

Ohio Bureau of Workers' Compensation
Accounts Receivable Department
Procedures – Review UW411R/Refund recommendations

Purpose

Document the process used to review credit balances \$5,000 or greater and make recommendations as to whether the balance should be refunded or not.

Background

The UW411R report is generated on a daily basis as part of the WCIS Invoice batch process and is loaded to DocView. As part of the invoice process policies with credit balances are reviewed to determine if the balance can be refunded systematically. Policies with credit balances of \$5,000 or greater are output to the UW411R for manual review.

Procedure

1. If the uw411r is not reviewed the same day it is received, verify that the status has not changed. Note any status updates on the report.
 - a. Query PA policy numbers included on UW411R reports dated 7/1/xx – 9/15/xx and 1/1/xx – 3/15/xx (current payroll reporting periods) on UW708S to determine if the current payroll report has been submitted. If the report is still outstanding line out the credit.
 - b. Refunds should not be recommended for policies in LAPSE or CANUN status. Line out the credit and review/research policy for updates as necessary.
 - c. Refunds should not be recommended for policies in BKPCA or BKPCO status. Line out the credit and email Law for approval. If Law approves the refund forward the email to the Employer refunds email box.
 - d. If a policy is in CANPN status determine if status can be updated to final cancel status. Refer to AE staff for status update if appropriate and request staff email Employer Refunds when status update is completed. If CANPN status is correct line out credit.
 - e. If a policy is in COMB status note successor policy number on report.
2. Review the policy on Billing History (uw400s). Query on the open (OP) transactions to determine what generated the credit. For policies in COMB status review successor policy on uw400s. If successor policy has a significant outstanding balance line out the credit. If successor has a zero or small balance, continue with review process. Review the notepad for information to support or stop the refund.
3. Review the Billing History by Invoice (uw401s) to confirm what generated the credit balance.
4. If the credit is from an audit or payroll adjustment, review payroll history (uw140s) for payroll reporting consistency.
 - a. If the credit is from payroll adjustments and the uw140s review does show consist reporting review the notepad. The notepad should include the reason for the adjustment and whether an audit is required. If the notes indicate no audit is required the credit can be recommended for refund. If there are no notes contact the person that posted the payroll adjustments for further information and line out the credit.
 - b. Review the audit for additional information (I:\Audit 2000\AUDIT FILE ROOM or UDS).
5. If the credit is from a balance forward research the credit through PONL information (uw462s) and/or UDS.
6. If the credit is from a payment, review uw400s and uw401s to determine why the payment was made. If the payment equals an ending balance on a prior invoice (per uw401s) no further review is needed. If you cannot determine why the payment was

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- made view the payment in UDS to verify that it was posted to the correct policy. If the payment was posted to the wrong policy request a cash correction.
7. If the credit is from a payroll payment, review uw140s for consistency and/or review the payroll report through UDS to verify that it was keyed correctly. If there was a keying error request the correction be posted and line out the credit.
 8. If the credit is from a rate adjustment, review uw401s to verify that the credit is from the rate adjustment rather than an earlier transaction that was applied to the rate adjustment through the cash application hierarchy. Verify that the rate adjustment properly credited payroll at the current rate and re-billed payroll at the new rate (use the view details button). Verify through uw004s and/or notepad that there is documented reason for the rate adjustment.
 - a. To use uw004s enter the policy number and “arrow” down until you see the first reporting period impacted by the rate adjustment
 - b. Page down (then “arrow” down if necessary) to the “Calc Date” and/or “Update” date that the rate adjustment posted to WCIS
 - c. Click the Get Event button
 - d. The rating event(s) that caused the rate adjustment should be displayed. If a pop up “No rating events for the EM Calculation Text line.” is displayed follow up with the Group Rating unit or the Actuarial Rate Adjustment supervisor.
 9. If the credit is on a policy that also has “PN” FlexPay credits verify when the employer last made a FlexPay payment. Check the uw400s to see if the employer has transferred available credit balances to their FlexPay plan in the past (policy will have 141 – FlexPay debit and 142 – FlexPay credit transactions). If the employer made FlexPay payments after the credit was posted and the employer has not recently transferred credits to their FlexPay plan the credit can be refunded.
 10. If the credit is from FlexPay payments or discounts verify that the payroll reported for the associated reporting period is in line with past payroll. If the payroll is significantly less do not refund the credit. Follow up with the employer or the PEO Unit to identify the reason for the decrease in payroll.
 11. If the credit is a result of voiding non-compliance claim billings verify that the claim is shown as a covered claim on V3 or that it has been charged to another policy.
 12. If a policy has an address status of MLRET or PERBD no refund can be issued. Line out the credit.
 13. Initial and date all credits being recommended for refund and forward list to AR Manager.

