

IC MEMORANDUM 09-13



TO: KEHP Insurance Coordinators
FROM: Department of Employee Insurance (DEI)
Division of Insurance Administration
RE: Administrative Changes
DATE: June 10, 2009

Commonwealth of Kentucky
Personnel Cabinet
Department of Employee Insurance
2nd Floor, State Office Building
501 High Street
Frankfort, Kentucky 40601

Web Site: http://kehp.ky.gov

Effective July 1st, 2009, DEI will change two administrative policies and procedures. The new policies and procedures are prospective in nature, meaning they will apply solely to new hires who are hired, or cross-reference arrangements which are ended, on or after July 1, 2009.

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NEW HIRES: Currently, new hires have 30 calendar days after their dates of hire to enroll in KEHP. DEI is extending this period to 35 days, so as to make the enrollment period for new hires the same as the enrollment period for most qualifying events. Due to system limitations, the new, 35 day rule for enrollment of new hires will have to be partially administered through the grievance process.

Effective July 1, 2009, if a new hire for some reason fails to enroll in the GHI system within 30 days after the date of hire — but is able to complete and submit an enrollment application to his/her Insurance Coordinator within 35 days after the date of hire — the new hire may file a grievance with DEI requesting acceptance of the application. Except in unusual circumstances, grievances of these types will be granted, and the new hire's application will be processed by DEI's Enrollment Information Branch.

Please encourage your new hires to enroll within 30 days after their dates of hire, so as to avoid the grievance process. The granting of the extra 5 days is only available as a matter of last resort and requires the employee to go through the grievance process described in the 2009 Employee Handbook.

CROSS-REFERENCE: Currently, if two KEHP members have a cross-referenced "family" plan and one of the two members loses plan holder status, the remaining plan holder is automatically defaulted to "parent plus" coverage and is not permitted to drop any child(ren) unless proof of gaining other coverage is submitted.

Effective July 1, 2009, whenever a cross-reference arrangement is ended due to loss of plan holder status, the remaining plan holder will be permitted to move from "family" coverage to either "parent plus" or "single" coverage. In order to make this change, a drop form, indicating the desired level of coverage, must be received within 35 calendar days after the date of the qualifying event. If the drop form does not indicate the desired level of coverage, the remaining plan holder will be assigned "parent plus" coverage. A change to a different benefit plan (Commonwealth Maximum Choice, Commonwealth Optimum PPO, Commonwealth Capitol Choice, Commonwealth Standard PPO) is NOT allowed when a cross-reference arrangement is ended due to loss of plan holder status.

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Questions may be directed to DEI's Enrollment Information Branch at 502-564-1205 or DEI's Member Services Branch at 888-581-8834.

