



3rd Party (Subsidy) Agency Billing & Payment

User Guide

Last update Jan 6th, 2018

Contents

1. What is The Purpose	2
2. 3rd Party (Subsidy) Agency Setup.....	2
3. Flag a Family as Subsidized Family.....	3
4. Setup up Recurring Billing to 3rd Party Agency	3
5. Agency Payment / Transfer / Adjustment Posting	5
6. Agency Payment Automatic Application Rule	8

1. What is The Purpose

This user guide covers the steps in OnCare in the setup, billing and payment related to subsidy agencies (in OnCare it is called 3rd Party Agency). OnCare maintains a separate Agency Ledger to track all the agency related billing and payments.

2. 3rd Party (Subsidy) Agency Setup

If you center accepts 3rd party subsidized agency payments, the **first step** is to setup the 3rd party agency in OnCare.

Family Accounting --> Setup --> Other → Add/Edit 3rd Party Agency



The screenshot shows the 'Add/Edit 3rd Party Agency' form. The 'Agency Abbreviation' field contains 'SCCS'. A yellow box with an arrow pointing to the field contains the text: 'Abbreviation should be 3-4 characters only'. Other fields include Agency Name (Santa Clara County Children Services), Contact First Name (Ken), Contact Last Name (Jenson), Email (kenj@sccs.org), Address (7874 San Fernando St), City (San Jose), State (California), Zip (95565), Telephone (408 233 6732), Fax (408 233 1000), and Status (Active). There are 'Save' and 'Cancel' buttons at the bottom.

Note: Only Agency Name and Abbreviation are mandatory fields.

When a 3rd party agency record is created, the system automatically creates a ledger for the agency.

3. Flag a Family as Subsidized Family

In order for the subsidized function to work, the next step is to flag all subsidized families. To do that you need to go to the Family record and check "Subsidized" check box in the Family Type field within the **Family Info** section of the family record as shown below:

The screenshot shows a form with two columns. The top section contains fields for Employer (dropdown), Employee ID (text), Show Work Address (checkbox), and Work Phone (text). Below this is a dark blue header for 'Family Info'. Under 'Family Info', there are fields for Family Status (dropdown, set to 'Active'), Ledger Type (radio buttons for 'Single' and 'Multiple'), and Email Preference (dropdown, set to 'Email Parent 1'). To the right of these fields is the 'Family Type' section, which includes a checked checkbox for 'Subsidized', and unchecked checkboxes for 'Summer Camp', 'Drop-in', 'Full Time', and 'Part Time'. A yellow callout box with the text 'Check here' and an arrow points to the 'Subsidized' checkbox. Below the 'Family Info' section is another dark blue header for 'Payment Info', which includes 'Online Payment' and 'Not Enrolled'.

4. Setup up Recurring Billing to 3rd Party Agency

Once you have flagged a family as subsidized family, when you go to the Child Billing section within the child record, you are able to setup billing items for the 3rd party agency. Note: If "Subsidized" family type is not checked, the agency ledger is NOT available to be selected in the Ledger Type.

There are two methods to setup recurring billing for subsidized families.

Say the child tuition is \$300 per month. The 3rd party agency has indicated that it will pay \$216 and the parent has a \$84 co-pay.

(a) Parent Co-Pay Net Amount Method

In this method you would setup 2 billing items in the child billing section of the child record. The first billing item is to bill the 3rd party agency ledger for \$216. The second billing item is to bill the Sponsor (parent) ledger for the \$84 parent co-pay as show below:

Billing [Add New Billing](#)

Any billing item added here in the Billing section will be used for Automatic Recurring Billing.

Program Billing

Billing Cycle: Monthly [Change Billing Cycle](#)

Ledger Type	Transaction Type	Billing Frequency	Billing / Credit Description	Amount / Credit %	Comments	Date		Status	Action
						Start	End		
CCMS	Tuition Charge	Monthly	Subsidized Monthly Tuition	216.00	Leonardo Atkinson	01/01/2018		Active	Edit Delete Add % Discount
Sponsor	Tuition Charge	Monthly	Parent Co-Pay	84.00	Leonardo Atkinson	01/01/2018		Active	Edit Delete Add % Discount

Agency Ledger

Parent Co-Pay net amount

In the parent co-pay method, the parent ledger is less cluttered and it is the more straight forward. However, the subsidized parents do not see the full tuition amount on their account statement.

