Department of Employee Insurance
Kentucky Employees' Health Plan

Enrollment and Eligibility Guidelines

January 2019

KENTUCKY PERSONNEL CABINET

Kentucky Employees' Health Plan

Personnel Cabinet
Department of Employee Insurance
Kentucky Employees' Health Plan
501 High Street, 2nd Floor
Frankfort, KY 40601
Kehp.ky.gov

The Kentucky Employees' Health Plan (KEHP) is a self-insured plan with benefits designed in partnership with our multiple vendors to provide benefit administration and customer service. KEHP aims to provide the best possible level of coverage, administration, and customer service. See our vendor partners listed below:

KEHP Vendor Partners

- **Medical**: Anthem Blue Cross Blue Shield (Anthem) has operated in Kentucky for more than 75 years and is the largest insurance carrier in the Commonwealth. We are excited to work with this partner, who offers a large network of providers, excellent service and technology, and opportunities to help hold down costs.

Anthem BlueCross BlueShield

844-402-KEHP (5347)

- **Pharmacy**: The CVS/caremark network includes more than 67,000 pharmacies nationwide, including chain pharmacies and 20,000 independent pharmacies. It is important to know that you do not have to use a CVS pharmacy and may continue to use your existing retail, grocery store, independent pharmacy, etc.

CVS/caremark™

866-601-6934

- **FSA/HRA/COBRA**: WageWorks is a leader in administering Flexible Spending Accounts (FSA) and Health Reimbursement Arrangements (HRAs). WageWorks is solely dedicated to administering pre-tax spending accounts, which empower Employees to save money on taxes. They also provide COBRA administration services. They make benefits programs easier to understand and use so that everyone can take advantage of pre-tax savings and focus on what matters most.

WageWorks
everyone benefits

877-430-5519

- **Vitals SmartShopper:** KEHP's transparency vendor allows you to earn a cash reward for choosing a cost-effective option for your healthcare needs. It's easy and free to shop the Vitals list of services, lower your out-of-pocket costs, and earn rewards.

vitalssmartshopper

855-869-2133

- **Go365** is a wellness and rewards solution that motivates action and inspires healthy changes. KEHP Members earn rewards for healthy lifestyle activities, such as walking, staying current with preventive care and more!

go365

855-478-1623

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CHAPTER 1:

ELIGIBILITY

1. Eligible Participants

For the purposes of this document, the term "Employee" includes regularly employed Employees, classified or certified school Employees, elected members of a local board of education, and Employees determined by an active employer to be eligible for coverage under the Affordable Care Act. This document also includes information regarding Retirees and/or their beneficiaries, as well as COBRA qualified beneficiaries who are eligible to participate in KEHP. Employees, Retirees and COBRA participants and/or their Dependents may only be covered under one state-sponsored plan.

A. Regularly Employed Employees: Employees of the following agencies who contribute to one of the state-sponsored retirement systems, or who are otherwise defined in **KRS 18A.225**, are eligible to participate:

- State Agencies
- Boards of Education
- Health Departments
- Quasi Agencies

B. Elected School Board Employees: Participate on a post-tax basis; the elected official is not eligible for the employer contribution and is responsible for the total premium.

C. COBRA Qualified Beneficiaries: Employees and/or eligible Dependents who elect COBRA coverage through KEHP.

D. Dependents: The following Dependents are eligible for participation through KEHP:

- An Employee or Retiree's Spouse
- An Employee or Retiree's child under the age of 26

NOTE: When adding Dependents to KEHP, Social Security numbers must be provided to fulfill state and federal reporting requirements.

E. Disabled Dependents: Dependent children who are totally and permanently disabled may be covered by KEHP beyond the end of the month in which they turn 26, provided the disability (a) started before their 26th birthday and (b) is medically-certified in writing by a physician. Dependent children will be considered totally and permanently disabled if, in the judgment of KEHP's medical Third Party Administrator, the written certification adequately demonstrates that the child is unable to engage in any substantial gainful activity by reason of medically determinable physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than 12 months.

Dependent children who are not already covered by KEHP at the time of their 26th birthday may not later be enrolled in KEHP on grounds of total and permanent disability unless and until they sustain a loss of other insurance coverage. In such a case, a request to enroll Dependent children in KEHP on grounds of total and permanent disability must be made no later than 35 calendar days following the loss of other insurance coverage.

Anthem will make all Dependent children disability determinations. If a Dependent child is approved for coverage in KEHP on grounds of total and permanent disability, the Planholder will periodically be required to produce written proof of the continuing nature(s) of the child's dependency and/or disability in order to maintain the child's KEHP coverage.

F. Members with End Stage Renal Disease (ESRD): KEHP Members who are diagnosed with ESRD remain eligible for KEHP coverage, but should apply for and enroll in Medicare. KEHP coverage will be primary for the first 30 months after the Member becomes entitled to Medicare due to ESRD. After the first 30 months, KEHP coverage may continue but Medicare will pay primary. This rule applies whether or not the Member has reached age 65.

G. Spouses of Active Employees Who Later Gain Planholder Eligibility: Spouses of active Employees who are covered under KEHP, who later gain eligibility to become a Planholder may:

- remain covered under their Spouse's plan (couple or family); waive Health Insurance and elect either the Waiver General Purpose HRA or the Waiver Dental/Vision ONLY HRA through the active employer with KEHP; or
- begin a Cross-Reference Payment Option with their Spouse, if they have Dependent coverage; or
- drop Health Insurance under their Spouse's KEHP coverage and elect Health Insurance coverage of their own with KEHP.

H. Superintendent with Working Spouse: Superintendents whose contract specifies that the school district is paying 100% of KEHP premiums (employer and Employee contributions), and whose working Spouse becomes eligible to participate in KEHP with an active employer, may continue to cover their working Spouse as a Dependent in KEHP. The Spouse may waive Health Insurance with his/her active employer and elect to receive either the Waiver General Purpose HRA or the Waiver Dental/Vision ONLY HRA through the active employer with KEHP.

I. Active Employees and Dependent Spouses <u>Age 65 or Older:</u>

- An active Employee age 65 or older and eligible for Medicare is eligible for coverage with KEHP through the active employer.
- A Dependent Spouse age 65 or older and eligible for Medicare is eligible for coverage with KEHP through the active employer.

NOTE: For more information on Return to Work Retirees from a Kentucky state sponsored retirement system, review Section 3 of this Chapter.

Medicare eligible active Employees are treated like any other regularly employed Employees and may elect coverage or elect the Waiver General Purpose HRA, provided an attestation is received, in writing, that they have other Group Health Plan Coverage. *Medicare is not considered other Group Health Plan Coverage.* Medicare eligible active Employees may elect the Waiver Dental/Vision ONLY HRA with KEHP without an attestation as to other Group Health Plan Coverage. **NOTE:** The Insurance Coordinator for the active employer must give an active Employee nearing the age of 65 or an Employee age 65 or older, the notice of KEHP options, upon becoming eligible for Medicare by sending the Employee a copy of the Notice to Active Employees 65 or Older (Appendix A).

J. Employees Eligible for Coverage under the Affordable Care Act:

- General Rule: The Affordable Care Act (ACA) requires all active employers with 50 or more full-time Employees (applicable large employer) to offer Health Insurance coverage to its full-time Employees and, at a minimum, to the Employee's child Dependents. A full-time Employee, for the purposes of determining eligibility for health coverage under the ACA only, is an Employee who is employed on average at least 30 hours of service per week. Each active employer is responsible for determining if an Employee is eligible for coverage under the ACA. If so, the active employer is responsible for offering such coverage to the Employee. *The Employer must notify KEHP of an Employee's effective date of starting and terminating Health Insurance coverage.*

Note: The ACA requires large employers to file information returns with the IRS and provide statements to their Employees about Health Insurance coverage the employer offered. This filing requirement applies to Employees and their Spouses and Dependents who had coverage through KEHP during the year. Employers that do not file information returns or do not file correct information returns are subject to a penalty imposed by the IRS. Employers participating in KEHP are responsible for ensuring that KEHP has the correct Taxpayer Identification Number (TIN) regarding covered Employees, Spouses, and Dependents. An Employee, Spouse, or Dependent may be subject to a $50 penalty under the Internal Revenue Code section 6723 for each filing with the IRS that contains an incorrect TIN.

K. Retirees: Under the age of 65, or 65 or older, and not eligible for Medicare, who draw a monthly retirement check from any of the following systems, are eligible to participate according to Plan guidelines:

- Judicial Retirement Plan (JRP)
- Legislators Retirement Plan (LRP)
- Kentucky Community and Technical College Retirement System (KCTCS)
- Teachers' Retirement System (TRS)
- Kentucky Retirement Systems (KRS) which include:
    - County Employees Retirement System (CERS)
    - Kentucky Employees Retirement System (KERS)
    - State Police Retirement System (SPRS)

NOTE: Retirees who are Medicare eligible and **actively** employed with a KEHP participating employer must contact their retirement system prior to electing KEHP coverage with their active employer.

L. Deceased and Medicare Eligible Retiree's Beneficiary The individual designated by the Retiree as his or her Retiree health beneficiary, and filed with the retirement system:

- may apply to enroll in KEHP when experiencing a Qualifying Event that allows the beneficiary to enroll (such as loss of other coverage) or during Open Enrollment.
- may "take over" the plan, and become the Planholder, if the Retiree's beneficiary is a Dependent/Spouse on the plan. Coverage must be elected within 35 days of the loss of coverage. (TRS does not permit Dependent children to "take over" the Plan).
- must contact the retirement system within 35 days of the death of the Retiree. (If a Retiree's beneficiary is not a current Spouse or Dependent on the plan, the retirement system will determine eligibility dates). In this case, the death of the Retiree by itself may not be a Qualifying Event that would allow the beneficiary to enroll in the plan.

NOTE: Eligibility determinations for Retirees and their families are made by the respective Retirement System.

M. Spouses of Retirees

A Spouse of a Hazardous Duty Retiree who is covered under the Retiree's plan AND who is actively employed is not eligible to waive Health Insurance coverage and receive the employer contribution into a Waiver HRA (commonly referred to as double-dipping) due to KRS 18A.225 (12) which reads:

> *Any Employee who is eligible for and elects to participate in the state Health Insurance program as a Retiree, or the Spouse or beneficiary of a Retiree, under any one (1) of the state-sponsored retirement systems shall not be eligible to receive the state Health Insurance contribution toward health care coverage as a result of any other employment for which there is a public employer contribution. This does not preclude a Retiree and an active Employee Spouse from using both contributions to the extent needed for purchase of one (1) state sponsored Health Insurance policy for that Plan Year. (Emphasis added).*

NOTE: The Kentucky Retirement System (KRS) does not pay for Dependent coverage, except for hazardous duty Retirees. Therefore, the non-hazardous duty Spouse can elect the Waiver General Purpose HRA provided an attestation is received, in writing, that he/she has other group Health Insurance.

