

**COMPTROLLER OF ACCOUNTS CIRCULAR NO. 2 DATED 2012 APRIL 27**

**TO:**

**PERMANENT SECRETARIES, HEADS OF DEPARTMENTS,  
CHIEF ADMINISTRATOR TOBAGO HOUSE OF ASSEMBLY  
AND  
HEADS OF STATUTORY AUTHORITIES SUBJECT TO  
THE STATUTORY AUTHORITIES ACT, CHAPTER 24:01**

**SUBJECT:**

**Revisions of the UNIMED Group Health Plan for Monthly-paid officers in the Civil Service, Statutory Authorities subject to the Statutory Authorities Act, Chapter 24:01, Tobago House of Assembly, Members of the Teaching Service and Holders of certain offices within the Purview of the Salaries Review Commission**

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Your attention is drawn to Personnel Department Circular Memorandum PD (bm):8/7/1 Vol. V (Temp) dated 2012 March 20, wherein you were informed that an agreement has been reached between the Chief Personnel Officer (CPO), Public Services Association (PSA) and Trinidad and Tobago Unified Teachers' Association (TTUTA) on the revised employer/employee contribution ratio, an increase in the death benefit and the inclusion of family coverage in the UNIMED (monthly paid) Group Health Plan (the Plan) with effect from 2012 April 01.

2. The Circular Memorandum also identified the categories of officers who are eligible for membership in the Plan and the criteria for coverage.
3. The purpose of this Circular is to set out the accounting procedures to be followed by the respective Agencies.

**Revised Contribution to the Plan**

4. With the introduction of Family Coverage and the increased Death Benefit, the total monthly contribution per member for Employee Coverage (only) and Family Coverage is now \$129.00 and \$287.00 respectively. As a result, both employer and employee will contribute to the Plan based on the revised contribution ratio of 60:40. The resulting revised monthly contributions are as follows:

**Employee coverage (only)**

Monthly Contribution		
Employer	-	\$ 77.40
Employee	-	<u>\$ 51.60</u>
		<u>\$129.00</u>

**Family Coverage (Optional)**

Monthly Contribution		
Employer	-	\$172.20
Employee	-	<u>\$114.80</u>
		<u>\$287.00</u>

5. The above contribution covers the month or any part thereof. It must **not be pro-rated** and the full contribution of **\$51.60** for employee coverage only, or **\$114.80** for family coverage, must be deducted from the salaries of qualifying employees in the relevant month.

### Contributions for 2012 March

6. The revised terms of the Plan came into effect from 2012 April 01 and contributions are payable monthly in advance. As a consequence, the Integrated Global Payroll (IGP) system has been configured to deduct the revised sum of \$51.60 from employees' salaries (ie employees' coverage only) with effect from 2012 March.

### Family Coverage

7. Further, contributions towards Family Coverage came into effect from 2012 April 01 and are payable monthly in advance. You should ensure that officers who opt to include their dependants under the Plan complete the enrollment cards and forward them to the designated Liaison Officer in your Human Resource Unit.

8. Officers who wish to include their dependents on the Plan have a period of 90 days from the effective date of implementation to enroll them, without being required to provide evidence of good health. An eligible officer who opts for Family Coverage within the 90-days period must ensure that all arrears of contributions are deducted so as to maintain coverage from the effective date.

Examples:-

- a. Deductions **possible** in the month that the option was made:

If the option was made in the month of 2012 March then coverage will be effective from 2012 April and deduction from the employee's salary in the month of 2012 March would have been \$114.80.

- b. Deductions **not possible** in the month that the option was made:

If the option was made in month of 2012 March then the coverage will be effective from 2012 April. If deductions were not made in the month of 2012 March then the deductions for 2012 April must be \$178.00 and \$267.00 for employee and employer respectively as shown below:-

	Employee	Employer
Arrears for the month of 2012 March (\$114.80-\$51.60) (\$172.20-\$77.40)	\$ 63.20	\$ 94.80
Add: Contribution for 2012 April	<u>\$114.80</u>	<u>\$172.20</u>
Total	<u>\$178.00</u>	<u>\$267.00</u>

9. Thereafter, monthly deductions should be made from the officer's salary in accordance with paragraph 5 above. Note: the IGP has been configured to deduct the amount of \$114.80 from employee's salaries with effect from 2012 April.

10. Although the Family Coverage is optional, once an officer exercises this option, **deductions must continue** to be made from his/her salary until the dependant ceases to be eligible under the Plan. The onus is on the employee to inform the Human Resource Unit of any change in the status of his/her dependants.

### **Human Resource Unit**

11. The Human Resource Unit must ensure that the Accounting Unit is promptly informed of individuals who opt for Family Coverage to ensure that deductions are made in a timely manner and at the correct rate. This process is as follows:-

- a. Ensure all Enrollment Cards are accurately completed and verify data against the relevant documents (e.g. Birth Certificates).

All Enrollment Cards must be stamped and signed by the designated officer in the Human Resource Unit and forwarded to M&M Insurance Broking Services Ltd (M&M) along with copies of relevant documents.

- b. A monthly List of Changes statement must be prepared in duplicate, using the Return of Personnel (ROP), to reflect any additions to or deletions from the Plan when compared to the previous month's records.

This List must be signed by the most senior officer in the Human Resource Unit and reach the Payroll Unit by the 5<sup>th</sup> working day of the month.

