



MAGNOLIA PUBLIC SCHOOLS

Board Of Directors

Board Agenda Item #	III B
Date:	May 10, 2016
To:	MPS Finance Committee
From:	Terri Boatman, Director of Human Resources
Staff Lead:	Terri Boatman, Director of Human Resources
RE:	Analysis of Heath Benefits Audit Report

Proposed Board Recommendation
Information Item, no actions required.

Background

The finance committee requested additional information in regard to the benefits overpayments that were made on behalf of terminated employees after the date of their termination.

As indicated, a full review of the benefits rosters in February after the implementation of the Paycom system and a HC report. At that time, we notified the broker of the need to remove terminated employees from the list. He cancelled coverage effective January 1, 2016 which resulted in a credit being applied for each of the effected schools.

The attached spreadsheet presents a breakdown of the overpayments that were made based on the number of months the employee remained on the bill after termination, the overbilling made for medical, dental and vision, and the credit amount that was applied.

I will work with the carriers to see if the full adjustment can be applied to the Magnolia account and will update the finance committee at the next meeting in regard to status.

Budget Implications

Total over payment for benefits was \$171,729.36 for all Magnolia Schools.
Total cost of reimbursements negotiated by the broker were as follows:

Total retroactive credits = \$66,836.70

Name of Staff Originator:

Terri F. Boatman, Director of Human Resources