(b) Subsidy Offset Method

In this method you would setup 3 billing items in the child billing section of the child record. First is to bill the 3rd party agency ledger for the total subsidy amount. Next you setup 2 billing items in the Sponsor ledger. The first sponsor billing item is the parent full tuition. Then the 2nd associated billing item is a "subsidy offset" which is equal to the subsidy amount. This net of 2nd and 3rd billing item in the Sponsor ledger is equal to what the parent owes as the parent co-pay.

Billing [Add New Billing](#)

Any billing item added here in the Billing section will be used for Automatic Recurring Billing.

Program Billing

Billing Cycle: Monthly [Change Billing Cycle](#)

Ledger Type	Transaction Type	Billing Frequency	Billing / Credit Description	Amount / Credit %	Comments	Date		Status	Action
						Start	End		
IDHS	Tuition Charge	Monthly	Subsidy - Infants	734.38	Eloise \$135/4 full days			Active	Edit Delete Add % Discount

Billing Cycle: Weekly [Change Billing Cycle](#)

Ledger Type	Transaction Type	Billing Frequency	Billing / Credit Description	Amount / Credit %	Comments	Date		Status	Action
						Start	End		
Sponsor	Tuition Charge	Weekly	Infants 4 Days	268.00	Eloise Byrne			Active	Edit Delete Add % Discount
Sponsor	Credit	Weekly	Subsidy Offset	236.84	Eloise Byrne \$31.16 / 4 full days			Active	Edit Delete

In the Subsidy Offset method, the subsidized parents do see their full tuition in their account ledger and statement.

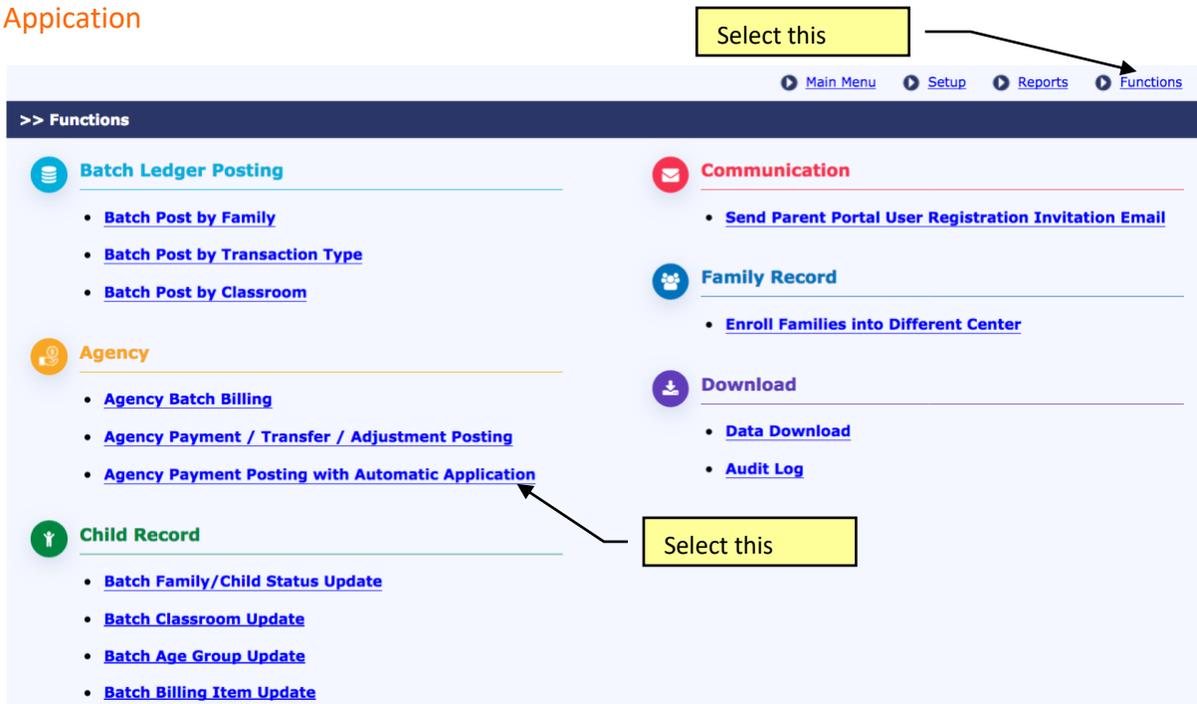
Note: Depending on the method you choose, you would need to setup a tuition charge billing item called "**Parent Co-pay**" or a credit billing item called "**Subsidy Offset**" under Billing Item Setup.