2. Dependent Eligibility Chart

Dependent eligibility rules and supporing documentation requirements are contained in the following chart. Qualifying Event documents must be signed within the event timeframe.

Definition of Eligible Dependent(s)	Documentation
Spouse A person who is legally married to an Employee or Retiree.	A legible photocopy of the marriage certificate or a legible photocopy of the top half of the front page of the Employee/Retiree's most recent federal tax return (Form 1040).
Common Law Spouse A person with whom you have established a common law union in a state which recognizes common law marriage (Kentucky does not recognize common law marriage).	A legible photocopy of the certificate or affidavit of common law marriage from a state that does recognize common law marriage.
Child Age 0 to 25 In the case of a child who has not yet attained his/her 26th birthday, "child" means an individual who is – • A son, daughter, stepson, or stepdaughter of the Employee/Retiree, or • An eligible foster child of the Employee/Retiree (eligible foster child means an individual who is placed with the Employee/Retiree by an authorized placement agency or by judgment, decree, or other order of any court of competent jurisdiction and includes court awards of guardianship or custody), or • An adopted child of the Employee/Retiree (a legally adopted individual of the Employee/Retiree, or an individual who is lawfully placed with the Employee/Retiree for legal adoption by the Employee/Retiree).	**Natural Child**: A legible photocopy of the child's birth certificate showing the name of the Employee/Retiree as a parent, or a copy of the footprint certificate from the hospital indicating baby and parent's name, or verification of the birth document from the hospital indicating the names of the baby and parent. **Step Child**: A legible photocopy of the child's birth certificate showing the name of the Employee/Retiree's Spouse as a parent and a legible copy of the marriage certificate showing the names of the Employee/Retiree and the Spouse or a photocopy of the top half of the front page of the Employee/Retiree's most recent federal tax return (Form 1040). **Legal Guardian, Adoption, or Foster Child(ren)**: Legible photocopies of court orders, guardianship documents, or affidavits of dependency, with the presiding judge's signature and filed status; or legible adoption or legal placement decrees with the presiding judge's signature.
<u>Disabled Dependent</u> A Dependent child who is totally and permanently disabled may be covered by KEHP beyond the end of the month in which he/she turns 26, provided the disability (a) started before his/her 26th birthday and (b) is medically-certified in writing by a physician. A Dependent child will be considered totally and permanently disabled if, in the judgment of KEHP's medical Third Party Administrator (Anthem), the written certification adequately demonstrates that the Dependent child is unable to engage in any substantial gainful activity by reason of medically determinable physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than 12 months. A Dependent child who is not already covered by KEHP at the time of his/her 26th birthday may not later be enrolled in KEHP on grounds of total and permanent disability unless and until he/she sustains a loss of other insurance coverage. In such a case, a request to enroll a Dependent child in KEHP on grounds of total and permanent disability must be made no later than 35 calendar days following the loss of other insurance coverage.	Anthem certifies all disabled Dependents based on medical necessity and Member's financial responsibility for the Dependent. Contact the Enrollment Information Branch at 502-564-1205 for more information. Dependents under age 26 will be enrolled by EIB as a disabled Dependent and Anthem will initiate disabled Dependent certification process. Dependent over age 26, EIB receives request from Member based on loss of other insurance coverage and requests Anthem to initiate disabled Dependent certification process.

3. Eligibility for the Employer Contribution

A. Agencies Covered Under KRS 18A and Technical Schools

- After the initial new hire waiting period, Employees are eligible for the employer contribution for the current Semi-Monthly Billing Period if during the previous Semi-Monthly Billing Period, they:
    - worked any part of the prior Semi-Monthly Billing Period;
    - were on paid leave, other than holiday or educational leave ; and/or
    - used Family Medical Leave.
- Employees returning from leave without pay (LWOP) must work at least one day in the previous Semi-Monthly Billing Period to qualify for the employer contribution for the current Semi-Monthly Billing Period.
- Coverage for Employees who do not meet the requirements to receive an employer contribution must be terminated and the Employee must be offered COBRA continuation coverage. The COBRA notice will be triggered via file based on termination date in KHRIS.

NOTE: Semi-Monthly Billing Period is defined as follows – first day of the month through the fifteenth day of the month and the sixteenth through the last day of the month, regardless of the Employee's pay and/or work schedule.

B. Agencies NOT Covered Under KRS 18A

- After the initial new hire waiting period, Employees are eligible for the employer contribution for the current Semi-Monthly Billing Period if during that Semi-Monthly Billing Period, they:
    - worked any part of the Semi-Monthly Billing Period;
    - were on paid leave; and/or
    - used Family Medical Leave.
- Employees returning from leave without pay (LWOP) must work at least one day in the Semi-Monthly Billing Period to qualify for the employer contribution for that Semi-Monthly Billing Period.
- Coverage for Employees who do not meet the requirements to receive an employer contribution must be terminated and the Employee must be offered COBRA continuation coverage. The COBRA notice will be triggered via file based on termination date in KHRIS.

NOTE: Semi-Monthly Billing Period is defined as follows – first day of the month through the fifteenth day of the month and the sixteenth through the last day of the month, regardless of the Employee's pay and/or work schedule.

C. Quasi-Governmental Agencies

Insurance Coordinators for quasi-governmental agencies should refer to their administrative regulations or internal policies for the definition of a regularly employed Employee entitled to employer contributions.

D. Dual Employment/Dual Employees

An Employee who is considered regularly employed for two participating employers (and meets the eligibility requirements for each employer) is eligible for the employer contribution from each employer. However, an Employee is only eligible to participate in one KEHP Health Insurance plan. Therefore, a Dual Employee may:

- enroll in a KEHP Health Insurance plan through one employer and waive KEHP coverage through the other employer and receive either Waiver HRA with funds; or
- enroll in a Waiver HRA with funds with both employers. To elect the Waiver General Purpose HRA, the Employee must provide an attestation, in writing that the Employee has other Group Health Plan Coverage or must enroll in the Waiver Dental/Vision Only HRA.

EXAMPLE:
Member is currently with KCTCS and is gaining employment with another school board, but will remain eligible under ACA with KCTCS. Member wants to pick up coverage with the new school board and waive coverage with KCTCS. If member gains coverage with the new board of education, this is not considered a Qualifying Event to waive coverage with KCTCS. Member is not permitted to change plan option or coverage level because she is going to work with another KEHP agency. Member must keep plan with KCTCS, and waive coverage with the new school board. Member would only be permitted to change plans if coverage was lost due to ACA.

4. Eligibility for the Premium Discount for the Following Year.

The four health plan options require Planholder(s) to agree to, and fulfill the LivingWell Promise in order to be eligible to receive the premium discount for the following year. The LivingWell Promise requirements may change each Plan Year. For Plan Year 2019, the LivingWell Promise is an agreement to take the Go365 Health Assessment **or** complete a biometric screening. In a Cross-Reference Payment Option, both Planholders must agree to and fulfill the Promise. Each Planholder may choose either the Go365 Health Assessment or a biometric screening to fulfill the Promise.

A. Open Enrollment Election

- The Planholder(s) must take the Go365 Health Assessment from January 1 through July 1, 2019; or
- The Planholder(s) must complete a biometric screening from January 1 through July 1, 2019.

B. Newly-Hired Employees

- Newly-hired Employees must fulfill the LivingWell Promise if they are newly-hired from January 1 through July 1, and they have 90 days or more of eligible coverage.

5. Eligibility for Waiver General Purpose HRA and Waiver Dental/Vision only HRA.

Employees are eligible for the Waiver General Purpose HRA only if the Employee, and the Employee's Spouse and Dependents are covered under other Group Health Plan Coverage that provides minimum value. A group health plan refers to coverage provided by an employer, an employer organization, or a union. A group health plan does not include individual policies purchased through the Marketplace or governmental plans such as TRICARE, Medicare, and Medicaid. A participant in a health care sharing ministry does not have "Group Health Plan Coverage" and is not eligible to waive coverage and elect the Waiver General Purpose HRA, but they are eligible to waive coverage and elect the Waiver Dental Vision Only HRA.

If an Employee elects the Waiver General Purpose HRA and terminates coverage under another group health plan, they must notify KEHP within 35 days of the date that the other Group Health Plan Coverage ceased. In this event,

coverage under the Waiver General Purpose HRA will be terminated and they may elect a KEHP Health Insurance Plan Option or the Waiver Dental/Vision Only HRA. Any funds remaining in a Waiver General Purpose HRA, or the Waiver Dental/Vision only HRA, after termination may be used to reimburse the Employee for eligible expenses incurred prior to termination of either Waiver HRA. Funds are not available upon termination of employment. The funds not used during the eligibility period are forfeited. Active Employees who are covered as a Spouse or Dependent on a hazardous duty Retiree's plan through KEHP, will not be eligible to direct the state contribution into a Waiver HRA with funds.

CHAPTER 2:

ENROLLMENT

1. Initial Enrollment

A. Regularly Employed Employees:

For new regularly employed Employees who are eligible for Health Insurance benefits at the time they are hired, coverage will begin on the first day of the second calendar month following the Employee's hire date. Example: if employment begins anytime in August, the Employee is eligible for coverage October 1.

New Employees may make their elections online in KHRIS ESS or they may complete a Health Insurance Application within the first 35 calendar days of employment.

Employees who fail to make their Health Insurance elections or waive their coverage within the designated time frame will not be allowed to enroll until the next Open Enrollment period, unless an appropriate Qualifying Event occurs. **Employees who fail to enroll will automatically be defaulted to, and enrolled in, the LivingWell Limited High Deductible Plan with Single Coverage Level.**

NOTE: During the month of the Annual Open Enrollment period, Employees have 35 days from their date of hire to complete the Health Insurance Enrollment/Change Application to elect coverage for the current Plan Year, and they must also complete a Health Insurance Enrollment/Change Application during Open Enrollment and elect coverage for the next Plan Year.

B. ACA Eligible Employees:

Federal law requires all large employers to offer minimum essential coverage to all of the employer's full-time Employees and their Dependents or be subject to penalties. A "large" employer is an employer that employs at least 50 full-time Employees. A "full-time" Employee is an Employee who is employed on average at least 30 hours of service per week (or 130 hours of service per month). "Hours of service" includes: (1) each hour for which an Employee is paid, or entitled to payment, for the performance of duties for the employer; and (2) each hour for which an Employee is paid, or entitled to payment by the employer on account of a period of time during which no duties are performed due to vacation, holiday, illness, incapacity, layoff, jury duty, military duty, or leave of absence.

