



BENEFITS ADJUSTMENTS - QLE

JOB AID # BEN-3

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This job aid explains the types of Qualifying Life Events for Benefits Adjustments and what documentation is required.

After an employee has initially enrolled in a benefit plan, he/she can make changes and/or adjustments to the plan only during the current benefit year if an eligible Qualifying Life Event (QLE) occurs or if it is during the Annual Enrollment period.

QLE changes must be consistent with the family/employment status change event. Employees have 30 days from the QLE to make allowable changes to benefit plans. The 30-day period to make plan changes does not begin when HR is notified about the QLE; the 30-day window starts the day the QLE occurs.

The IRS provides guidelines for a QLE change and requires that employees maintain legal documentation of the change(s) in their personnel records. Employees must provide supporting documentation to verify the qualifying life event in accordance with IRS and North Carolina State policy. Employees can provide this to their Agency work location benefits representative (HBR).

Examples of Qualifying Life Events in eBenefits include (QLE types and required documentation are subject to change by The State Health Plan & NC Flex Plan):

Type of QLE	Required Documentation
Adoption	Legal Guardianship Document from the Courts
Birth	Birth Certificate
Court Order	Court Order Document to add dependent(s) only
Day care change	For NC Flex DDCSA only: Documentation showing: Day Care Rate Change, Day Care Provider Change, or Day Care Coverage Changed
Death of dependent	Death Certificate
Dependent date of birth correction	Birth Certificate
Dependent gains Medicaid coverage	Certificate of Coverage showing Effective Date
Divorce	Divorce Decree
Now eligible for other coverage	Certificate of Coverage showing Effective Date
Employee reaches age 65	Certificate of Coverage showing Medicare Effective Date
FMLA Nonpay (Dependent)	BEST will monitor these QLEs using the DNTK Report to term plans due to leave without pay (LWOP) status.
FMLA Subscriber Nonpay (Employee)	
FMLA Subscriber Requested Cancellation	

Guardianship or legal custody of child	Legal Guardianship Document from the Courts
Initial Enrollment	Provide dependent verification documentation
Leave of Absence	BEST will use this QLE when using the DNTK Report to term plans due to LOA without pay (LWOP) status.
Legal separation	Legal Separation Document from the Courts
Loss of other coverage	Certificate of Coverage showing Term Date*
Loss of dependent child status	Overage children (age 26) removed by eBenefits
Loss of Medicaid or CHIP Coverage	Certificate of Coverage showing Term Date*
Marriage	Marriage Certificate, Federal Tax Return
Newly Eligible for Coverage	System verification should show change in eligibility
Return from military leave	Employee must create a QLE for 'Return from LOA' to open the enrollment platform to re-enroll in any plans termed while out on LOA status within 30 days of reinstatement. Return from military leave requires DD214 military order end date.
Return from FMLA	
Return from LOA	
Spouse reaches age 65	Certificate of Coverage showing Medicare Effective Date & DOB confirmed by system

* May also require dependent verification documentation if adding a dependent that has not previously been added and verified in the eBenefits system.

PROCESS:

- Employee notifies Agency HBR of a Qualifying Life Event (QLE).
- Agency HBR educates employee on the rules, requirements and processing of QLE related plan changes as well as providing enrollment instructions.
- Employee logs into the eBenefits system to create the QLE event and make the appropriate enrollment change within 30 days of the QLE.
 - If all steps of QLE allowed plan changes are not created by the employee within 30 days of the event, the employee will have to wait for the next Annual Enrollment period to make any changes.
- Employee provides the supporting documentation to verify the QLE within 30 days of the QLE to their Agency HBR for maintaining in the personnel file.
- BEST Shared Services runs weekly reports to identify the QLE events and provides the report to the Agency HBR to obtain supporting documentation, if not already obtained.
 - QLEs will be processed automatically and approved weekly in the eEnroll system to ensure timely payroll processing.
 - If supporting documentation is not provided, the QLE change should be revoked.
 - The Agency HBR will need to submit an exception request to the State Health Plan to revoke the QLE & for NCFlex plans, the Agency HBR should submit a ticket to BEST to revoke the QLE if documentation cannot be obtained or substantiated. Exception requests & tickets should be submitted with the Subject: 'QLE-Dependent documentation cannot be obtained' or 'Invalid QLE'.