Procedures to Balance Refunds

1. The following DocView reports are used to balance refunds:
 - WCIS950PR (950PR) Daily Refund/Rebate Accept (DocView report :RSE9500B) runs Tues - Fri and includes refunds processed by the Rates & Payments (R&P) system
 - WCIS950RE (950RE) Daily Refund/Rebate Reject (DocView report :RSE9500B) runs Tues - Fri and includes refunds rejected by R&P
 - WCIS350R (350) Daily Refund Report runs Mon - Fri and includes refunds that were posted to WCIS each day. Refunds are either system generated (User ID = Batch) or manually input (User ID = AXXXXX)
 - PTX0850B (850) Employer Payment Balance Report includes summary totals for refund warrants printed by R&P
 - PTX0840B (840) Employer Invoice Reject Report includes detail of refund rejected by R&P
2. Print the second (summary) page of the 840 and 850 reports.
3. Print ~~all pages the last page~~ of the 950PR report and the last page of the 950RE report.~~s.~~
4. Review all pages of the 950PR accept report and note the number of refunds with User ID other than batch. Note the count for each page on the hard copy of the last page. The count should balance to number of refunds issued manually (the documentation for manual refunds should be attached to the refund reports for the day). Any refund amounts greater than \$5,000 will have been released manually. If a refund is greater than \$50,000 there must be evidence that the refund has been approved by the CFO and if greater than \$100,000 the refund must be approved by both the CFO and the Administrator.
5. If there is activity on the 950RE review the report detail and WCIS information to determine why the refund rejected.
6. Review all activity on the 350 report. If the balance for a policy is not zero review the policy on uw400s to see if activity since the refund requires the refund be pulled.
7. If the balance is -.01 or .01 review the policy on uw400s. If the current balance is -.01 or .01 and all other balances are zero send an email to the Service Desk (subject - WCIS requests pls run balance clean up) with the policy numbers. If the Deposit Billed is out of balance with the Deposit Paid by .01 update the Deposit Paid field to equal the Deposit Billed via the WCIS uw444s screen.
8. To balance refunds, compare the count and dollar total of refunds from the 350 to the 950PR and 850. The 350 reports for Fri. and Mon. should be added together to balance to the 950PR generated Tuesday night. If the reports do not balance check for the following:
 - Has the number of rejects on the 950RE changed from the previous day? Rejects are included on the 950RE if the address status on WCIS was changed to either MLRET or PERBD after the refund was input but before the interface was run.
 - Are there rejects on the 840? Rejects listed on the 840 did not have refund warrants printed.
 - Verify that all the manually input refunds are included on both reports (there have been timing issues with refunds input early in the day being included on the 950PR a day earlier than they should).
 - If after you have checked all of the above the reports still do not balance, contact the AR Manager who may need to request via response to Benefits Payable

Exhibit 2

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- email, that all the refunds from the run be pulled and held until the reports can be balanced.
9. Review any rejects on the 840 to determine if the credit should be put back on the policy and a refund re-issued. Notepad the information on WCIS.
 10. Review any rejects on the 950RE. Have the address status updated to ADROK to release the refund. Request that the refund be pulled and voided, have the address status changed back to MLRET or PERBD.
 11. Verify, using the 950PR, that an authorized user (Controller, A/R Manager, Collections Supervisor, or Direct Billing Supervisor) processed all manual refunds.
 12. Verify that there is backup for all manually input refunds and attach backup to refund reports.
 13. Review any policies on the 350 that show a debit balance. Bring these to the attention of the AR Manager who will determine if the refunds need to be pulled. If necessary, the AR Manager will rRequest, via response to Benefits Payable email, that refunds be pulled and held or voided as appropriate.
 - ~~14. Request via response to Benefits Payable that warrants be pulled for pickup as appropriate.~~
 - ~~15. Note pull requests on refund reports.~~
 - ~~16. Maintain refund balancing reports and attachments for one year.~~