In either method, when the automatic recurring runs, the system automatically post the respective billing items to the parent and the agency ledger.

5. Agency Payment / Transfer / Adjustment Posting

When you receive a payment from the Agency, you should use the following function:

Family Accounting --> Functions --> Agency --> Agency Payment Posting with Automatic Application



Subsidy Agencies typically pay for multiple children with a single check or bank direct deposit. With each payment, the Agency provides a statement indicating which children and charges are being paid for. This Agency Posting function is designed to help you allocate the Agency Payment to the respective children accurately as shown below.

First, select the billing and posting related information related to the payment received:

>> Agency Payment Posting with Automatic Application

[<< Back](#)

In this function, the system allows you to enter the total amount received from the agency per child. It then automatically calculates the different amount between what is billed and what is being paid by the agency, if any. The different amount (due to underpayment or overpayment) can then be automatically applied to various buckets in batch based on the rules you set. To review and change the rules, go to **Administrative Functions --> Family Accounting --> Agency Payment Automatic Application Rules**

* Agency

Select Billing Posting Period

From To

* Payment Posting Date

* Check Date

* Check Number

* Check Amount

Next, enter the agency payment amount for each child as outlined in the agency statement:

>> Agency Payment Posting by Child

Agency Name Agency Abbreviation

Billing Posting Period

Payment Posting Date Check Date

Check Number Check Amount

No.	Family Acct Key	Child First Name	Child Last Name	Charges	Payment
1	HEARD	Se-Miyah	Beltran	\$ 952.00	<input type="text" value="\$0.00"/>
2	LEACH	Dorrell	Bolton	\$ 639.00	<input type="text" value="\$0.00"/>
3	ALEXANDER	Aishah	Brooks	\$ 952.00	<input type="text" value="\$0.00"/>
4	MCLEOD	Olivia	Brown-coats	\$ 952.00	<input type="text" value="\$0.00"/>
5	TAFOYA	Breana	Castro	\$ 952.00	<input type="text" value="\$0.00"/>
6	TAFOYA	Lillyana	Castro	\$ 640.00	<input type="text" value="\$0.00"/>

25	BARROW	Calvin	Wynn	\$	952.00	\$0.00
26	PLUMMER	Chloe	Wynn	\$	640.00	\$0.00
Calculate Total						\$0.00

@ 2017 OnCare. All rights reserved. OCO 3.2 Today: January 16, 2018

Note: Click on the “Calculate Total” button when you are done entering the payments for all the children. Only when the calculated total equals to the check amount, the “Next” button will be enabled.

On the next screen, the system will calculate and apply the difference between the payment amount and the billed amount. The Underpayment and Overpayment will be automatically calculated and placed on the column shown below:

- **Underpayment**
 - Left as outstanding balance from Agency
 - Transfer to Sponsor’s (Parent) ledger
 - Write-off
- **Overpayment**
 - Left as outstanding overpayment from Agency
 - True-up (automatically create a tuition charge to the agency ledger to true up the billing amount to match the agency payment amount)

>> Agency Payment Posting with Automatic Application

The agency payment received for each child is applied to all the open billing items for that child on a first come first, served basis. The Different Amount (underpayment or overpayment) can be handle in the following three ways:

