

QUALIFYING EVENTS, MID-YEAR SCENARIOS & DEPENDENT ELIGIBILITY CHART

1. Qualifying Events

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 than 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)	
<p>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.</p>	<p>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).</p>	<p>ADD: Employee may enroll or increase to accommodate newly eligible Dependents.</p> <p>DROP: Employee may decrease or cease coverage if new Spouse is not employed or makes a Dependent Care coverage election under Spouse's plan.</p>	<p>Employee may terminate election and redirect the state contribution to Health Insurance.</p>
<p>OTHER CONDITIONS/GUIDANCE:</p> <ul style="list-style-type: none"> • Tag-Along rules apply. • No domestic partnerships; Common law marriage recognized if documented. Need certification/attestation of other coverage. 			
<p>ADMINISTRATION GUIDELINES</p>			
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	
	Add Spouse/Dependent(s)	See Dependent Eligibility Chart	

Document(s) Required	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)	
<p>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.</p>	<p>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.</p>	<p>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).</p>	<p>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).</p>

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 placed child PLUS Tag-Alongs	35 Calendar days from the event date
	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:			
<ul style="list-style-type: none"> 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:			
<ul style="list-style-type: none"> 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 Spouse's or Dependent's plan. Plan Option change may be made.	DROP: Employee may decrease or cease election if gains eligibility for health coverage under Spouse's or Dependent's plan.	ADD: Employee may make or increase election to reflect new eligibility. DROP: Employee may terminate election for Dependent's coverage if Dependent is added to Spouse's plan.	No change permitted.

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)	<p>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 by the policy.</p> <p>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.</p>
	Forms to Use Health Insurance FSA	Health Insurance Enrollment/Change Application 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	DROP: Employer ceases employer contributions. COBRA rules may apply.

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.

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 1 st and the 15 th of the month, coverage will terminate on the 15 th of the month. If terminated between the 16 th 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



3. CLEAN TRANSFER - FROM ONE PARTICIPATING EMPLOYER TO ANOTHER WITH NO BREAK IN SERVICE			
HEALTH INSURANCE	FLEXIBLE SPENDING ACCOUNTS		WAIVER HRA (GP or Dental/Vision)
	Healthcare (HC)	Dependent Care (DC)	
No election changes permitted.	No election changes permitted.	No election changes permitted.	No election changes permitted.
4. SMALL BREAK TRANSFER –1-10 WORKING DAYS			
HEALTH INSURANCE	FLEXIBLE SPENDING ACCOUNTS		WAIVER HRA (GP or Dental/Vision)
	Healthcare	Dependent Care (DC)	
No election changes are permitted.	No election changes are permitted.	No election changes are permitted.	Reinstate prior elections. No election changes permitted.
ADMINISTRATION GUIDELINES			
Signature Deadline	IC/HRG has 10 days to terminate the Employee in KHRIS or submit a Health Insurance Enrollment/Change Application.		
Effective Date	If the 1 to 10 day break occurs within the <i>same</i> Semi-Monthly Billing Periods, there is no break in coverage. If the 1 to 10 day break occurs within <i>different</i> Semi-Monthly Billing Periods, there is a ½ month break in coverage		
Forms to Use	Health Insurance	Health Insurance Enrollment/Change Application	
	FSA	FSA Enrollment/Change Application	
5. LARGE BREAK TRANSFER - 11 OR MORE WORKING DAYS			
HEALTH INSURANCE	FLEXIBLE SPENDING ACCOUNTS		WAIVER HRA (GP or Dental/Vision)
	Healthcare (HC)	Dependent Care (DC)	
Treat as new Employee. The new hire waiting period applies and Employee may make new elections.	Treat as new Employee. The new hire waiting period applies and Employee may make new elections.	Treat as new Employee. The new hire waiting period applies and Employee may make new elections.	Treat as new Employee. New hire waiting period applies and Employee may make new elections.
OTHER CONDITIONS/GUIDANCE:			
<ul style="list-style-type: none"> Employee can cover all Dependents with new elections. 			
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	1 st day of the second calendar month following date of hire.	
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.
		End of the month the Dependent turns 26 years of age.

