

**USE THIS FORM IF YOU ARE TRYING TO...**

**HEALTH INSURANCE FORMS:**

<u>If You Are Trying To:</u>	<u>Use This Form</u>
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**Enrollments & Waivers**

For each new permanent and temporary employee, the authorized agent must complete the on-line “Setup New Employee”. See your PERSLink Employer Self Service Guide.

Did you know that employees can complete their benefit plan enrollment(s) using PERSLink Member Self Service (MSS)?

PERSLink MSS provides on-line access to benefit information, the ability to complete benefit enrollments and changes, as well as updating personal profile instead of completing paper forms and submitting to NDPERS.

Enroll a new employee in the health plan	New Hire Kit
Waive participation for new employee	Waiver of Insurance Coverage SFN 58819 (if not ACA eligible) or Decline Offer of Health Insurance Coverage SFN 60711 (if ACA eligible)
Enroll a temporary/part-time employee	New Hire Kit
Waive participation for a new temporary/part-time employee	Acknowledgment of or Decline Offer of Health Insurance Coverage SFN 60711
Switch an employee from mandatory participation to optional participation and employee is continuing participation	Employment Change Request through Employer Self Service
Switch an employee from mandatory participation to optional participation and employee is electing NOT to continue to participate	Waiver of Insurance Coverage SFN 58819 (if not ACA eligible) or Acknowledgment of or Decline Offer of Health Insurance Coverage SFN 60711 (if ACA eligible) & Employment Change Request through Employer Self Service
Switch an employee from optional participation to mandatory participation	New Hire Kit
Waive participation for a newly elected official	Waiver of Insurance Coverage SFN 58819 (if not ACA eligible) or Acknowledgment of or Decline Offer of Health Insurance Coverage SFN 60711 (if ACA eligible)
Changes in Employment Status	See “Changes in Employment Status with Existing Insurance Plan Coverage” section

**Changes/Additions**

Report a name, marital, or address change	Notice of Change SFN 10766 and Health Insurance Application or Change SFN 60036, if applicable
Report dependent loss of eligibility status	Health Insurance Application or Change SFN 60036
Report an employee transferring to another	Notice of Transfer Kit

NDPERS participating agency	
Report a leave of absence, leave of absence extension, or return from leave of absence	Employment Change Request through Employer Self Service
Report an employee's classification change within agency	Employment Change Request through Employer Self Service

**Separation of Employment**

Notify NDPERS of an employee's separation of employment	Employment Change Request through Employer Self Service
Report the death of an active employee	Use the "Report a Death" functionality through Employer Self Service

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## HEALTH INSURANCE APPLICATION OR CHANGE SFN 60036

SFN 60036 is used to enroll employees in the Group Health Insurance Plan. Employees who add or delete dependents or have a change in marital status also need to complete this form.

### **NEW ELIGIBLE EMPLOYEES**

To be eligible, they must be:

- ✓ at least 18 years of age
- ✓ work at least 20 hours per week for 20 or more weeks per calendar year,
- ✓ and be filling positions which are regularly funded and not of limited duration (i.e. permanent).

NDPERS must accept all applications for coverage with no restrictions, limitations or waiting period for the employee and all eligible dependents. Coverage will be effective the first of the month following date of employment. If application is not made within the first 31 days of employment, the provisions of the Special Enrollment Periods will apply. An employee who elects not to enroll themselves or their eligible dependent(s) must complete a Waiver of Insurance Coverage SFN 58819.

Permanent employees of a state agency, university system or district health unit may enroll in the High Deductible Health Insurance Plan, referred to as HDHP. The High Deductible Health Plan is a Comprehensive Deductible and Coinsurance Plan. Please refer to the NDPERS website or New Hire Kit to learn more about this option.

### **ELIGIBLE DEPENDENTS**

- The Subscriber's spouse under a legally existing marriage between persons of the opposite sex.
- The Subscriber's or the Subscriber's living, covered spouse's children until the end of the month of their 26<sup>th</sup> birthday.
  - An eligible dependent child can be married and have other coverage. However, the dependent child's spouse cannot be covered.
  - If an eligible dependent child is on the contract and has a child, the grandchild can be covered also, as long as the dependent child is chiefly dependent upon the Subscriber. A Grandchild Eligibility Verification Form SFN 60983 will be required to verify dependency.
  - If an eligible dependent child becomes employed with an NDPERS covered employer under the health plan, the child dependent may waive coverage with their employer group and remain on the Subscriber's policy until they attain age 26. Upon attaining age 26 and losing eligibility, the child may transfer to their employer coverage by making application within 31 days of the loss of coverage.