- Transfer: The underpayment amount is transferred from agency ledger to the parent ledger
- Write-off: The underpayment amount is written off if you don't expect to receive it from the agency or the parent
- True-up: The overpayment is automatically "true-up" by adding a corresponding billing in the agency ledger

Agency Name: Childrens Home Society Agency Abbreviation: CHS
 Billing Posting Period: 12/01/2017 - 12/31/2017

Payment Posting Date: 01/12/2018 Check Date: 01/08/2018
 Check Number: 12345 Check Amount: \$ 2,000.00

No.	Posting Date	Family Acct Key	Child First Name	Child Last Name	Charges	Applied	Due	Payment	Underpayment		Overpayment	Comments
									Transfer	Write-off	True-up	
1	12/01/2017	HEARD	Se-Miyah	Beltran	\$ 952.00	\$ 0.00	\$ 952.00	\$1,000.00	\$0.00	\$0.00	\$48.00	
2	12/01/2017	TAFOYA	Lillyana	Castro	\$ 640.00	\$ 0.00	\$ 640.00	\$600.00	\$0.00	\$40.00	\$0.00	
3	12/01/2017	KUMAR1	Prisha	Kumar	\$ 640.00	\$ 0.00	\$ 640.00	\$400.00	\$0.00	\$240.00	\$0.00	
Calculate Total								\$2,000.00				

Once everything looks correct, click on the “Next” button to do final review before submitting to post these transactions to the ledgers.

>> Confirm and Post Agency Payments

Please confirm the amounts you are about to post are correct. When you are ready, click the "Post" button to post the transactions to the agency ledger and family account ledger.

Agency Name: Childrens Home Society Agency Abbreviation: CHS
 Payment Posting Date: 01/12/2018 Check Date: 01/08/2018
 Check Number: 12345 Check Amount: \$ 2,000.00

No.	Posting Date	Family Acct Key	Child First Name	Child Last Name	Charges	Applied	Due	Payment	Underpayment		Overpayment	Comments
									Transfer	Write-off	True-up	
1	12/01/2017	HEARD	Se-Miyah	Beltran	\$ 952.00	\$ 0.00	\$ 952.00	\$ 1,000.00	\$ 0.00	\$ 0.00	\$ 48.00	
2	12/01/2017	TAFOYA	Lilyana	Castro	\$ 640.00	\$ 0.00	\$ 640.00	\$ 600.00	\$ 0.00	\$ 40.00	\$ 0.00	
3	12/01/2017	KUMAR1	Prisha	Kumar	\$ 640.00	\$ 0.00	\$ 640.00	\$ 400.00	\$ 0.00	\$ 240.00	\$ 0.00	
Total					\$ 2,232.00	\$ 0.00	\$ 2,232.00	\$ 2,000.00	\$ 0.00	\$ 280.00	\$ 48.00	

Buttons: Back, Post to Ledger, Print

6. Agency Payment Automatic Application Rule

You can configure the handling of agency underpayment and overpayment with automatic rule as shown below:

OnCare Office → Administrative Functions → Agency Payment Automatic Application Rule

Administrative Functions

Manage Users

- [Manage Users](#)
- [Manage Centers](#)
- [Manage Parent Account](#)

Family Accounting

- [Search Across Centers](#)
- [Add /Edit School Type](#)
- [Billing Setup - Center Level](#)
- [Program Setup](#)
- [Withdrawal Reason Setup](#)
- [Child Question Setup - Company Level](#)
- [Child Question Setup - Center Level](#)
- [Employer Setup](#)
- [Service Fee Setup](#)
- [Billing Configuration - company level](#)
- [Billing Configuration - center level](#)
- [Agency Payment Automatic Application Rule](#)

Select this

>> Agency Payment Automatic Application Rules

Select a Center

Select the appropriate rule and "Save"

Center Name Storybook Cottage - W.Sacramento

Underpayment Application Rules

- Transfer to Parent Ledger
- Write-Off
- Do Not Apply Automatically

Overpayment Application Rules

- True-Up
- Do Not Apply Automatically

Save **Cancel**