Employers are required to determine whether, based on federal law, there are Employees who are otherwise non-eligible for benefits that would be eligible for benefits because they are considered full-time Employees under the ACA. Note, KRS 18A requires an Employee to be "regularly employed" and contributing in a state-sponsored retirement system. The ACA full-time Employee eligibility rule supersedes KRS 18A such that ACA Eligible Employees can receive Health Insurance benefits without having to contribute in a state-sponsored retirement system.

The ACA Eligible Employee must be provided the opportunity to enroll in Health Insurance coverage. An ACA Eligible Employee who fails to enroll or waive coverage will be automatically enrolled in the Single Coverage Level of the LivingWell Limited High Deductible Plan. The ACA Eligible Employee may also waive coverage with no

benefits or, if the active employer participates, waive coverage and elect one of the Waiver HRAs. The ACA Eligible Employee must meet the eligibility requirements for the Waiver General Purpose HRA (See 2.A. below) to enroll in that HRA. The ACA Eligible Employee may also elect to participate in an FSA on a pre-tax basis (if the active employer participates). Employees must notify KEHP of an Employee's effective date of starting and terminating Health Insurance coverage.

ACA Eligible Employees should complete and submit a paper Health Insurance Enrollment/Change Application to enroll in or waive Health Insurance coverage.

2. Waiving Health Insurance Benefits

Employees who do not wish to enroll in a Health Insurance plan with KEHP may be eligible to waive their Health Insurance benefits. KEHP offers the Waiver General Purpose HRA and the Waiver Dental/Vision ONLY HRA. Employees who enroll during Open Enrollment will receive an employer contribution of $175 per month, up to $2,100 per calendar year, and funds will be available in two installments: January 1 with $1,050 and July 1 with $1,050.

Employees who enroll as a newly-hired Employee, at a time other than Open Enrollment, will receive a pro-rated employer contribution of $175 per month, up to $2,100 per calendar year. For example: Employee is hired on July 13 with coverage becoming effective on September 1. Employee will receive $175 for September, October, November, and December, for a total of $700.

All remaining unspent HRA funds, at the end of the calendar year, will carry over to the next calendar year provided the Employee continues to waive Health Insurance coverage and enroll in the same Waiver HRA. Waiver General Purpose HRA funds will only carry over to a Waiver General Purpose HRA, and Waiver Dental/Vision ONLY HRA funds will only carry over to a Waiver Dental/Vision ONLY HRA.

Employees may elect to waive Health Insurance coverage online in KHRIS ESS, or they may elect to waive Health Insurance on the Health Insurance Enrollment/Change Application. Waiving coverage must be completed within the timeframe in "Initial Enrollment".

Not all Employees are eligible to receive the HRA when coverage is waived. Refer to Chapter 7 and the applicable Summary Plan Description for more details.

A. Waiving Health Insurance and receiving the Waiver General Purpose HRA is only permitted

- during the annual Open Enrollment period
- for new Employees or ACA Eligible Employees
- for Employees with an 11 or more Working Day break in service (in employment)
- for Employees who have other Group Health Plan Coverage that provides minimum value; and who attest, in writing, that they have other Group Health Plan Coverage
- for Employees who experience a different Open Enrollment period that occurs between KEHP's Open Enrollment and December 31 (i.e. between mid-October and December 31)

Group Health Plan Coverage refers to coverage provided by an Employer, an Employer organization, or a union. Group Health Plan Coverage does not include individual policies purchased through the Marketplace or governmental plans such a TRICARE, Medicare, and Medicaid.

B. Waiving Health Insurance and receiving the Waiver Dental/Vision ONLY HRA is only permitted

- during the annual Open Enrollment period
- for new Employees or ACA Eligible Employees
- for Employees with an 11 or more Working Day break in service (in employment)
- for Employees who experience a different Open Enrollment period that occurs between KEHP's Open Enrollment and December 31 (i.e. between mid-October and December 31)
- for Employees returning from Military Leave who are remaining on TRICARE

C. Redirection of the Employer Contribution

Redirection of the employer contribution is the ability to stop employer funds from being directed into either the Waiver General Purpose HRA or the Waiver Dental/Vision ONLY HRA, in order to start receiving an employer contribution toward a Health Insurance plan. **NOTE:** If Employees experience a Qualifying Event that permits the termination of Health Insurance, they may terminate Health Insurance, but they may not enroll in the Waiver General Purpose HRA or the Waiver Dental/Vision ONLY HRA. This is merely a Qualifying Event that allows the termination of Health Insurance; no funds will be allocated to either Waiver HRA.

3. Open Enrollment

Open Enrollment is a period of time for Employees to make KEHP elections for the upcoming Plan Year, which runs from January 1 to December 31 each year. Open Enrollment requirements may vary during each Open Enrollment period. KEHP will provide specific Open Enrollment guidelines to all Employees during each period.

After Open Enrollment elections have been made, Employees may only change their elections under very specific circumstances. Such changes are regulated by federal law and are referred to as "permitted election changes" or Qualifying Events under the federal regulations. The requested change must always be consistent with the Qualifying Event.

All changes are permitted during Open Enrollment with the following exceptions: 1) Employees cannot drop Dependent children for whom they are required by an administrative order to provide coverage (if the enforcement of the order is directed to the employer), including National Medical Support Orders; 2) Employees cannot add a previously un-covered disabled Dependent (DD) who is over the age limit.

An ACA Eligible Employee who gains eligibility during the Plan Year and is added outside of Open Enrollment should make coverage elections or waive coverage during Open Enrollment for as long as the Employee is eligible to receive Health Insurance benefits.

Employees who fail to waive Health Insurance online in KHRIS ESS, or who fail to complete a Health Insurance Enrollment/Change Application **electing to waive Health Insurance coverage, (the Employee does nothing) will be defaulted automatically into a the LivingWell Limited High Deductible Plan Option with a Single Coverage Level. Pay special attention to Open Enrollment materials, as this requirement may change from year to year.**

4. Transition from Dependent Child to New Employee

Adult children who are regularly employed and benefits eligible with a participating KEHP employer are eligible to continue benefits under their parent's KEHP plan up to their 26th birthday. Adult children are defined as children

who are at least 19 years old, but not yet 26 years old. Newly hired Dependent children may enroll in their own plan with Health Insurance coverage, or they may waive Health Insurance coverage with an HRA and enroll as a Dependent under their parent's plan. DEI will terminate the Dependent from the parent's plan when an enrollment is received with the Dependent as a Planholder. The termination date as a Dependent will be on the day prior to the Effective Date of the child's coverage as an active Employee (Planholder). A Dependent child is only eligible to participate in one KEHP Health Insurance Plan.

CHAPTER 3:

COVERAGE LEVELS
&
CROSS-REFERENCE PAYMENT OPTION

1. Coverage Levels

KEHP offers four Coverage Levels to choose from when making Health Insurance elections.

A. **Single Coverage Level:** Covers the Employee.

B. **Parent Plus Coverage Level:** Covers the Employee and one or more eligible children.

C. **Couple Coverage Level:** Covers the Employee and the Employee's Spouse.

D. **Family Coverage Level:** Covers the Employee, Spouse and one or more eligible children.

2. Cross-Reference Payment Option

Spouses who are both eligible to participate in KEHP may be covered under one family health benefit plan with lower Employee premiums. This is known as the Cross-Reference Payment Option. Employee premiums are deducted from both Employees' paychecks. Employees must satisfy all requirements below to elect the Cross-Reference Payment Option.

A. Requirements

- The Employees must be legally married Spouses with at least one eligible Dependent;
- The Employees must be Eligible Employees or Retirees* of a group participating in KEHP;
- The Employees must elect the same coverage option; and
- The Employees must both complete one Health Insurance Enrollment/Change Application complete with signatures from both Employees and Insurance Coordinators.

Failure to meet any one of the above requirements will make the Employees ineligible for the Cross-Reference Payment Option.

**Per the Judicial and Legislators Retirement System, Retirees of the Judicial Retirement Plan (JRP) and the Legislators Retirement Plan (LRP) are not eligible to elect the Cross-Reference Payment Option.*

B. Electing the Cross-Reference Payment Option

1. **Experiencing a Qualifying Event:** When two Employees experience a Qualifying Event, which will allow their plans to merge into one Cross-Reference Payment Option, one Employee may change his/her Plan Option to begin a Cross-Reference Payment Option. This is not a Qualifying Event that allows both Planholders to elect a new Plan Option (i.e. if they have two different Plan Options, they must select which plan they desire). The Employee with the oldest hire date in KHRIS will become the primary Planholder.

If the existing Employee has waived Health Insurance, or has KEHP Health Insurance, the existing Employee must sign and date the Health Insurance Enrollment/Change Application requesting to begin a Cross-Reference Payment Option within 35 calendar days of the loss of coverage. Depending on how the dates fall, the existing Employee may have to pay full family premium for the first month.

2. **At the Time of Hire with a Participating Group:** The newly-hired Employee must elect coverage to match the existing Employee/Retiree's elections and the Employee with the oldest hire date in KHRIS will become the primary Planholder.

   Example: Jane Doe works for a board of education. She waives her Health Insurance coverage and receives the Waiver General Purpose HRA. Her Spouse, John, loses his job and Health Insurance with another employer. Because Jane was covered under her Spouse's Health Insurance plan, his job termination causes Jane to also lose her Health Insurance coverage. Subsequently, John is hired by the local health department. John elects to start a Cross-Reference Payment Option with Jane, effective June 1, after his new-hire waiting period expires. Because Jane has experienced a Qualifying Event by losing her Health Insurance coverage, she must elect a Health Insurance plan other than the Waiver General Purpose HRA in order to participate in the Cross-Reference Payment Option. Jane must submit a Loss of Coverage Qualifying Event (loss of coverage from her Spouse's former employer). If her Qualifying Event is effective before June 1, she must start her Health Insurance plan without the Cross-Reference Payment Option. After June 1, Jane may switch to the Cross-Reference Payment Option with her Spouse John.

3. **During Open Enrollment:** Employee with the oldest hire date in KHRIS will be the primary Planholder.

4. **At Retirement:** Retirees who are newly retired and with a participating retirement system can elect the Cross-Reference Payment Option, if applicable. The new Retiree must elect coverage to match the existing Employee/Retiree's elections and the Member with the oldest hire date in KHRIS becomes the primary Planholder.