**A CHILD CANNOT BE AN ELIGIBLE DEPENDENT OF MORE THAN ONE EMPLOYEE. A DEPENDENT OF AN EMPLOYEE WILL NOT BE ELIGIBLE IF THAT DEPENDENT IS ALSO EMPLOYED BY AN NDPERS EMPLOYER AND ELECTS COVERAGE THROUGH THE EMPLOYER.**

### **PART-TIME/TEMPORARY EMPLOYEES**

A part-time/temporary employee employed on or after January 1, 2015, is only eligible to participate if the employee is employed at least 30 hours/week or 130 hours/month. Coverage will be effective the first of the month following date of employment or at the end of applicable measurement period. NDPERS will bill the agency for the premium on the agency monthly billing. The part-time/temporary employee or the temporary employee's employer shall pay monthly the premiums in effect for the coverage being provided. If the employer is an applicable Large Employer under the Affordable Care Act (ACA), then the employer will be responsible for ensuring that the coverage is deemed "affordable" as defined in the ACA. The agency is responsible for collecting and remitting the monthly premium with their agency group bill. The agency is responsible for providing notification to NDPERS through Employer Self Service (ESS) that the individual is a part-time or temporary employee, the effective date of employment, the employee's

name, address and social security number through submission on Employer Self Service (ESS).

If the employee does not pay the employer for any applicable portion of premium that the employee is responsible for, the employer can cancel the employee's coverage but only on a prospective basis. The authorized agent should send an email to the NDPERS info account at [ndpers-info@nd.gov](mailto:ndpers-info@nd.gov). If the reason for the cancellation is due to non-payment of premium, then the authorized agent needs to provide the name of the employee, ID number, effective date of cancellation (prospective only) and that the reason for the cancellation is non-payment of premium as NDPERS needs this information to determine COBRA eligibility.

The agency is also responsible for updating the employee's status on Employer Self Service (ESS) and sending the **Continuation of Insurance Coverage SFN 14120** to NDPERS when the employee terminates. An employee who elects not to enroll themselves or their eligible dependent(s) must complete a **Decline Offer of Health Insurance Coverage SFN 60711**.

### **MEMBERS OF BOARDS, COMMISSIONS, OR ASSOCIATIONS**

To be eligible to participate, members of State and political subdivision boards, commissions, or associations must be paid, which means receiving a per diem for each meeting.

They will have 31 days from the date they assume office in which to enroll in the group health insurance plan with coverage effective the first day of the following month. If application is not made within the first 31 days, the provisions of the Special Enrollment Periods will apply.

Eligible board members of the State may participate at their own expense. Political Subdivisions may pay a contribution, which is less than, equal to but does not exceed the premium contributions paid for eligible full-time employees.

### **ENROLLMENT PERIODS FOR ELIGIBLE EMPLOYEES**

The Health Insurance Portability and Accountability Act (HIPAA) is intended to ensure portability of health coverage for those individuals who must move from one plan to another as a result of loss of coverage under any other health insurance plan. The act also specifies that plans allow special enrollment opportunities for employees and prohibits using health status (medical underwriting) as a basis for group health insurance eligibility. The special enrollment periods allow an individual to enroll in the plan without any restrictions and are defined as follows:

- Within 31 days of date of hire for eligible new and seasonal employees, part-time/temporary employees, and within 31 days of assuming office for members of boards, commissions, or associations. Coverage is effective the first of the month following the date of hire.
- Add a spouse and/or any eligible dependent children of the member that were not previously covered within 31 days of marriage. An employee who previously waived coverage is eligible to enroll in the plan at the same time that the employee's spouse and/or eligible dependent children are enrolled. The stepchildren of the spouse may also be added. Coverage is effective the first of the month following the date of marriage.
- Add a dependent within 31 days of birth or adoption, or placement for adoption or receiving legal guardianship, or court order to provide health coverage. An employee and other dependents that previously waived coverage are also eligible to enroll in the plan at the same time that the employee's dependent is enrolled. If the qualifying event is birth, coverage for the newborn is effective the first of the month in which the birth occurred. If the qualifying event is due to adoption or placement of a child, the coverage effective date is the first of the month in which the adoption or placement occurs. If the qualifying event is legal guardianship or court order, the coverage effective date is the first of the month following the legal guardianship or court orders. Proof of the adoption, placement, legal guardianship or court order will be required.
- Within 31 days of loss of coverage under any other health insurance plan due to death, divorce, or loss of spouse employer sponsored coverage. The employee must make application to obtain

