



TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER EL PASO

Operating Policy and Procedure

HSCEP OP: 50.04, MPIP Trust Fund Management

PURPOSE: The purpose of this Health Sciences Center El Paso Operating Policy and Procedure (HSCEP OP) is to establish the rules and requirements for managing and reconciling the trust funds for the Medical Practice Income Plan (MPIP).

REVIEW: This HSCEP OP will be reviewed on April 1 of every even numbered year (ENY) by the MPIP Executive Director and the Director of Accounting Services, with recommendations for revisions submitted to the Chief Financial Officer by April 15.

POLICY/PROCEDURE:

1. Definitions.

Trust Funds were established in Banner for accumulating GE Centricity (formerly known as IDX) receipts at each campus. The Banner trust fund is: 133003.

2. Managing Trust Fund Activity. The trust fund was established to allow for central management of the MPIP GE Centricity billing and collections function. The trust fund facilitates patient revenue postings that often involve more than one MPIP department.

Deposits recorded in the trust fund should only include patient income that is maintained in the GE patient accounting system. Other MPIP revenue that is not patient based, including most contract revenue, should not be recorded in a trust fund and instead should be posted directly to the applicable MPIP FOAP(s) of the department(s) that earned the revenue.

Distributions from the trust fund are processed based on payments that post to GE Centricity, adjusted for refunds and other accounting items. Expense distributions from the departments to the appropriate fund or account occur at the time of the revenue distribution.

The MPIP Business Office is responsible for populating the on-line tables necessary to distribute revenue and expenses. Tables, reports and other information may be found at the MPIP Revenue and Expense Distribution website: <https://aws03.ttuhscc.edu/MPIPDistribution>. Tables should be updated prior to the deadline indicated on that site.

Corrections arising from the monthly distribution can be made by submitting one Journal Voucher per month to Accounting Services or may be corrected in the following month's table distribution as decided by the appropriate campus.

Entries to the MPIP Unidentified Billing Area account in the trust fund must be cleared by the MPIP Business Office.

3. Reconciling the Trust Funds (Banner) to GE Centricity. The activity and ending balance for each trust fund must be reconciled monthly by the applicable MPIP Business Office to the activity and balance in GE Centricity. The Director of School of Medicine Reporting, Analysis, and Budget and the Director of MPIP Business Office must review the reconciliations. Reconciling items need to be cleared in a timely manner. Items over 60 days should include an explanation. A completed and reviewed monthly reconciliation must be submitted to Accounting Services no later than 60 days after the end of each month. Reconciliations not received within 60 days will be considered delinquent. Accounting Services will notify the Chief Financial Officer each month of delinquent reconciliations. A completed August 31 reconciliation and documentation must be submitted to

Accounting Services by October 30 each year, to document the reconciliation of the balances at the end of the fiscal year. The MPIP Business Office should retain documentation to explain all reconciling differences between the trust funds and GE Centricity, with such documentation to be made available upon request from Accounting Services, Internal Audit, or other administrative offices. Any permanent differences must be promptly corrected. Any year-end correcting entries must be sent to Accounting Services by September 10.

Examples of reconciling differences that could exist between the activity and balance in the Banner trust fund and the activity and balance in GE Centricity follow:

- Payments recorded in GE Centricity on the last business day of the month that are not posted to the trust fund until the first business day of the subsequent month (or vice versa)
- Returned checks promptly deducted from the trust fund towards the end of the month but not recorded in GE Centricity until the subsequent month (or vice versa)
- Patient refunds promptly deducted from the trust fund towards the end of the month but not recorded in GE Centricity until the subsequent month (or vice versa)
- Blue Cross/Blue Shield or Medicare payments promptly recorded to the trust fund towards the end of the month when the wire payment is received but not recorded in GE Centricity until the subsequent month when the tapes are received
- Deposits posted to the trust fund for a different campus than is reflected in the recording of the payment in GE Centricity
- Voided refund checks that are recorded in GE Centricity towards the end of the month when the check cancellation request form is filled out and sent to Accounting Services but not posted to the trust fund until the subsequent month when the form is received and processed by Accounting Services
- Deposits posted to the trust fund for collections not identified with a known billing area in GE Centricity (and thus not recorded in GE Centricity)

Failure by a Business Office to timely reconcile the applicable campus trust fund significantly increases the risk of fraud and malfeasance.

4. **Responsibility for Internal Controls and Review.** The Chief Financial Officer is responsible for establishing internal controls and processes to insure that cash receipts recorded in GE Centricity are properly deposited, recorded, and reconciled to the Banner finance system through the appropriate trust funds. (Basic Principles of Internal Control are located in [Attachment A, HSCEP OP 50.03](#)).

The Director of School of Medicine Reporting, Analysis and Budget and the Director of MPIP Business Office will review the monthly reconciliations to insure completion and accuracy.