### **Accounting Unit**

12. The Payroll Unit must undertake the following:-

- a. Data entry on the IGP/IhRIS system for employees in respect of M&M deductions. The process is as follows:-
  - Enter the employee ID number on the Recurring page and Search;
  - Select Deduction code, "GROUP HEALTH" and Enter end date (for employee coverage only);
  - Add a New Row and select "Deduction";
  - Enter Deduction Code (GRP FAMILY EE) with a begin date

Note: Do not enter any **Override** value for Family Coverage.

The assigned deduction codes for Family Coverage are:-

'GRP FAMILY EE' for employee; and  
'GRP FAMILY ER' for employer coverage.

/4... b. Generate

- b. Generate the Statement of Contributions/Deduction Listing for distribution as follows:-
- Original to be attached to the paysheet;
  - One copy to be used as the supporting document to generate the voucher for the employer's contribution; and
  - One copy to be forwarded to M&M ( The Plan Administrator).

An amended statement of Contributions/Deduction Listing is attached at **APPENDIX A**. Note: the remarks column is to be used to identify periods where contribution is different from the normal rate.

- c. Prepare a Statement of Contributions/Deduction Listing in respect of manual paysheets or special contributions to be distributed as follows:-
- Original to M&M;
  - Duplicate for records in the Accounting Unit; and
  - Triplicate to be attached to the payment voucher to generate employer's contribution (for manual paysheet only).
- d. Prepare payment voucher to reflect the employer's contribution. The payment voucher must be made in favour of M&M Insurance Broking Services Ltd and should include paysheet reference information and the month to which the payment relates. The voucher must be supported by a copy of the Statement of Contributions.
- e. Prepare a single cheque for the full contribution (i.e. both employer and employees) payable to M&M Insurance Broking Services Ltd. In this regard, you must ensure that the voucher for the employer's contribution is processed together with the paysheet. In addition, details of the relevant Head/Sub Head/Item/Sub Item and Accounting Unit Number should be inserted on the cheque stub.

### **Payment to the Plan Administrator**

13. All payments to the Plan Administrator will continue to be made using the pre-coded deposit slips.

- a. You are reminded that care must be taken to distinguish between daily paid and monthly paid slips.

*Failure to use the assigned pre-coded deposit slips will result in contributions being deposited to the wrong account and affect the timely processing of claims for employees.*

- b. The deposit slips must be prepared in quadruplicate and distributed as follows:-
- Original and duplicate for the bank;
  - Triplicate for M&M; and
  - Quadruplicate for records of the Accounting Unit.
- c. Banking arrangements remain the same which is as follows:-
- The delivery of the M&M cheque and deposit book to the **Commercial Teller**, RBC Royal Bank Trinidad and Tobago Limited, Park Street, Port of Spain, by **the last working day of the month** to which the payments relate.
  - Employees who have opted to be covered under the Plan and have agreed to pay the full contribution must:-
    - i. Obtain from the paysheet clerk the necessary bank deposit slips in triplicate;
    - ii. Deposit the contribution at RBC Royal Bank Trinidad and Tobago Limited, Park Street, Port of Spain using the bank deposit slips; and
    - iii. Return the triplicate of the deposit slip to the paysheet clerk.

#### **Submission of documents to M&M**

14. The undermentioned documents must be placed in a sealed envelope and submitted to M&M by **the 3<sup>rd</sup> working day of the month** following that for which the deductions relate:-

- Original of monthly list of changes;
- Copy of Deduction Listing/Statement of Contributions;
- Copy of pre-coded deposit slip; and
- Covering letter.

M&M must acknowledge receipt of the documents by signing and dating a copy of the covering letter. This acknowledgement letter must be kept in a file in the Accounting Unit.

#### **Updating of Records**

15. Agencies must maintain a record of deductions made for each employee in accordance with Regulation 80 of the Financial Regulations to the Exchequer and Audit Act Chapter 69:01 and paragraph 126 of the Financial Instructions 1965.

**General**

16. You should ensure that:-
- a. All eligible employees are covered for the period while in your employ and that deductions are made from their salaries to preserve their benefits under the Plan.
  - b. All relevant documents are submitted to the Plan Administrator to enable reconciliation and updating of records .

**Internal Audit**

17. You are advised that the Internal Audit Units should include the audit of the UNIMED Group Health Plan system in their annual work program.

**Estimates for Additional Funding**

18. Where it is anticipated that supplementary funding is needed to meet the increased expenditure, Agencies are required to submit requests to the Budget Division by 2012 April 30. You are advised, however, that pending the provision of such supplementary funding, virements could be effected to meet monthly commitments.

19. All Permanent Secretaries, Heads of Departments, Chief Administrator Tobago House of Assembly and Heads of the Statutory Authorities subject to the Statutory Authorities Act, Chapter 24:01 should ensure that the contents of this Circular are brought to the attention of all relevant personnel.



**ROSELYN RAMDIN-DOOBRAJ**  
**Ag. COMPTROLLER OF ACCOUNTS**

**APPENDIX A****STATEMENT OF CONTRIBUTIONS/DEDUCTION LISTING**

MINISTRY: MINISTRY OF

SECTION NUMBER: -----

DEDUCTION LISTING FOR THE MONTH ENDING: -----

CODE GROUP HEALTH      GROUP HEALTH PLAN  
 M&M INS BROKING SERVICES LTD  
 309 BOISSIERE VILLAGE  
 MARAVAL, PORT OF SPAIN

EMPLID	EMPLOYEE NAME	EMPLOYEE CONTRIBUTION	EMPLOYER CONTRIBUTION	TOTAL	REMARKS