coverage within 31 days of loss of coverage. Note: the employee can only enroll themselves and dependents for coverage if the employee and/or their dependents lost coverage due to the life change event. Coverage is effective the first of the month following the loss of coverage date. A Certificate of Insurance showing the last date of coverage will be required from the previous carrier.

The following enrollment criteria will apply to individuals who enroll outside the special enrollment periods (late enrollees) previously listed:

- Late enrollees may enroll during the annual open enrollment period. Coverage will be effective January 1.

If the Eligible Employee is a state employee, then they as a permanent employee can elect participation or discontinue participation in the High Deductible Health Plan during one of the above applicable Enrollment Periods.

## **CONDITIONS UNDER WHICH HEALTH COVERAGE MAY BE CONTINUED**

### **• Family and Medical Leave Act (FMLA)**

The Family and Medical Leave Act allows up to 12 weeks of unpaid leave.

Family and medical leave is available to employees who have been employed by the employer for at least 12 months and worked at least 1,250 hours for the employer during the previous 12 months.

An agency must continue health benefits at the same level and coverage had the employee not taken leave.

During a period that an employee is eligible to take family leave, the employer must continue to pay the health insurance premium for its employees under the conditions that applied immediately before the family leave began. State agencies will continue to be charged the active state employee rate and not the LOA/Part-time Temporary rate.

### **References:**

NDCC 54-52.4 (North Dakota Family Leave Act of 1989)

Public Law 103-3 (Family and Medical Leave Act of 1993 (Federal))

If the employee does not return from medical leave, you have the right to recover any premium contributions paid while the employee was on the unpaid leave. If the employee does not return, they will have the right to COBRA continuation coverage at their own expense.

If an employee chooses not to continue the health insurance during an unpaid leave, upon their return to active, eligible employment, they will be required to complete a Health/Dental/Vision Application or Change in order to reinstate coverage. No evidence of insurability will be required. Application must be made within 31 days of return.

### **• Unpaid Leave of Absence**

An employee may continue health insurance coverage at their own expense. If the employee is a state employee and elects to continue coverage, the premium they will be charged during the unpaid leave is the LOA/Part-time Temporary rate based upon their level of coverage. The employer will be responsible for collecting the premium and paying it to NDPERS. Any unpaid premiums are the responsibility of the

employer to pay. If the employee does not pay the employer for any applicable portion of premium that the employee is responsible for, the employer can cancel the employee's coverage but only on a prospective basis. The authorized agent should send an email to the NDPERS info account at [ndpers-info@nd.gov](mailto:ndpers-info@nd.gov). If the reason for the cancellation is due to non-payment of premium, then the authorized agent needs to provide the name of the employee, ID number, effective date of cancellation (prospective only) and that the reason for the cancellation is non-payment of premium as NDPERS needs this information to determine COBRA eligibility.

If an employee elects not to continue health coverage during the leave, they will be required to complete a Health Insurance Application or Change SFN 60036 within 31 days of return to work. Coverage will be effective the first day of the month following reinstatement of employment. If the employee does not return, they will have the right to COBRA continuation coverage at their own expense.

#### • Seasonal Employees

Seasonal employees are subject to the same requirements as stated above under "Unpaid Leave of Absence."

