

**From:** [Debbie Charney](#)  
**To:** [Debbie Charney](#)  
**Subject:** Central States Audit  
**Date:** Monday, November 9, 2020 1:35:58 PM

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**From:** Barbara Hanson  
**Sent:** Friday, November 6, 2020 12:08 PM  
**To:** Kathleen McDaniel; Jessie Lillibridge; Steve Corbeille  
**Subject:** Central States Audit

Good Morning,

I have reviewed the list of preliminary audit adjustments from TeamCare/Central States and have attached documentation of the items in question. I have labeled the documentation based on the category the adjustment was listed as on the report, with the employee name. The documentation I have provided is the detail of the billing report that we submitted for the periods in question, and the employee timesheet data for the same periods. This helps clarify the data we originally provided and what they are adjusting. All of these people were coded as a status with no premium due for the weeks in question. Based on the audit findings, we used incorrect status codes, and with the correct status codes, premiums should have been paid. The audit report indicates the status code they are changing it to. They are billing us based on the weekly rate at that point in time, which can be seen on each billing report.

There are social security numbers on the reports, but they are all info that Central States already has.

To help understand the data provided, below is an image from a monthly billing report that we submit. The billing is submitted online, and each month we are provided a report of currently active employees, with each week of the billing cycle. The column dates are the week beginning dates. We are expected to report each employee's status for each week of the billing cycle. There is a drop down list of status codes, and a 1 next to the code indicates that we are billed a premium for that period, versus a 0 next to the code indicates that we are not billed a premium for that period. We select codes based on our understanding of the plan, but sometimes we may not have a clear understanding of when premiums are due and when they are not. At a certain point in time the City told them we would not provide weekly status coding, but if I feel there is a situation where a premium is not due, I change the employee status because it saves the City money in premium cost. I don't change codes very often, but if I see activity in timesheets indicating there is a situation where I feel we may not be obligated to pay premium, I reach out to our billing rep for guidance on how to report the status of an employee that is off of work. I have attached a report of all status codes. Some of the codes use wording that references the requirements of the agreement, which is our gray area since we don't know the terms of the agreement.

If you have any questions, let me know.

**Barb Hanson** — Payroll Administrator  
**City of Manitowoc**

Phone: (920) 686-6964

Email: [bhanson@manitowoc.org](mailto:bhanson@manitowoc.org)