- BEST will work with eBenefits, OSHR & the State Health Plan to monitor the revocation of the QLE.

QLE EFFECTIVE DATES:

State Health Plan - First of the month following the Qualifying Event

- Exceptions:
 - Newborns - Will be added to the plan effective the date of birth. The eEnroll system will reflect the first of the month that includes the date of birth. The Integrated HR/Payroll System will reflect the date of birth. Premiums cannot be prorated.
 - Adopted Children - Can be added effective:
 - Date of Adoption
 - Date of placement in the adoptive parents' home
 - First of the month following the date of adoption

NC Flex - First of the month following the QLE

QLE CONSIDERATIONS:

- Payroll Implications:
 - Multiple payroll deductions may occur depending on when the QLE is processed in the eEnroll system and transferred into Integrated HR/Payroll System for payroll processing.
Example:
 - QLE for loss of coverage for a spouse is effective 8/31/16.
 - Employee can add spouse effective 9/1/16.
 - Employee has 30 days from 8/31/16 to add the spouse to the plan.
 - Employee creates QLE in eEnroll on 8/31/16 and adds the spouse to the health plan.
 - The QLE change was entered AFTER the Aug payroll deadline.
 - Since the State Health Plan deducts a month in advance, the QLE will result in a double deduction occurring in the Sept payroll: spouse deduction in Aug for Sept coverage and a deduction for Sept for Oct coverage.
- Audits & Revocations: NC Flex, NC State Health Plan and BEST Shared Services reserve the right to conduct audits requiring employees to provide supporting documentation for dependents or other qualifying events (QLEs).
 - In the event that an audit is conducted and/or supporting documentation cannot be provided for dependents or QLE enrollment changes, dependents would be removed from the plan and/or changes would be reversed.
 - Additionally, employees could be responsible for any charges incurred due to a claims reversal.
 - **Please Note-Payroll Implication:** If a QLE is reversed, the QLE may have been payroll processed before it can be removed from the system. If a QLE is reversed, reversal of premiums paid is not guaranteed and will be up to the State Health Plan or NC Flex. If a refund of premiums is approved, funds will be refunded on the next available payroll. Off-cycle payrolls are NOT an option.
- Initial Enrollment - This QLE is used to remind the employee that if a dependent is added to a plan, the employee must provide proof of eligible dependent status.
- Transferring to another Integrated HR/Payroll System Agency and losing an Agency Specific insurance plan is NOT considered a QLE to add a similar NC Flex plan.

- Court Order Releases
 - Are NOT considered a QLE to drop a dependent from the State Health Plan, UNLESS the child is gaining coverage under ACA or gaining coverage under the other parent’s employer plan for annual enrollment. A certificate of coverage will be required to show coverage gained under ACA or the other parent’s employer plan.
 - ARE considered a QLE to drop a dependent from a court ordered NC Flex plan.
- Loss of child status is due to the dependent aging out of eligibility due to reaching age 26, supporting documentation is not needed. eBenefits processes those QLEs to drop the dependent based on DOB.
- Loss of Medicaid or CHIP Coverage & Gain of Medicaid Coverage - Employees have 60 days from the effective date coverage was lost to enroll in SHP.
- Newly Eligible for Coverage – This refers to an employee’s change in eligibility status when they first become eligible from a non-eligible status, such as 1) going from Temporary status & not eligible for coverage to Permanent/Probationary/Time Limited status & becoming eligible for coverage, or 2) a change in work hours which makes the employee eligible for coverage – going from 20 hrs/week to 40 hrs/week. This QLE should NOT be used for Initial Enrollment.
 - NOTE: An exception request must be submitted to OSHR for NC Flex enrollments based on the Newly Eligible for Coverage QLE. Exception requests are not required for SHP enrollment.
- Return from LOA Status
 - Employees have 30 days to re-enroll in plans that were termed due to LOA/LWOP status.
 - Upon re-enrollment, SHP allows dependents not originally on the plan to be added at this time. NC Flex does NOT.
 - For NC Flex re-enrollments, Evidence of Insurability (EOI) may be required.
- Employee Termination QLE – Documentation is not required; however, the Benefits Termination notice should be mailed to the employee. (SAP Transaction ZBNS0013)