C. Ending the Cross-Reference Payment Option

1. **Qualifying Events:** Certain Qualifying Events will result in the loss of eligibility for the Cross-Reference Payment Option. These events include, but may not limited to, the following:
   - **a.** Termination of Employment;
   - **b.** Leave without pay;
   - **c.** Divorce;
   - **d.** Dependent loss of eligibility (i.e. over age 26)

   If one of these Qualifying Events occurs, the Cross-Reference Payment Option terminates.

2. **Administering the Termination of Cross-Reference:**
   - **a. Termination of Employee/Spouse's Employment:**
     - If one Employee's employment is terminated, the remaining Planholder will automatically default to a Parent Plus Coverage Level.
     - The remaining Planholder may change the Coverage Level to Family Coverage by adding the former Employee/Spouse to the Plan.

- The remaining Planholder may also make a Plan Option change.
- To make a Coverage Level or Plan Option change, the Planholder must submit a Health Insurance Enrollment/Change Application within 35 calendar days after the date of the Qualifying Event.
- If the Health Insurance Enrollment/Change Application does not indicate the Coverage Level or is not received within 35 calendar days of the Qualifying Event, the default Coverage Level will remain in effect until the next Open Enrollment period or a permitted Qualifying Event occurs.
- The remaining Planholder is not permitted to change the Coverage Level to Single since there has been no Qualifying Event that would result in the Dependent's loss of eligibility.

b. Leave Without Pay:

- If one Employee/Spouse goes on leave without pay, the remaining Planholder will automatically default to Parent Plus Coverage Level.
- The remaining Planholder may change the Coverage Level to Family Coverage by adding the Employee/Spouse on LWOP to the Plan.
- The remaining Planholder may also make a Plan Option change.
- To make a Coverage Level or Plan Option change, the Planholder must submit a Health Insurance Enrollment/Change Application within 35 calendar days after the date of the Qualifying Event.
- If the Health Insurance Enrollment/Change Application does not indicate the Coverage Level or is not received within 35 calendar days of the Qualifying Event, the default Coverage Level will remain in effect until the next Open Enrollment period or a permitted Qualifying Event occurs.
- The remaining Planholder is not permitted to change the Coverage Level to Single since there has been no Qualifying Event that would result in the Dependent's loss of eligibility.

c. Divorce

- If two Employees with a Cross-Reference Payment Option divorce, the primary Planholder will automatically default to Parent Plus Coverage Level, and the secondary Planholder will automatically default to Single Coverage Level.
- The Employees may each change their defaulted Coverage Levels but at least one must provide coverage for the Dependents.
- The Employees may also make a Plan Option change.
- To make a Coverage Level or Plan Option change, the Planholder must submit a Health Insurance Enrollment/Change Application within 35 calendar days after the date of the Qualifying Event.
- If the Qualifying Event Form does not indicate the Coverage Level or is not received within 35 calendar days of the Qualifying Event, the default Coverage Level will remain in effect until the next Open Enrollment period or a permitted Qualifying Event occurs.

d. Lose Dependent – Loss of Dependent Eligibility:

- If the final Dependent in a Cross-Reference Payment Option loses eligibility, each Employee will automatically default to Single Coverage Level.
- The Employees may change the Coverage Level to Couple Coverage Level.
- The Employees may also make a Plan Option change.

- To make a Coverage Level or Coverage Option change, the Employees must submit a Health Insurance Enrollment/Change Application within 35 calendar days after the date of the Qualifying Event.
- If the Health Insurance Enrollment/Change Application does not indicate the Coverage Level or is not received within 35 calendar days of the Qualifying Event, the default Coverage Level will remain in effect until the next Open Enrollment period or a permitted Qualifying Event occurs.

3. **New Retirement:** Newly retired Retirees of a participating retirement system may elect to cancel their Cross-Reference Payment Option. The Spouse of the new Retiree will be enrolled in a Coverage Level that corresponds to the new Retiree's Coverage Level. No Plan Option changes will be allowed for the active Employee.

CHAPTER 4:

TERMINATION of COVERAGE

1. Health Insurance Coverage Termination

If Employees terminate employment between the 1st and the 15th of the month, their Health Insurance coverage will terminate on the 15th of the same month. If Employees terminate employment between the 16th and the end of the month, their Health Insurance coverage will terminate on the last day of the same month.

Example: An Employee terminates employment on March 5; Health Insurance coverage terminates on March 15. If an Employee terminates employment on March 25; Health Insurance coverage terminates on March 31.

The Employee's premium will be deducted automatically from the Employee's check for state agencies and boards of education. In the event there is not enough money in the last paycheck to cover the premiums due, employers should collect from the individual or deduct the remainder from the payout of vacation or compensatory pay.

A. Loss of Dependent Eligibility

Dependent children and/or Spouses who become ineligible for coverage under the Plan (other than for attaining the limiting age) will be terminated at the end of the month they cease to meet the dependency requirements, whether the 35-day requirement notification has been met or not.

Dependent children who become ineligible under the plan due to attaining the limiting age will be terminated at the end of the calendar month in which the 26th birthday occurs.

B. Retirees

Retirees who are Medicare eligible and not actively employed will be terminated at the end of the month before becoming Medicare eligible.

1. **If Dependents are currently enrolled in the Plan**, they may apply to become the Planholder. If the Spouse or Dependent chooses to become the Planholder, and later dies leaving Dependents remaining on the Plan, Health Insurance coverage will terminate at the end of the month following the date of death. In both cases above, the Retiree is not deceased.

2. **If there are no Dependents currently enrolled in the Plan**, coverage terminates at the end of the month before becoming Medicare eligible.

C. Death of an Employee or Dependent

In administering the Qualifying Event of death, the amount to be billed for premiums may not correlate to the actual date of death. See Appendix G for examples of administering the Qualifying Event of Death.

APPENDIX A

QUALIFYING EVENTS, MID-YEAR SCENARIOS & DEPENDENT ELIGIBILITY CHART

KEHP is provided through a Section 125 plan per the Internal Revenue Code. This allows Employees to pay for their Health Insurance premiums with pre-tax dollars. Section 125 plans are federally regulated, and the guidelines state that if an Employees' Health Insurance or Flexible Spending Account is offered through a Section 125 plan, they cannot make a change to their Health Insurance or Flexible Spending Account options outside of the annual Open Enrollment period, unless they experience a permitted election change (referred to as Qualifying Events).

A. To Enroll in KEHP Outside of the Annual Open Enrollment Period the Individual:

1. Must Lose Coverage From:

- An employer-sponsored group health plan;
- An individual Health Insurance plan **(must lose eligibility – failure to pay premiums is not a loss of eligibility)** ;
- A short-term, limited-duration insurance policy also known as "gap" insurance;
- A student Health Insurance policy; or
- A government coverage (TRICARE, Medicare, Medicaid, KCHIP)

*Losing coverage from one of the following **does not allow** the individual to enroll outside of the annual Open Enrollment period:*

- Coverage only for accident or disability income insurance;
- Coverage issued as a supplement to liability insurance;
- Liability insurance;
- Workers' compensation or similar insurance;
- Automobile medical payment insurance;
- Credit-only insurance;
- VA Benefits;
- Coverage for on-site medical clinics; or
- Other similar insurance coverage under which benefits for medical care are secondary or incidental to other insurance benefits.

2. Must Lose Coverage Due To:

- A maximum benefits level being reached;
- An insurance agency canceling the policy (other than for non-payment);
- Coverage being provided under COBRA and COBRA has expired;
- Coverage was non-COBRA and the coverage terminated due to loss of eligibility for coverage (including but not limited to: legal separation, divorce, end of Dependent status, death of an Employee, termination of employment, reduction in hours) or employer contributions for coverage were terminated; or
- The plan no longer offers benefits for a group of individuals.

Not Due To:

- Non-payment of insurance premiums – choosing to stop payment of a plan for any reason;
- Non-renewal – choosing to stop renewal of a plan for any reason;
- Cancellation of coverage by policyholder for policyholder or for a Dependent;
- Increase in cost of coverage (unless for Dependent Care FSA); or
- Reduction of contributions or level of benefits.

B. General Guidelines

1. Event Date

The Event date is the date the event occurs. It is not the date the Employee or Dependent is notified of the event. The **only exceptions** to this are entitlement to:

- Medicare
- Medicaid

In the instances above, the Qualifying Event date can be the date the Employee or Dependent is notified.

2. Signature Date

The Signature Date is the date the Employee's signature is on the applicable documentation. With the exception of gaining Medicaid which has a signature date of 60 days, All Qualifying Events have a signature deadline of 35 calendar days from the Event Date. To calculate the number of calendar days, begin counting on the day after the Qualifying Event.

*Example***:** If the Employee gets married on March 5, the Employee must sign the applicable forms within 35 calendar days from the event (marriage). Day one would be March 6, and day 35 would be April 9. The Employee's signature must be on the applicable forms no later than April 9.

Pre-Signing

Applicable forms may not be signed prior to the event date, except for the following:

- Loss of other health coverage;
- Gaining other health coverage;
- Entitlement to Medicare; and
- Spouse's different Open Enrollment period.

The timing of the signature date is critical. Employees must complete the Enrollment forms and sign the applicable forms before the signature date deadline. The Employee does not need to wait for any supporting documentation to arrive before the form is signed.

3. Effective Date

The Effective Date is the date the coverage takes effect. Most Effective Dates are the first day of the month following the signature date. Coverage can NEVER be effective prior to the Event Date. Always consider the following:

- If the Qualifying Event date is the first of the month, the Employee may pre-sign during the previous month.

  Example: If "loss of coverage" occurs on April 1, the Employee may sign the applicable documentation during the month of March. The Effective Date of the change will be April 1.

- If the Qualifying Event date is any other day of the month, the Employee may pre-sign during that month only.

  Example: If "loss of coverage" occurs on April 18, the Employee may sign the applicable documentation during the month of April. The Effective Date of the change will be May 1. The Employee is not permitted to sign in March since that would make the Effective Date April 1, which is effective prior to the event of April 18.

4. Supporting Documentation

Most all QEs must be validated with supporting documentation, such as, but not limited to marriage certificates, divorce agreements, or letters from employers. Before a Dependent can be added to a health insurance plan, verification documents must be provided. See Dependent Eligibility Chart on page 29 of this Appendix.

5. **Qualifying Event Charts**

   The Qualifying Event chart is your guide in knowing what mid-year election changes are permitted under a Section 125 plan, and the documentation that is required. This includes Healthcare and Dependent Care FSA elections as well, and whether they may be increased, decreased, or terminated during specific Qualifying Events. Note: Decreasing an election means to lower the election amount, and terminating an election means to terminate the *entire* FSA.

6. **Dependent Care FSA**

   The types of Qualifying Events that are permitted with a Dependent Care FSA are quite expansive - much more than for Healthcare FSA. The IRS has indicated that QEs for Dependent Care FSAs are intended to be more liberally interpreted.

