

TEACHERS' RETIREMENT SYSTEM



STEVE BULLOCK, GOVERNOR

www.trs.mt.gov

STATE OF MONTANA

1500 EAST SIXTH AVENUE
PO BOX 200139
HELENA, MONTANA 59620-0139

1-866-600-4045
406-444-3134

July 10, 2014

To: TRS Employers Reporting via TRS Online Insurance Deduction System
From: Shawn Graham, *Executive Director*
RE: EFT/ACH Transfer of Retiree Health Insurance Premium Payments:
Beginning September 1, 2014

As part of the ongoing upgrade of TRS Online Services, TRS is now able to remit retiree health insurance premiums via Electronic Funds Transfer (*EFT*) through an Automated Clearinghouse (*ACH*). This capacity will be available to all TRS employers beginning September 1, 2014.

Our current process is to remit health insurance premiums, on behalf of retired TRS members, to the TRS Employer. The warrants are made either directly to the TRS Employer or to the TRS Employer's insurance carrier.

Due to the administrative effort and cost savings, TRS will remit health insurance premium payments via EFT/ACH transfer whenever possible. If you are a TRS Employer who reports via the **Insurance Deduction** System, and you have the technical capacity to send and receive funds via EFT/ACH transfer, we strongly encourage you to submit the attached **AGREEMENT FOR ELECTRONIC FUNDS TRANSFER AUTOMATED CLEARING HOUSE CREDIT AUTHORIZATION INSURANCE PREMIUMS** (TRS Form 140A). If you have already submitted TRS Form 140A, no additional action is necessary at this time. You can expect your first EFT/ACH transfer to occur in September.

If you choose to receive health insurance premiums via EFT/ACH, payments will go directly to an account owned by you as the TRS Employer. EFT/ACH payments cannot be made directly to an insurance carrier.

The properly executed EFT/ACH agreement will become effective within 30 days after receipt by TRS. TRS will transfer funds from the State of Montana to the TRS Employer's account on the last business day of each month. The transfer of funds represents the insurance premiums due as stated on the monthly deduction report submitted by the TRS Employer. If the TRS Employer must make any changes in the depository financial institution information, TRS must be notified in writing at least 30 days in advance of the change.

If you have questions, please do not hesitate to contact TRS.