	Dropping Dependent turning 26 years of age.	
Documents Required	<p>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.</p> <p>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.</p> <p>Dropping Dependent turning 26 years of age: none</p>	
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)	
<p>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.</p> <p>DROP: Employee may decrease or terminate Employee's, Spouse or Dependent's coverage.</p>	No change permitted.	<p>ADD: Employee may enroll or increase election for Employee, Spouse, or Dependents <i>if Employee, Spouse or Dependents have elected or received corresponding decreased coverage under other employer plan.</i></p>	<p>DROP: Employee may terminate election and redirect the state contribution to Health Insurance.</p>

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)	1 st day of the month following Employee's signature date.
	Enrolling or increasing DC FSA	1 st 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)	

<p>ADD: Employee may enroll or increase election for Employee, Spouse and Dependent(s). Corresponding changes can be made under employer's plan</p> <p>DROP: Employee may drop or decrease election for Employee, Spouse, or Dependent(s)</p>	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.
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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: <ol style="list-style-type: none"> 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)	
<p>ADD: Employee may elect coverage for Employee, Spouse, or Dependent(s) provided OE is after KEHP OE.</p> <p>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.</p>	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:	
<ul style="list-style-type: none"> • 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	
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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			
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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:			
<ul style="list-style-type: none"> • 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	
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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 coverage 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: <ul style="list-style-type: none"> • 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:			
<ul style="list-style-type: none"> 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)	
<p>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).</p>	<p>Employee on military leave may either terminate coverage or continue coverage.</p>	<p>Employee on military leave may either terminate coverage or continue coverage.</p>	<p>Employer contributions cease.</p> <p>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).</p> <p>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).</p>

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

SIGNIFICANT COST CHANGES BY EMPLOYER

1. Cost Charged to Employee/Retiree for a Benefit Option Significantly Increases

HEALTH INSURANCE	FLEXIBLE SPENDING ACCOUNTS		WAIVER HRA (GP or Dental/Vision)
	Healthcare (HC)	Dependent Care (DC)	
<p>ADD: Employee may increase election correspondingly.</p> <p>DROP: Employee may revoke election and elect coverage under another benefit package option providing similar coverage.</p>	No change permitted	<p>ADD: Employee may increase election correspondingly.</p> <p>DROP: Employee may revoke election. No change can be made when the cost change is imposed by a dependent care provider who is a relative of the Employee.</p>	No change permitted.
<p>OTHER CONDITIONS/GUIDANCE:</p> <ul style="list-style-type: none"> Tag-along concepts apply. Ex: Employee active with KRS and active agency. EE has plan with KRS and waived with the active agency. Dependent child on his plan turns 22. KRS premium increased due to child turning 22. Employee can drop coverage under KRS when the child turns 22 and now waive with KRS and pick up active insurance coverage with the active agency. 			
ADMINISTRATION GUIDELINES			
Event Date	Date of coverage change.		
Signature Deadline	35 calendar days		
Effective Date	Adding Employee, Spouse or Dependent(s)	First day of the month following the Employee's signature date.	
	Dropping Employee, Spouse, or Dependent(s)	First day of the last day of the month before the effective date of the new coverage.	
	Enrolling in or increasing a Dependent Care FSA	First day of the month following the Employee's signature date.	
	Decreasing or terminating a Dependent Care FSA	End of the month of the Employee's signature date.	
Document(s) Required	Proof of change in other employer coverage.		

Forms to Use	Health Insurance	Health Insurance Enrollment/Change Application
	Dependent Care FSA	FSA Enrollment/Change Application