7. **Health FSA and Dependent Care FSA Election Reduction**

   Regardless of the Qualifying Event that permits an FSA election change, under no circumstances is an Employee permitted to reduce their FSA election to a point where the total contributions for the plan year are less that the amount already reimbursed for that plan year. You should check the Employee's FSA expenditures prior to approving a request for an FSA reduction based on a Qualifying Event.

CHANGE IN EMPLOYEE'S LEGAL MARITAL STATUS

1. GAIN SPOUSE DUE TO MARRIAGE

HEALTH INSURANCE	FLEXIBLE SPENDING ACCOUNTS		WAIVER HRA (GP or Dental/Vision)
	Healthcare (HC)	Dependent Care (DC)	
ADD: Employee may enroll or increase Coverage Level for newly eligible Spouse and Dependent children. Plan Option change may be made. **DROP:** Employee may terminate or decrease Employee's or Dependent's coverage **ONLY** when such coverage becomes effective or is increased under the Spouse's plan. (Gain of Other Coverage). Employee may not drop Health Insurance coverage and choose a Waiver HRA mid-year.	**ADD:** Employee may enroll or increase election for newly eligible Spouse or Dependents. **DROP:** Employee may decrease election if Employee or Dependents become eligible and covered under new Spouse's health plan. (Gain of Other Coverage).	**ADD:** Employee may enroll or increase to accommodate newly eligible Dependents. **DROP:** Employee may decrease or cease coverage if new Spouse is not employed or makes a Dependent Care coverage election under Spouse's plan.	Employee may terminate election and redirect the state contribution to Health Insurance.

OTHER CONDITIONS/GUIDANCE:

- Tag-Along rules apply.
- No domestic partnerships; Common law marriage recognized if documented. Need certification/attestation of other coverage.

ADMINISTRATION GUIDELINES		
Event Date	Add a Spouse and/or Dependent(s)	Date of marriage
	Drop Dependent(s)	Date Dependent gained other group Health Insurance coverage under the Spouse's plan
Signature Deadline	35 calendar days from the event date	
Effective Date	Add Spouse or Dependent(s)	First of the month following the Employee's signature date
	Drop Dependent(s)	End of the month of the Employee's signature date.
	Enroll/increase HC or DC FSA	First day of the month following Employee's signature date
	Terminate/decrease HC or DC FSA	End of the month of the Employee's signature date
Document(s) Required	Add Spouse/Dependent(s)	See Dependent Eligibility Chart
	Drop Employee or Dependent(s) due to gaining other Group Health Plan Coverage	Notification from employer, on employer's letterhead or via electronically, identifying the coverage Effective Date and the person(s) covered by the policy; or a copy of the new Health Insurance ID card(s) for each covered person, with coverage Effective Date; or an email from the employer with HR signature block; or a self-service enrollment confirmation that states the employer name, effective date and person(s) covered.
Forms to Use	Health Insurance	Health Insurance Enrollment/Change Application
	FSA	FSA Enrollment/Change Application

2. LOSE SPOUSE DUE TO DIVORCE, LEGAL SEPARATION, ANNULMENT OR DEATH

HEALTH INSURANCE	FLEXIBLE SPENDING ACCOUNTS		WAIVER HRA (GP or Dental/Vision)
	Healthcare (HC)	Dependent Care (DC)	
ADD: May elect coverage for Employee, or Dependents who lose eligibility under Spouse's plan if such individual loses eligibility as a result of the divorce, legal separation, annulment, or death. (Loss of Coverage). **DROP:** Employee may terminate election for Spouse, and for Dependents who lose eligibility such as a stepchild. Plan option change may be made.	**ADD:** Employee may enroll or increase election where coverage is lost under Spouse's health plan. (Loss of Coverage). **DROP:** Employee may decrease election to reflect loss of Spouse's eligibility.	**ADD:** Employee may enroll or increase to accommodate newly eligible Dependents including increase in Dependent care expenses. **DROP:** Employee may cease coverage if eligibility is lost or Dependent care expenses decrease (i.e. Dependent now residing with ex-Spouse).	**DROP:** Employee may terminate election and redirect the state contribution to Health Insurance ONLY if event causes a loss of coverage under Spouse's plan. (Loss of Coverage).

OTHER CONDITIONS/GUIDANCE:

- Tag-Along rules apply.
- If divorced and premiums have been paid – handle prospectively.If paperwork is signed within the 35-day timeframe, coverage for the ineligible spouse is terminated at the end of the month in which the divorce was finalized.
- If divorced and premiums have not been paid – handle retrospectively back 120 days.

ADMINISTRATION GUIDELINES

Event Date	Add Employee/Dependent(s)	**Divorce, Legal Separation or Annulment:** date of loss of coverage under former Spouse's plan or the date the divorce decree is entered by the court. **Death:** date of loss of coverage under deceased Spouse's plan.
	Drop Spouse/Dependent(s)	**Divorce, Legal Separation or Annulment:** if Dependent ceases to meet eligibility requirements under KEHP, the event date is the date of the divorce decree, annulment or legal separation as entered by the court. **Death:** date of death.
Signature Deadline	35 calendar days from the event date.	
Effective Date	Add Employee/Dependent(s)	**Divorce, Legal Separation or Annulment:** first of the month following the Employee's signature date on the Health Insurance Enrollment/Change Application or FSA Enrollment/Change Application. Must also submit eligibility documentation. **Death:** first of the month following the Employee's signature date.
	Drop Spouse	**Divorce, Legal Separation or Annulment:** If premium has been received, and paperwork is signed within 35 days, the effective date is prospective from the signature date. If premiums have not been paid, retro back to 120 days. **Death:** end of the month of the Spouse's death. The new plan, if applicable, will be effective the first day of the following month, regardless of whether the 35-day deadline is met.
	Drop Dependent(s) added to other group plan	**Divorce, Legal Separation or Annulment:** When added to former Spouse's plan, the end of the month following Employee's signature date.
	Enroll in or increase HC DC FSA	First day of the month following Employee's signature date
	Terminate or decrease HC DC FSA	End of the month of the Employee's signature date.

Document(s) Required	Add Employee or Dependent(s)	Notification from employer on letterhead or electronically, that includes person(s) covered and coverage termination date; letter from insurance company with type of coverage, reason for termination, date of termination, and person(s) covered; or termination letter from governmental agency providing previous coverage. See Dependent Eligibility Chart.
	Drop Spouse	**Divorce, Legal Separation or Annulment:** Divorce decree, legal separation orders, or annulment orders signed by judge and date stamped "filed" or "entered"; or a court order resulting from a divorce or separation that indicates a Spouse and/or a Dependent should be dropped. **Death:** none
Forms to Use	Health Insurance FSA	Health Insurance Enrollment/Change Application FSA Enrollment/Change Application

CHANGE IN NUMBER OF EMPLOYEE'S DEPENDENTS

1. GAIN DEPENDENT DUE TO BIRTH, ADOPTION, PLACEMENT FOR ADOPTION

HEALTH INSURANCE	FLEXIBLE SPENDING ACCOUNTS		WAIVER HRA (GP or Dental/Vision)
	Healthcare (HC)	Dependent Care (DC)	
ADD: Employee may enroll or increase Coverage Level for self, Spouse and newly eligible Dependent children. Plan option change may be made. **DROP:** Employee may terminate or decrease Employee's or Dependent's coverage if Employee or Dependent becomes eligible under Spouse's plan.	**ADD:** Employee may enroll or increase coverage for newly eligible Dependent children. **DROP:** Employee may terminate or decrease Employee's or Dependent's coverage if Employee or Dependent becomes eligible under Spouse's plan.	**ADD:** Employee may enroll or increase to accommodate newly eligible Dependents.	**DROP:** Employee may terminate election and redirect the state contribution to Health Insurance.

OTHER CONDITIONS/GUIDANCE:

- Tag-Along rules apply.
- When a newborn baby is added to KEHP, no premiums will be charged for the first 31 days, unless Tag-Alongs are added at the same time of the newborn's birth. If the birth, creates a Coverage Level change, no increase in costs until the 32 day from date of birth. If the birth, adoption, or placement for adoption plus Tag-Alongs creates a Coverage Level change, between the 1st and the 15th day of the month, the Member must pay the new premium for the entire month; if between the 16th and the end of the month, the Member must pay the new premium for one-half of the month.
- When an Employee's Dependent gives birth, the newborn will be covered under the Employee's (grandparents) plan for the first 31 days. After the first 31 days, the Dependent's newborn is no longer eligible for coverage as a grandchild. At this point, the following actions are permitted:
    - If Dependent gains eligibility through her own employer (either through KEHP or another employer), the Employee may drop the Dependent from coverage. The Dependent's employer should send KEHP a letter advising that the Employer will allow the Dependent to pick up coverage through her Employer. If so, KEHP may drop the Dependent.
    - If Dependent and newborn gain eligibility through the Dependent's Spouse's Employer, KEHP will allow the Employee to drop the Dependent. The Dependent's Spouse's employer needs to provide KEHP a letter advising that the Employer will allow the Dependent and newborn to have coverage through the Employer. If so, KEHP will drop the Dependent.

ADMINISTRATION GUIDELINES

Event Date	**Birth:** Date of birth; **Adoption and Placement for Adoption:** Date of Adoption; Foreign Adoption- Date Visa stamped; **Placement:** Child's Placement Date.	
Signature Deadline	Add ONLY a newborn, adopted or placed child	35 Calendar days from the event date
	Add newborn, adopted or	35 Calendar days from the event date

	placed child PLUS Tag-Alongs	
	Drop Employee or Dependent(s)	35 Calendar days from the event date
Effective Date	Add Employee, Spouse or Dependent(s)	Birth: Date of birth; Adoption: Date of Adoption; Foreign Adoption- Date Visa stamped; Placement: Child's Placement Date.
	Drop Employee, or Dependent(s)	End of the month of the Employee's signature date.
	Enroll/increase HC FSA	First day of the month following Employee's signature date.
	Terminate/decrease HC FSA	End of the month of the Employee's signature date.
	Enroll/increase DC FSA	First day of the month following Employee's signature date.
Document(s) Required	Add	See Dependent Eligibility Chart.
	Drop Employee/Dependent due to gaining other Group Health Insurance	Notification from employer, on employer's letterhead or via electronically, identifying the coverage Effective Date and the person(s) covered by the policy; or a copy of the new Health Insurance ID card(s) for each covered person, with coverage Effective Date.
Forms to Use	Health Insurance	Health Insurance Enrollment/Change Application
	FSA	FSA Enrollment/Change Application

2. LOSE DEPENDENT DUE TO DEATH (child)

HEALTH INSURANCE	FLEXIBLE SPENDING ACCOUNTS		WAIVER HRA (GP or Dental/Vision)
	Healthcare (HC)	Dependent Care (DC)	
DROP: Employee may drop coverage only for the deceased Dependent. Plan Option change may be made.	**DROP:** Employee may decrease or cease election for Dependent who loses eligibility.	**DROP:** Employee may decrease election for Dependent who loses eligibility.	No change permitted.

