

## Paylogix® Application Data What's a Common Remitter®?



*A Common Remitter® collects gross premiums on behalf of an employer with the responsibility of disbursement to the respective benefit plan providers. This is essentially a bill payor function.*

### **Common Remitting Defined**

A supplemental benefits provider approached us regarding a large client's desire to pay fewer bills. The insurer was looking to capitalize on the existing relationship with the client and to re-enroll with a portfolio of new product offerings. However, the client, convinced of the employees' desire for these new benefits, was reluctant to take on the additional administrative chores associated with the reconciliation and remittance of premiums.

Our solution to this was a simple one, our Common Remitter® service. This service was a familiar one to the insurer as a number of other clients were already utilizing it.

The service works like this: The employer forwards the transfer of payroll deductions and

group premiums along with a summary report for all enrolled employees to Paylogix®. In this example, the client was able to make use of the tools available to them through the Paylogix® web-based billing system. The client used the system's File Upload Utility to regularly transfer necessary electronic data file exports directly from their payroll system to Paylogix® within a fully encrypted secure environment without the hassle of exchanging tapes or diskettes via common courier. At Paylogix®, this data is compared to the internally generated bill for the given pay cycles. Paylogix® then extracts the premium for each enrolled product by insured and reconciles against the internally generated bill. Upon final reconciliation, the premiums and supporting documentation is forwarded to the different insurers with policyholder resolution.

The Common Remitter® service is useful when little or no billing is desired and the need for multiple premium payment to multiple benefit providers arises.

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