



P.O. Box 942714
Sacramento, CA 94229-2714
888 CalPERS (or **888-225-7377**)
TDD (916) 795-3240
www.calpers.ca.gov

Date: March 6, 2008
Reference No.:

Circular Letter No.: 600-014-08
Distribution: VII

Special:

Circular Letter

TO: CONTRACTING AGENCY HEALTH BENEFITS OFFICERS AND ASSISTANTS

SUBJECT: NEW FORMAT FOR CALPERS HEALTH PROGRAM BILLING INVOICES - SAMPLE COPY

Introduction

CalPERS is updating our Information Technology systems which generate specific financial documents (invoices, bills, collection letters, etc) to our employers. Implementation of the new system is planned for early-March and employers will receive an invoice with the new format around mid-March (for April premiums).

This notification:

- Discusses the new design of the Health Premium Invoice and;
- Provides a sample copy of the Health Premium Invoice, highlighting the changes.

Key Changes

The new health premium invoice will reflect the following changes:

- Establish a separate invoice record and ID for each month;
- Track open invoice records independently and provide detailed breakouts of outstanding charges and payments received each month.

Each invoice record will not be closed until CalPERS receives full payment for all charges accrued by the employer for that month (including interest assessments). This means that employers who are significantly in arrears may see reporting for multiple invoice IDs.

Other Changes

In addition to the changes discussed above, CalPERS made some clarifications to existing language:

- Re-titled invoice from “Monthly Billing Invoice” to “Health Premium Invoice” ;
- Changed language requesting that employers mail remittance with “coupon” to “copy of invoice”;

You will receive two copies of the invoice from CalPERS each month. Please return a copy of the invoice with your payment to ensure your payment is appropriately deposited to your account.

**EFT –
Electronic File
Transfer**

If your agency uses EFT for payment, you must identify the billing period to which your EFT payment should be posted. If you are making payments for multiple billing periods, you must submit separate EFT payments for each billing cycle. **Failure to make separate payments may result in incorrect posting to your account and cause additional penalties and interest charges to be applied to your account.**

IMPORTANT

CalPERS will charge assessed interest if payment is not received **in full** on or before the 10th of the month pursuant to Government Code Section 22899. If your agency does make a late payment, assessment charges will be applied and posted on your following month's invoice.

CalPERS requires that you always pay as billed. If there is any changes in your agency's enrollment, CalPERS will reconcile the invoice on the next billing cycle. If you make payment less than what is billed, CalPERS may apply interest for underpayment.

**What Should I
Do?**

Please share this memo and the sample invoice with your agency's accounting staff to build awareness about the new format and to familiarize yourself with the billing invoice content prior to implementation. The new system will generate bills for the April 2008 cycle.

Questions?

If you have questions about this change, please contact the CalPERS Employer Contact Center at **888 CalPERS** (or **888-225-7377**).

Thank you for your attention to this matter.

Sincerely,

Holly A. Fong, Chief
Employer and Member Health Services Division

Enclosure