OTHER CONDITIONS/GUIDANCE:

- Tag-Along rule – Not applicable.

ADMINISTRATION GUIDELINES

Event Date	Date of death	
Signature Deadline	35 calendar days from the event date.	
Effective Date	Drop Dependent(s)	End of the month of the Dependent's death.
Document(s) Required	none	
Forms to Use	Health Insurance	Health Insurance Enrollment/Change Application
	FSA	FSA Enrollment/Change Application

STARTING EMPLOYMENT

OR OTHER CHANGE OF EMPLOYMENT STATUS BY EMPLOYEE, SPOUSE, OR DEPENDENT THAT TRIGGERS ELIGIBILITY

1. STARTING EMPLOYMENT BY EMPLOYEE (New Hire)

HEALTH INSURANCE	FLEXIBLE SPENDING ACCOUNTS		WAIVER HRA (GP or Dental/Vision)
	Healthcare (HC)	Dependent Care (DC)	
ADD: Provided that eligibility was gained for KEHP coverage, Employee may add coverage for Employee, Spouse, or Dependents.	**ADD:** Provided that eligibility was gained for KEHP coverage, Employee may add coverage.	**ADD:** Provided that eligibility was gained for KEHP coverage, Employee may add coverage.	**ADD:** Provided that eligibility was gained for KEHP coverage, Employee may elect coverage.

OTHER CONDITIONS/GUIDANCE:

- All Dependents may be covered.
- Events that change the employment status of the Employee, the Employee's Spouse, or the Employee's Dependent. Examples: Starting employment, new job, PT to FT.
- Some employers may offer a few months of COBRA to terminated Employees as a part of a severance package. It is important to know that the end of employer-paid COBRA coverage is NOT a Qualifying Event to allow enrollment in KEHP, since the COBRA continuation coverage period has not been exhausted. Only expiration of COBRA is considered loss of other coverage.

ADMINISTRATION GUIDELINES

Event Date	Date of hire.	
Signature Deadline	35 calendar days from the Qualifying Event date.	
Effective Date	Adding Employee, Spouse or Dependent(s)	The first day of the second month following the Employee's hire date.
	Enrolling in FSA	The first day of the second month following the Employee's hire date.
Document(s) Required	Adding Spouse or Dependent(s)	See Dependent Eligibility chart.
Forms to Use	Health Insurance	Health Insurance Enrollment/Change Application or Employee Self-Service
	FSA	FSA Enrollment/Change Application or Employee Self-Service

2. STARTING EMPLOYMENT BY SPOUSE OR DEPENDENT

HEALTH INSURANCE	FLEXIBLE SPENDING ACCOUNTS		WAIVER HRA (GP or Dental/Vision)
	Healthcare (HC)	Dependent Care (DC)	
DROP: Employee may terminate or decrease Coverage Level if Employee, Spouse, or Dependent is added to	**DROP:** Employee may decrease or cease election if gains eligibility for	**ADD:** Employee may make or increase election to reflect new eligibility. **DROP:** Employee may	No change permitted.

Spouse's or Dependent's plan. Plan Option change may be made.	health coverage under Spouse's or Dependent's plan.	terminate election for Dependent's coverage if Dependent is added to Spouse's plan.	

OTHER CONDITIONS/GUIDANCE:

- Events that change the employment status of Employee's Spouse, or the Employee's Dependent. Examples: Starting employment, new job, PT to FT, hourly to salaried, change in worksite, return from unpaid leave, etc.

ADMINISTRATION GUIDELINES

Event Date	The date the person being dropped gained coverage under the Spouse's or Dependent's employer sponsored group health plan.	
Signature Deadline	35 calendar days from the Qualifying Event date.	
Effective Date	Dropping Employee, Spouse or Dependents	The end of the month of the Employee's signature date.
	Terminating or decreasing HC FSA	End of the month of the Employee's signature date
	Increasing DC FSA	First day of the month following Employee's signature date.
Document(s) Required	Dropping Employee, Spouse or Dependent(s)	Notification from employer, on employer's letterhead or via electronically, identifying the coverage Effective Date and the person(s) covered by the policy; or a self-serve enrollment confirmation that states the employer name, Effective date, and person(s) covered. A copy of the new Health Insurance ID card(s) for each covered person, with coverage Effective Date is not sufficient unless accompanied by some form of written verification from the employer.
Forms to Use	Health Insurance	Health Insurance Enrollment/Change Application
	FSA	FSA Enrollment/Change Application

TERMINATION OF EMPLOYMENT

BY EMPLOYEE, SPOUSE, OR DEPENDENT THAT CAUSES LOSS OF ELIGIBILITY (OR OTHER CHANGE IN EMPLOYMENT STATUS)

1. TERMINATION OF EMPLOYEE'S EMPLOYMENT

HEALTH INSURANCE	FLEXIBLE SPENDING ACCOUNTS		WAIVER HRA (GP or Dental/Vision)
	Healthcare (HC)	Dependent Care (DC)	
DROP: Employee, Spouse, and Dependent(s) coverage terminates.	Employee's election to participate in the FSA will terminate. No reimbursements for expenses incurred after the end of the day on the last day of the last pay period worked or Employee otherwise ceases to be eligible. COBRA rules may apply.	When a Participant ceases to be a Participant, the Participant's Salary Reductions and election to participate in the Dependent Care FSA will terminate. The Participant will not be able to receive reimbursements for expenses associated with Dependent Care incurred after the last day of the last pay period worked or the Participant otherwise ceases to be eligible, with one exception - such Participant (or the Participant's estate) may claim reimbursement for expenses for any Dependent Care incurred in the month following termination of employment or other cessation of eligibility if such month is in the current Plan Year, provided that the Participant (or the Participant's estate) files a claim for these expenses within 90 days after the date that the Participant's employment terminates or the Participant otherwise ceases to be eligible. COBRA rules do not apply.	**DROP:** Employer ceases employer contributions. COBRA rules may apply.

OTHER CONDITIONS/GUIDANCE:

Examples: Termination of employment, starting unpaid leave, strike, lockout, etc. **COBRA** rules may apply.

ADMINISTRATION GUIDELINES

Event Date	Date of termination or event date, whichever is later.

Signature Deadline	IC/HRG has 10 days to terminate the Employee in KHRIS or submit a Health Insurance Enrollment/Change Application.	
Effective Date	Employee, Spouse or Dependent(s)	If terminated between the 1st and the 15th of the month, coverage will terminate on the 15th of the month. If terminated between the 16th and the end of the month, coverage will terminate on the last day of the same month.
Document(s) Required	Notification from employer, on employer's letterhead or via electronically, identifying the coverage termination date, the reason for coverage termination, and the person(s) covered by the policy; or letter form the insurance company showing the termination date, reason for termination, type of coverage, date of termination and person(s) covered. All forms of documentation should indicate that the reason for loss of coverage is the termination of the spouse's or dependent's employment.	
Forms to Use	Health Insurance	Health Insurance Enrollment/Change Application
	FSA	FSA Enrollment/Change Application

2. TERMINATION OF SPOUSE'S OR DEPENDENT'S EMPLOYMENT OR OTHER CHANGE IN EMPLOYMENT STATUS RESULTING IN A LOSS OF ELIGIBILITY

HEALTH INSURANCE	FLEXIBLE SPENDING ACCOUNTS		WAIVER HRA (GP or Dental/Vision)
	Healthcare (HC)	Dependent Care (DC)	
ADD: Employee may enroll or increase Coverage Level for Employee, Spouse, or Dependents who lose eligibility under Spouse's or Dependent's employer's plan. (Loss of Coverage). Plan Option change may be made.	**ADD:** Employee may enroll or increase election to reflect loss of eligibility for health coverage. (Loss of Coverage).	**ADD:** Employee may enroll or increase election if Spouse or Dependent loses eligibility for Dependent Care FSA. **DROP:** Employee may decrease or cease election to reflect loss of eligibility for coverage (i.e. if Spouse stops working) or decrease in Dependent care expenses.	**DROP:** Employee may terminate election and redirect the state contribution to Health Insurance if event causes loss of coverage under Spouse's/Dependent's plan

OTHER CONDITIONS/GUIDANCE:

- Tag-Along rules apply.
- Involves any change in employment status resulting in a loss of eligibility under the Spouse's/Dependent's employer's plan. HIPAA special enrollment rights may also apply. Examples: Termination of employment, FT to PT, salaried to hourly, starting unpaid leave, strike, lockout, etc.

ADMINISTRATION GUIDELINES

Event Date	Adding Employee, Spouse and/or Dependent(s)	Date of loss of coverage under the other employer-sponsored group health plan.
Signature Deadline	35 calendar days from the Qualifying Event date.	
Effective Date	Adding Employee, Spouse or Dependent(s)	The first day of the month following the Employee's signature date.
	Enrolling in or increasing HC FSA	First day of the month following Employee's signature date
	Terminating or decreasing FSA	End of the month of the Employee's signature date
Document(s) Required	Adding Employee, Spouse or Dependent(s)	Notification from employer, on employer's letterhead or via electronically, identifying the coverage termination date, the reason for coverage termination, and the person(s) covered by the policy; or letter

		from the insurance company showing the termination date, reason for termination, type of coverage, date of termination and person(s) covered. All forms of documentation should indicate that the reason for loss of coverage is the termination of the spouse's or dependent's employment.
Forms to Use	Health Insurance	Health Insurance Enrollment/Change Application
	FSA	FSA Enrollment/Change Application

EVENT CAUSING EMPLOYEE'S DEPENDENT TO CEASE TO SATISFY ELIGIBILITY REQUIREMENT

1. DEPENDENT CEASES TO SATISFY ELIGIBILITY REQUIREMENTS

HEALTH INSURANCE	FLEXIBLE SPENDING ACCOUNTS		WAIVER HRA (GP or Dental/Vision)
	Healthcare (HC)	Dependent Care (DC)	
DROP: Employee may decrease or terminate election only for affected Dependent. Plan Option change may be made.	**DROP:** Employee may decrease or terminate election to take into account ineligibility of expenses of affected Dependent, but only if eligibility is lost. **ADD:** If Dependent remains a tax Dependent and the health FSA provides that the Dependent's expenses remain eligible for reimbursement, then the Employee could increase election.	**DROP:** Employee may decrease or drop election to take into account expenses of affected Dependent.	No change permitted.

