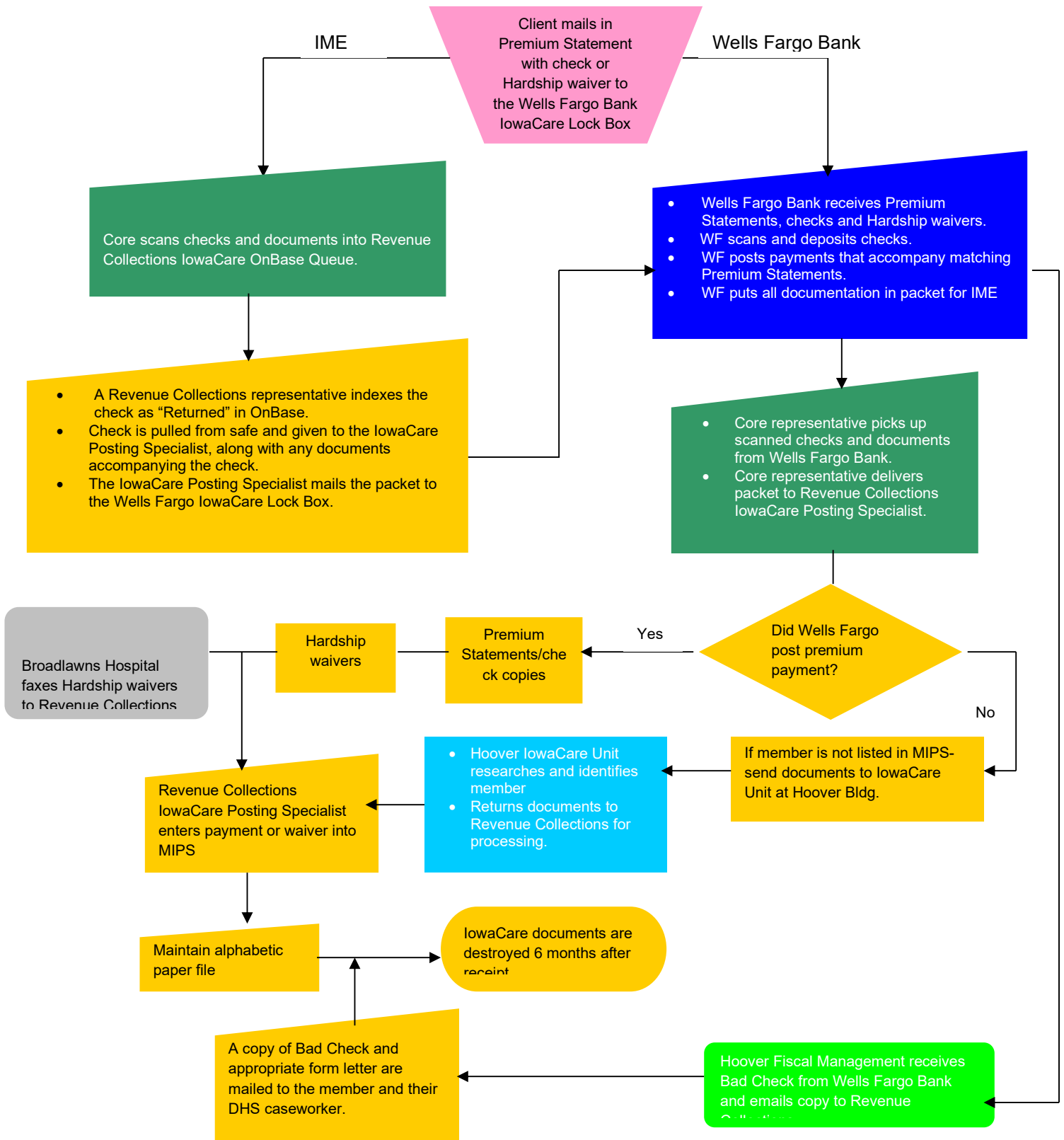
The above amount has been deducted from your advance deposit account.

 AUTHORIZED SIGNATURE

Balance Sheet Screenshot from MIPS

BAL	IOWA DEPARTMENT OF HUMAN SERVICES	DATE: 01/17/08
	MIPS PAYMENT BALANCE	TIME: 12:19:19
TOTAL OF CHECKS ENTERED TODAY		
DATE:		
AMOUNT FROM PAPER TAPE:		
NUMBER OF CHECKS:		
NUMBER OF CASH PAYMENTS:		
TOTAL AMOUNT:		
USER-ID:		
ARE YOU FINISHED ENTERING CHECKS FOR TODAY? (Y/N) _		
PRESS "ENTER" TO VERIFY THAT TOTALS MATCH.		
PRESS "PF05" FOR A DETAIL LISTING OF ALL CHECKS ENTERED TODAY.		
NEXT SCREEN:		
NO PAYMENTS MADE TODAY		753

IowaCare Premium and Waiver Processing Flowchart



Acronyms:

TPL – Third Party Liability

SSN – Social Security Number

IME – Iowa Medicaid Enterprise

DHS – Department of Human Services

MMIS – Medicaid Management Information System

Hardship Waiver: A form that is filled out by the member to waive the monthly premium payment.

Premium Statement: A form that provides information regarding the member's IowaCare account and amount owed.