**Would you please explain what this invoice means?**

**Description of Invoices**

(please note that contributions are approved by the REMIF Board of Directors)

**WC, Liability, APD and Property Contributions and Assessments:**

Unlike commercial insurance, REMIF is a pool of self-insurance. While this is an oversimplification, the 15 REMIF member cities pool their money together to pay for liability, workers’ comp, property, auto physical damage (APD) claims. Rather than calling the money “premiums” (like you would with commercial insurance), we call the money “contributions.”

These contributions cover the larger REMIF programs: liability, workers’ compensation, property, APD. Because the workers’ comp contributions are significant, they are paid 4 times a year. The other contributions are paid just once a year.

The amount of contributions is determined by a few factors. First, an actuary analyses all the citys’/towns’ losses and calculates how much money needs to be collected to fund those losses and to pay those claims in REMIF’s layer. Then, amounts for administration, excess coverage, and services are added in. Then, that total figure is allocated to the members based on a mathematical calculation we call “experience modification.” These figures are presented to the REMIF Board of Directors for review and approval.

There are services that are included in the annual liability and workers’ compensation contributions (services such as Lexipol LE (law enforcement), Liebert Cassidy Whitmore Consortium, Occumed, My Safety Officer/DFK). The crime/bond coverage and workers’ compensation excess coverage are also included in the annual contributions (these costs are factored in the annual contributions), as are the various trainings (Police Chiefs training, annual conferences, public works, sexual harassment).

Assessments are the amounts that are assessed against a program to fund the gap between what is collected and what the outstanding liability is for the program.

A Contributions and Assessments summary is provided to the REMIF Board of Directors every year. This provides the amounts to be paid in Q1 (the annual contributions and one quarterly contribution), as well as the amounts to be paid in Q2, Q3, and Q4. Separate billings will be sent for the administrative fees/deductibles and pass through billings (safety, DOT, DIC, OSIP, etc.), which are described below.

**Deductible/Admin Fee**:

The REMIF members pay a deductible on the various programs (liability, workers’ compensation, APD, property, etc.) for each claim that is filed. When a claim is filed, REMIF handles the claim from the start (we call that handling from dollar one) and then bills the member city for the deductible on that claim. If it’s a workers’ compensation claim, REMIF handles the claim, and the deductible of that claim gets billed to the city. REMIF pays beyond that. The deductible billings go out twice a year for all programs (due in March and September).

All deductible information comes through REMIF but is provided by Athens Administrators for worker’s compensation, and George Hills, the administrator for liability.

There’s also an administrative fee that gets included in this billing. For every workers’ comp or liability claim that is filed, the member city pays REMIF to handle that claim. Workers’ compensation admin fees are: $1,000 for each temporary disability and minor PD claim, $50 for each first aid and medical only claim, $0.00 for info only claims. The admin fee for liability is $50 per claim. Those are also included in the deductible invoice that goes out twice a year.

**Pass-through Invoices:**

There are some invoices that are “passed through” to the cities (meaning REMIF pays for the services up front and then seeks reimbursement from the member cities for those services). The “pass through” invoices that go out at the start of the fiscal year cover billings from the prior fiscal year.

**Legal Services, Shapiro Law Firm:**

This is an annual pass-through invoice which includes fees for human resources legal consultations, provided by Adrienne Moran from the Shapiro, Galvin Law Firm. All costs on this invoice is allocated to each member based on member use.

**CDT:**

This is an annual pass-through invoice. Comprehensive Drug Testing, Inc provides DOT and pre-employment testing for REMIF member cities. All costs on this invoice is allocated to each member based on member use.

**MSDS/HQ Renewal:**

This is an annual pass-through invoice. Material safety data sheets provided by HQ Renewal. All costs on this billing is divided evenly amongst 15 members.

**Lexipol Fire:**

This is an annual pass-through invoice for police/fire manuals/training for member cities who have contracts with Lexipol LLC. All costs on this invoice is allocated to each member based on member use.

**Safety/Acceptable Risk:**

This is an annual pass-through invoice for safety consulting (provided by Acceptable Risk/Mark Hemmendinger) These costs are divided evenly amongst 15 member cities.

**OSIP:**

This is an annual pass-through invoice payable in December. (REMIF receives the bill from DIR- late Nov. or early Dec.) OSIP is a program within the Department of Industrial Relations (DIR) and is responsible for the oversight and regulation of workers' compensation self-insurance. The OSIP program on the state level is funded through assessments billed to the employer/s for the cost of the administration of the workers’ compensation, health and safety and labor standards enforcement programs. OSIP uses indemnity payments made by the employers (which is reported annually to OSIP) to calculate the assessment to each employer. REMIF uses claims paid data to allocate the State’s OSIP fees to each REMIF member.

**DIC (earthquake)/Flood Deductible Buy Down:**

DIC, or difference in conditions, is our earthquake coverage. All costs on this invoice is allocated to each member based on quake zones. CJPRMA?

The deductible buy down for the high flood zones has been allocated to those members with property in the high flood zones.

**Contracted Fire:**

Some REMIF cities provide “contract” fire services for neighboring cities/counties. There is an additional coverage cost associated with these services. These are billed separately to the city members.

**Work Comp “Old” Eureka Claims/Admin Fee:**

Many years ago, when Eureka joined REMIF’s workers’ compensation pool, there were some outstanding or “old” Eureka claims that REMIF handled for City of Eureka. Those old claims were not part of the REMIF pool and are billed to Eureka separately. All the claims after Eureka joined were part of the pool. The “old” Eureka claims are billed straight to Eureka (meaning the City of Eureka pays for the costs of the claim, nothing is pooled). Eureka pays an annual administrative fee of $1,000 for the handling those claims.

**Health Comp (Medical, Dental and Vision):**

Invoices are emailed directly to our member cities by Health Comp between the 16th- 25th of the prior month. Using the payment amount on the Health Comp invoice, payment is due to REMIF office by the first day of the month. (Please see the Monthly Health Comp and EAP payments document for details.)

**EAP:**

Headcount/invoice forms (from city’s internal EE list) are created by our member cities using the “snapshot” date of the 18th of the prior month. Using the number of EAP benefit eligible employees, the city completes the EAP Headcount/Invoice form, and e-mails the completed form to REMIF by the 22nd of every month. Using the payment due on the EAP Headcount/Invoice form, payment is due in the REMIF office by the first day of the coverage month. (Please see Monthly Health Comp and EAP payments document for details.)

**REMIF Retiree:**

REMIF Retirees are billed monthly for medical, dental, vision, life premiums, according to their contribution schedule.