OTHER CONDITIONS/GUIDANCE:

- No tag along change can be made
- Dependent will automatically be dropped from the KHRIS system at the end of the month in which the Dependent turns 26.
- Aging-out Dependent who is also a KEHP member and who has now experienced a loss of coverage.
- Stepchildren who lose eligibility as a result of divorce, annulment or legal separation.

ADMINISTRATION GUIDELINES

Event Date	Dropping Dependent(s) turning 26	Automatically dropped from KHRIS the last day of the month in which the Dependent turns 26.
	Dropping Dependent Stepchildren who lose eligibility as a result of divorce, annulment or legal separation.	Date of divorce decree, annulment or legal separation as entered by the court.
Signature Deadline	35 calendar days from the event date.	
Effective Date	Dropping Dependent Stepchildren	Following a divorce, legal separation or annulment: When step-children are no longer eligible, the last day of the month in which the Health Insurance Qualifying Event was signed.
	Dropping Dependent turning 26 years of age.	End of the month the Dependent turns 26 years of age.

Documents Required	Divorce decree, legal separation orders, or annulment orders signed by a judge and date stamped “filed” or “entered” or a court order resulting from a divorce or separation that indicates a spouse and/or Dependent should be dropped, and a birth certificate showing the child(ren) are not eligible as a Dependent for the Employee. Dropping Step-children: Step-children lose eligibility due to a Divorce, Legal Separation or Annulment: Divorce Decree, legal separation orders, or annulment orders signed by judge and date stamped “filed” or “entered”; or a court order resulting from a divorce or separation that indicates a spouse and/or Dependent should be dropped, AND a birth certificate showing the child(ren) are not eligible as a dependent for the Employee. Dropping Dependent turning 26 years of age: none	
Form to Use	Health Insurance	Health Insurance Enrollment/Change Application
	FSA	FSA Enrollment/Change Application

CHANGE IN COVERAGE UNDER OTHER EMPLOYER PLAN/MARKETPLACE PLAN

1. OTHER EMPLOYER PLAN DECREASES OR CEASES COVERAGE

HEALTH INSURANCE	FLEXIBLE SPENDING ACCOUNTS		WAIVER HRA (GP or Dental/Vision)
	Healthcare (HC)	Dependent Care (DC)	
ADD: Employee may enroll or increase election for Employee, Spouse, or Dependents if Employee, Spouse or Dependents have elected or received corresponding decreased coverage under other employer plan. **DROP:** Employee may decrease or terminate Employee's, Spouse or Dependent's coverage.	No change permitted.	**ADD:** Employee may enroll or increase election for Employee, Spouse, or Dependents *if Employee, Spouse or Dependents have elected or received corresponding decreased coverage under other employer plan.*	**DROP:** Employee may terminate election and redirect the state contribution to Health Insurance.

OTHER CONDITIONS/GUIDANCE:

Examples: Mandatory change initiated by Spouse's employer; optional change in coverage initiated by Spouse's employer; and change in coverage initiated by Spouse.
NOTE: This QE is only related to changes under OTHER EMPLOYER plans. It does not refer to gaining individual coverage through any other source such as kynect.

ADMINISTRATION GUIDELINES

Event Date	Date of coverage change.	
Signature Deadline	35 calendar days	
Effective Date	Adding Employee, Spouse or Dependent(s)	1st day of the month following Employee's signature date.
	Enrolling or increasing DC FSA	1st day of the month following Employee's signature date.
Document(s) Required	Proof of change in other employer coverage. See Dependent Eligibility Chart.	
Forms to Use	Health Insurance	Health Insurance Enrollment/Change Application
	FSA	FSA Enrollment/Change Application

2. OPEN ENROLLMENT UNDER OTHER EMPLOYER PLAN/DIFFERENT YEAR

HEALTH INSURANCE	FLEXIBLE SPENDING ACCOUNTS		WAIVER HRA (GP or Dental/Vision)
	Healthcare (HC)	Dependent Care (DC)	

ADD: Employee may enroll or increase election for Employee, Spouse and Dependent(s). Corresponding changes can be made under employer's plan **DROP:** Employee may drop or decrease election for Employee, Spouse, or Dependent(s)	Corresponding changes can be made under employer's plan.	Corresponding changes can be made under employer's plan	**DROP:** Employee may make corresponding change including terminating coverage and redirecting the state contribution to Health Insurance.

ADMINISTRATION GUIDELINES		
Event Date	Last day of the Employee's, or Spouse's Open Enrollment Period.	
Signature Deadline	35 calendar days from the Qualifying Event date.	
Effective Date	Adding or dropping Employee and/or Dependent(s)	Same as the Effective Date of the other Employer's Plan.
	FSA	Same as the Effective Date of the Employee, or Spouse's plan.
Document(s) Required	Notification from employer on employer's letterhead or electronically, identifying: 1. Open Enrollment period and deadline 2. Effective Date of plan 3. Persons being added or dropped from the policy See Dependent Eligibility Chart.	
Forms to Use	Health Insurance	Health Insurance Enrollment/Change Application
	FSA	FSA Enrollment/Change Application

3. OPEN OR SPECIAL ENROLLMENT AT MARKETPLACE

HEALTH INSURANCE	**FLEXIBLE SPENDING ACCOUNTS**		**WAIVER HRA (GP or Dental/Vision)**
	Healthcare (HC)	**Dependent Care (DC)**	
ADD: Employee may elect coverage for Employee, Spouse, or Dependent(s) provided OE is after KEHP OE. **DROP:** Employee may revoke election for Self, Spouse, and Dependent(s) provided the revocation corresponds to intended enrollment of Employee/Spouse/Dependent in coverage through the Exchange that is effective no later than the day after the last day of Employer-provided coverage.	No change permitted.	No change permitted	Employee/Spouse/Dependent covered under individual coverage through the Exchange is not eligible for the Waiver GP HRA. Employee taking coverage through the Exchange must **DROP** the Waiver GP HRA and choose the Waiver D/V HRA. **ADD**: Employee may not redirect state contributions from a health plan to a Waiver HRA and may not choose a Waiver D/V HRA.

OTHER CONDITIONS/GUIDANCE:

Coverage through the Exchange must be effective no later than the day after the last day of Employer-provided coverage.

ADMINISTRATION GUIDELINES		
Event Date	Last day of the Exchange Special or Open Enrollment.	
Signature Deadline	35 calendar days from the Qualifying Event date.	
Effective Date	Adding or dropping Employee and/or Dependent(s)	No earlier than the Exchange coverage effective date
	FSA	No change permitted
Document(s) Required	Documentation from Exchange insurer or the Exchange showing the person(s) covered and the effective date of coverage and a confirmation printout or letter from the Exchange showing the coverage was purchased through the Exchange.	
Forms to Use	Health Insurance	Health Insurance Enrollment/Change Application
	FSA	No change permitted.

LOSS OF HEALTH COVERAGE

1. LOSS OF ELIGIBILITY FOR HEALTH COVERAGE SPONSORED BY A GOVERNMENTAL OR EDUCATIONAL INSTITUTION (Medicaid, KCHIP, Medicare)

HEALTH INSURANCE	FLEXIBLE SPENDING ACCOUNTS		WAIVER HRA (GP or Dental/Vision)
	Healthcare (HC)	Dependent Care (DC)	
ADD: Employee may enroll or increase Coverage Level for Employee, Spouse, or Dependent if Employee, Spouse, or Dependent loses group health coverage sponsored by governmental or educational institution. Prospective change only.	Employee may enroll or increase election to reflect loss of eligibility for health coverage.	No change permitted.	Employee may terminate election and redirect the state contribution to Health Insurance.

OTHER CONDITIONS/GUIDANCE:

- Tag-Along rules apply.
- Applies only to LOSS (NOT GAIN) of coverage. In the event of a loss of CHIP coverage, HIPAA special enrollment rights may also apply. Government programs include: CHIP, a medical care program of an Indian Tribal government, a state health risk pool, a foreign government group health plan.

ADMINISTRATION GUIDELINES

Event Date	Date of loss of coverage.	
Signature Deadline	35 calendar days from event or notification letter, whichever is later.	
Effective Date	Adding Employee, Spouse, Dependent (s)	First day of the month following Employee's signature date.
Document(s) Required	Medicaid & KCHIP	MET form. See Dependent Eligibility Chart.
	Medicare	Notification from Medicare. See Dependent Eligibility Chart.
Forms to Use	Health Insurance or Waiver	Health Insurance Enrollment/Change Application

2. LOSS OF ELIGIBILITY FOR INDIVIDUAL HEALTH COVERAGE (Marketplace)

HEALTH INSURANCE	FLEXIBLE SPENDING ACCOUNTS		WAIVER HRA (GP or Dental/Vision)
	Healthcare	Dependent Care	
ADD: Employee may enroll or increase Coverage Level for Employee, Spouse, or Dependent if Employee, Spouse, or Dependent loses group health coverage sponsored by governmental or educational institution. Prospective change only.	Employee may enroll or increase election to reflect loss of eligibility for health coverage.	No change permitted.	Employee may terminate election and redirect the state contribution to Health Insurance.

OTHER CONDITIONS/GUIDANCE:

- Tag-Along rules apply.
- Applies only to LOSS (NOT GAIN) of coverage. In the event of a loss of CHIP coverage, HIPAA special enrollment rights may also apply. Government programs include: CHIP, a medical care program of an Indian Tribal government, a state health risk pool, a foreign government group health plan.

ADMINISTRATION GUIDELINES		
Event Date	Loss of eligibility date	
Signature Deadline	35 calendar days from event.	
Effective Date	Adding Employee, Spouse, or Dependent(s)	First day of the month following signature date.
	Enroll or increase FSA	First day of the month following signature date.
Document(s) Required	Proof of loss of eligibility from Marketplace. See Dependent Eligibility Chart.	
Forms to Use	Health Insurance, Waiver	Health Insurance Enrollment/Change Application
	FSA	FSA Enrollment/Change Application

3. LOSS OF GROUP HEALTH COVERAGE

HEALTH INSURANCE	FLEXIBLE SPENDING ACCOUNTS		WAIVER HRA (GP or Dental/Vision)
	Healthcare (HC)	Dependent Care (DC)	
ADD: Employee may elect coverage for Employee, Spouse, or Dependent who has lost other coverage if: (a) The Employee or Dependent was covered under a group health plan or had Health Insurance coverage at the time coverage was previously offered to the Employee or Dependent.	**ADD:** Employee may enroll or increase election to reflect loss of eligibility for health coverage.	No change permitted.	**DROP:** Employee may terminate election and redirect the state contribution to Health Insurance.