2. Mid-Year Scenario Chart

Mid-Year Scenario	Action	Funding	Explanation
1. CDHP Single Coverage Level to Family Coverage Level	Member will receive the additional HRA funds.	Increase available full Plan Year	HRA increases due to plan change. Member will have access to the larger balance of funds for family coverage for the full year.
2. CDHP Family Coverage Level to Single Coverage Level	Member will not receive any additional HRA funds. Member's HRA funds will not be reduced.	Same amount available full Plan Year	Two separate elections with one continuous period. If the \$1,000 was totally spent during the first election period, there will not be any additional funds given for the second election
3. LW CDHP to Standard CDHP	Member's HRA funds will not be reduced.	Same amount available full Plan Year	Two separate elections with one continuous period. No additional money and no money taken back - only different periods that the money is available.
4. LW CDHP Single Coverage Level to Standard CDHP Parent Plus Coverage Level	No change in HRA funds.	Same amount available full Plan Year	Member will have the same amount of funds. LW CDHP Single Coverage Level/ \$500 HRA and Standard CDHP Parent Plus Coverage Level/ \$500 HRA which is no change in HRA money.
5. Standard CDHP to LW CDHP	Member will receive additional HRA funds.	Increase available full Plan Year	HRA increases due to plan change – Member will have access to the larger balance of funds for the full year.
6. Standard CDHP Family Coverage Level to LW CDHP Single Coverage Level	No change in HRA funds.	Same amount available full Plan Year	HRA is \$500 for both scenarios.
7. Non-CDHP to CDHP	Member will receive HRA funds	Funds available date of QE	No pro-rating of funds.
8. CDHP to Non-CDHP	Member will receive HRA funds with CDHP.	Funds only available until date of QE	HRA claims can be submitted through run-out period for dates of CDHP coverage. No pro-rating.
9. CDHP Planholder whose Spouse is newly employed and eligible to elect the Cross-Reference Payment Option.	<p>a. Existing Planholder has <i>couple, parent-plus or family</i>, Coverage Level and will now have Cross-Reference Payment Option. Member will not receive additional HRA funds.</p> <p>b. Existing Planholder has <i>single</i> Coverage Level and will now have the Cross-Reference Payment Option. Member will receive additional HRA funds.</p>	Same amount available full Plan Year	<p>a. No more than the maximum HRA amount per Coverage Level and Plan Option will be received. Couple, Parent-Plus, Family and Cross Reference Payment Option have the same HRA amount.</p> <p>b. No more than the maximum HRA amount per Coverage Level and Plan Option will be received. Single Coverage Level receives less funds than the Cross-Reference Payment Option; therefore, Member will receive additional HRA funds and funds will be available for the entire year, regardless of the QE date.</p>
10. Non-CDHP Planholder whose Spouse is newly employed and eligible to elect the Cross-Reference payment option.	Newly employed Spouse must remain on the primary Planholder's plan option.	No funds involved	Not a QE – no change in Plan Option permitted. No funds involved.

11. Begin new Cross-Reference Payment Option due to birth, adoption or other QEs.	When electing the Cross-Reference Payment Option and changing Coverage Level from Single to the Cross-Reference Payment Option, Member will receive additional HRA funds; electing a different Plan Option is permitted.	Funds available full Plan Year	Amount of the full HRA will be received – no prorating, and funds will be able to be used for the full year. If Spouse had CDHP HRA prior to the change, his/her unspent CDHP funds may be transferred to the primary Planholder’s CDHP HRA.
12. End Cross-Reference Payment Option, the Primary Planholder reverts to Parent Plus Coverage Level.	Member will not receive additional HRA funds. Member’s HRA funds will not be reduced.	Same amount available full Plan Year	One continuous election period. No additional money and no money taken back.
13. End Cross-Reference Payment Option, due to termination of the Primary Planholder. The Secondary Planholder becomes the new Planholder with a Parent Plus Coverage Level.	Member will receive family level HRA funds	Funds available beginning date of plan change	No pro-rating of funds. Unspent CDHP funds under primary’s account may be transferred to the secondary’s new Parent Plus CDHP HRA account.

3. Dependent Eligibility Chart

Definition of Eligible Dependent(s)	Documentation
<p>Spouse: A person who is legally married to an Employee or Retiree.</p>	<p>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).</p>
<p>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).</p>	<p>A legible photocopy of the certificate or affidavit of common law marriage from a state that does recognize common law marriage.</p>
<p>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 –</p> <ul style="list-style-type: none"> • 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). 	<p>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.</p>
<p>Disabled Dependent: 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.</p>	<p>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.</p>