OTHER CONDITIONS/GUIDANCE:

- Change Plan Option when adding Dependent(s) or Spouse
- Tag-Along rules apply.
- While other permitted election changes are permissive, health coverage changes are REQUIRED under HIPAA for special enrollment events. Also, certain HIPAA special enrollment events (birth, adoption, or placement for adoption) will allow an election change to pay for retroactive coverage on a pre-tax basis, which cannot be done for other events. Also, HIPAA requires a special enrollment period of a specified minimum duration (30 or 60 days, depending on the event) while other limits for permitted election change events are a matter of plan design.

ADMINISTRATION GUIDELINES	
Event Date	Date of loss of coverage under the other employer-sponsored group health plan. Must also submit eligibility verification document(s).
Signature Deadline	35 calendar days from the Qualifying Event date.

Effective Date	Adding Employee, Spouse or Dependent(s)	The first day of the month following the Employee's signature date.
	Enroll or increase FSA	The first day of the month following the Employee's signature date.
Document(s) Required	Notification from employer, on employer's letterhead or via electronically, identifying the coverage termination date, the reason for coverage termination, and the person(s) covered by the policy; or a letter from the insurance company showing the termination date, reason for termination, type of coverage, date of termination and person(s) covered. The reason provided must be one that permits a QE. For instance, loss of covereage for the failure to pay premium is not a valid QE; however, the loss of coverage because the employer ceased to offer coverage is a valid QE.	
Forms to Use	Health Insurance, Waiver HRA	Health Insurance Enrollment/Change Application
	FSA	FSA Enrollment/Change Application

SPECIAL ENROLLMENT DUE TO ELIGIBILITY FOR STATE PREMIUM ASSISTANCE SUBSIDY FROM MEDICAID OR CHIP

HEALTH INSURANCE	FLEXIBLE SPENDING ACCOUNTS		WAIVER HRA (GP or Dental/Vision)
	Healthcare (HC)	Dependent Care (DC)	
ADD: Employee may elect coverage for Employee or Dependent who has become eligible for premium assistance subsidy from Medicaid or CHIP. Plan Option change may be made.	Premium assistance subsidy does not apply. No change permitted.	No change permitted.	**DROP:** Employee may terminate election and redirect the state contribution to Health Insurance.

OTHER CONDITIONS/GUIDANCE:

- Tag-Along rules apply.
- 60-day special enrollment period applies for this event. **NOTE:** There is no election change permitted (drop coverage) for persons who gain CHIP coverage. The subsidy subsidizes employer coverage.

ADMINISTRATION GUIDELINES		
Event Date	The date the Employee gains premium assistance.	
Signature Deadline	35 calendar days from the Qualifying Event date.	
Effective Date	Adding Employee and/or Dependent(s)	The first day of the month following the Employee's signature date.
Document(s) Required	Medicaid	MET form. See Dependent Eligibility Chart.
	Medicare, KCHIP	Letter from Medicaid or CHIP. See Dependent Eligibility Chart.
Forms to Use	Health Insurance, Waiver	Health Insurance Enrollment/Change Application

JUDGMENTS, DECREES, OR ORDERS (NMSN)

1. ORDER REQUIRING COVERAGE FOR CHILD UNDER EMPLOYEE'S PLAN – SIGNED BY A JUDGE

HEALTH INSURANCE	FLEXIBLE SPENDING ACCOUNTS		WAIVER HRA (GP or Dental/Vision)
	Healthcare (HC)	Dependent Care (DC)	
ADD: Employee may change election to provide coverage for the child.	**ADD:** Employee may change election to provide coverage for the child.	No change permitted.	Employee may terminate election and redirect the state contribution to Health Insurance.

OTHER CONDITIONS/GUIDANCE:

- Tag-Along rules apply.
- While the plan may have to comply with the order regardless of the child's Dependent status, the child must be the Employee's child up to the end of the month in which the child turns 26 or tax Dependent for health coverage purposes in order for the coverage to be paid for on a pre-tax basis.
- May be processed even if the 35-day deadline is not met.

ADMINISTRATION GUIDELINES

Event Date	Date order, notice or guardianship documents are signed by a judge or authorized individual.	
Signature Deadline	35 calendar days from the Qualifying Event date. National Medical Support Notice (NMSN) directing employer to enroll an Employee's child in a plan.	
Effective Date	Adding Dependent(s)at Employee's request	First day of the month following Employee's signature date
	Adding Dependent(s) due to NMSO (Employee's consent not needed)	First day of the month following the date of the administrative order or notice
Document(s) Required	Adding Dependent (s)	See Dependent Eligibility Chart
Forms to Use	Health Insurance or Waiver	Health Insurance Enrollment/Change Application
	FSA	FSA Enrollment/Change Application

2. ORDER REQUIRING COVERAGE FOR A DEPENDENT CHILD, DUE TO A NEW ORDER RELEASING THE EMPLOYEE – SIGNED BY A JUDGE

HEALTH INSURANCE	FLEXIBLE SPENDING ACCOUNTS		WAIVER HRA (GP or Dental/Vision)
	Healthcare (HC)	Dependent Care (DC)	
DROP: Employee may change election to terminate coverage for the child.	**DROP:** Employee may change election to cancel coverage for the child. Verify other coverage provided before dropping.	No change permitted.	No change permitted.

OTHER CONDITIONS/GUIDANCE:

- Coverage can only be dropped if coverage is actually provided pursuant to the order through another plan. Verify other coverage.

ADMINISTRATION GUIDELINES		
Event Date	Date of the Order	
Signature Deadline	35 calendar days from the event date	
Effective Date	Dropping Dependent	Last day of the month in which the Health Insurance Enrollment/Change Application was signed.
Health Insurance Enrollment/Change Application	Order signed by a judge	
Forms to Use	Health Insurance	Health Insurance Enrollment/Change Application
	FSA	FSA Enrollment/Change Application

MEDICARE OR MEDICAID ENTITLEMENT

1. EMPLOYEE, SPOUSE, OR DEPENDENT BECOMES ENTITLED TO MEDICARE OR MEDICAID

HEALTH INSURANCE	FLEXIBLE SPENDING ACCOUNTS		WAIVER HRA (GP or Dental/Vision)
	Healthcare (HC)	Dependent Care (DC)	
DROP: Employee may elect to cancel or reduce coverage for Employee, Spouse, or Dependent as applicable.	**DROP:** Employee may decrease or terminate election under employer plan.	No change permitted.	No Waiver GP HRA permitted unless there is other group Health Insurance. Employee with a Waiver GP HRA who becomes entitled to and covered under Medicare or Medicaid must drop the Waiver GP HRA and may redirect future employer contributions to a Waiver DV HRA or choose Waiver no HRA. Funds in the Waiver GP HRA will not rollover or transfer to the Waiver DV HRA. A spouse or dependent covered under the Waiver GP HRA who becomes entitled to and covered under Medicare or Medicaid cannot be covered under the Employee's Waiver GP HRA. No change permitted for an Employee with a Waiver DV HRA.

OTHER CONDITIONS/GUIDANCE:

- A gain of coverage under KCHIP or other state's CHIP program does not permit a drop of coverage under KEHP.
- Entitlement to Medicare or Medicaid refers to coverage other than coverage solely for pediatric vaccines.

ADMINISTRATION GUIDELINES

Event Date		Date the Employee, Spouse or Dependent becomes entitled to Medicare or Medicaid; Medicare and Medicaid may also use the notification date.
Signature Deadline	60 calendar days from event date for Medicaid or 35 calendar days from the event date of Medicare.	
Effective Date	Dropping Employee, Spouse and/or Dependent(s)	Last day of the month in which the Health Insurance Enrollment/Change Application was signed

	Decreasing or terminate FSA	End of the month of the Employee's signature date
Document(s) Required	Medicare	Copy of Medicare card (showing Effective Date) or Initial eligibility letter from Medicare Office
	Medicaid	Medicaid Eligibility/Termination (MET) Form signed by the Division of Medicaid Services – Cabinet for Health and Family Services
Forms to Use	Health Insurance	Health Insurance Enrollment/Change Application
	FSA	FSA Enrollment/Change Application

MILITARY LEAVE (USERRA)

1. EMPLOYEE STARTS MILITARY LEAVE (UNPAID)

HEALTH INSURANCE	FLEXIBLE SPENDING ACCOUNTS		WAIVER HRA (GP or Dental/Vision)
	Healthcare (HC)	Dependent Care (DC)	
Employee on military leave may either terminate coverage or continue coverage. To continue coverage, the Employee must elect COBRA. If the Employee does not continue health plan coverage by electing COBRA while performing military service, coverage will be suspended while the employee is on approved military service leave. Employees returning from military service have the right to have their health benefits reinstated without any re-entry requirements (i.e. waiting period).	Employee on military leave may either terminate coverage or continue coverage.	Employee on military leave may either terminate coverage or continue coverage.	Employer contributions cease. **Waiver GP HRA:** To continue the Waiver GP HRA while on military leave, the Employee must elect COBRA. If the employee does not continue the Waiver GP HRA by electing COBRA, coverage will be suspended while the employee is on approved military service leave. Employees returning from military service have the right to have their Waiver GP HRA reinstated without any re-entry requirements (i.e. waiting period). **Waiver Dental Vision Only HRA**: During active military leave, an Employee may not elect COBRA to continue the Waiver DV HRA. The Waiver DV HRA will be suspended while the Employee is on approved military service leave. Employees returning from military service have the right to have their Waiver DV HRA reinstated without any re-entry requirements (i.e. waiting period).

OTHER CONDITIONS/GUIDANCE:

ADMINISTRATION GUIDELINES

See Chapter 4, Page 8

2. EMPLOYEE RETURNS FROM MILITARY LEAVE (UNPAID)

HEALTH INSURANCE	FLEXIBLE SPENDING ACCOUNTS		WAIVER HRA (GP or Dental/Vision)
	Healthcare (HC)	Dependent Care	
Reinstate prior elections unless another event has occurred that allows a change.	Reinstate prior elections unless another event has occurred that allows a change. Reinstate at prior Coverage Level (and make up unpaid premiums) or at a level reduced pro rata for the missed contributions.	Employee may make a new election if coverage terminated while on leave. Same as non-FMLA	Reinstate prior elections unless another event has occurred that allows a change.

OTHER CONDITIONS/GUIDANCE:

- Reinstate prior elections unless another event has occurred that allows a change.
- Employees returning from Military Leave are eligible for coverage immediately upon return or may delay the effective date until military coverage ends.

ADMINISTRATION GUIDELINES

See Chapter 4, page 8