**Payroll is required to submit a notice to NDPERS that indicates the beginning and ending dates of the leave. You must continue to collect the employee's monthly premium and submit it with the monthly billing for employees who elect to continue their coverage.**

#### • USERRA Leave of Absence

For absences of 31 days or less, benefits continue as if the member has not been absent. Members called to active duty whose leave exceeds 30 days become automatically covered through TRICARE and will have the following options:

1. The member, and any eligible family members that are covered on the NDPERS plan at the time of activation, may be eligible for COBRA continuation as follows:
  - For a 24-month period beginning on the date on which the employee's absence for the purpose of performing services begins; or
  - The period beginning on the date on which the employee's absence for the purpose of performing service begins and ending on the date on which he or she fails to return from service or report for work.
2. The member can drop NDPERS coverage and elect TRICARE for his/herself and for family members, or
3. Choose coverage through another group plan.

If the member elects COBRA continuation, a Continuation of Group Insurance Coverage, SFN 14120 must be completed and submitted to their payroll/human resource office or NDPERS. If they elect COBRA continuation, the member will be direct billed for the monthly premium and you will delete them from your monthly billing. This same policy applies to participating political subdivisions. If the employee also has coverage through TRICARE for his/her self or any dependents, TRICARE will be the primary payer and NDPERS will pay secondary on any claims.

If the member elects 2 or 3 above, he/she must submit a letter to payroll outlining this intention. Send all letters requesting changes in coverage to NDPERS. If coverage is cancelled during the leave, the member may reapply for coverage within 31 days of the date they return to active employment or lose

coverage through TRICARE. A copy of the discharge papers must accompany the Group Health Application. If an application is not submitted within this period, the member may enroll during the annual enrollment period conducted each year in the fall and coverage will be effective January 1. However, waiting periods for preexisting conditions may apply.

## CHANGES/ADDITIONS

**Add Dependents:** An employee must complete and file a new form within 31 days of marriage or the birth/adoption of a child (NDPERS requires a copy of adoption placement or legal guardianship papers). If application is not made within 31 days, dependents may be added during a designated annual enrollment season.

**Delete Dependents:** An employee must complete and file a new form with NDPERS by the end of the month prior to the 1st of the month in which the change in coverage is to take place. Dependents must be removed due to divorce, death, or dependent child no longer eligible. Dependents being removed without divorce, death or ineligibility must show the dependent has other coverage. (See COBRA section)

**Cancellation of Coverage:** An employee must complete and file a new form with NDPERS by the end of the month prior to the 1st of the month in which the coverage is to be cancelled. Note: if the employee is having the health insurance premiums pre-taxed through payroll deduction, the employee is not allowed to cancel their coverage until the end of the plan year.

<b>Subject:</b>	<b>Changes in Employment Status with Existing Insurance Plan Coverage</b>	<b>5/2015</b>
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**Situation 1: Permanent employee covered on the health plan changes employment status to temporary employee. The temporary employee expected to meet the ACA definition of temporary employee. The employee wishes to continue participation as a temporary employee.**

**Outcome:** Upon completion of required application, employee will be changed to temporary employee rate the first of the month following the final date of permanent employment.

**Example:** Permanent employment ends May 20 and temporary employment begins May 27. Upon completion of application, temporary employee rate will begin effective June 1.

**Example:** Permanent employment ends May 31 and temporary employment begins June 1. Upon completion of application, temporary employee rate will begin effective June 1.

**Situation 2: Permanent employee covered on the health plan changes employment status to temporary employee. The temporary employee status will meet the ACA definition of temporary employee. The employee does NOT wish to continue participation as a temporary employee.**

**Outcome:** Coverage will be suspended effective the first of the month following the month permanent employment ends.

Example: Permanent employment ends May 20 and temporary employment begins May 27. Coverage will be suspended June 1.

Example: Permanent employment ends May 31 and temporary employment begins June 1. Coverage will be suspended June 1.

**Situation 3: Permanent employee covered on the health plan changes employment status to temporary employee. The temporary employee is NOT expected to meet the ACA definition of temporary employee.**

Outcome: Coverage will be suspended effective the first of the month following the month permanent employment ends. The employee should be sent a COBRA notice and offered COBRA coverage.

Example: Permanent employment ends May 20 and temporary employment begins May 27. Coverage will be suspended June 1. If employee elects COBRA, it will be effective June 1.

Example: Permanent employment ends May 31 and temporary employment begins June 1. Coverage will be suspended June 1. If employee elects COBRA, it will be effective June 1.

**Situation 4: Temporary employee covered on the health plan changes employment status to permanent employee.**

Outcome: Upon completion of required application, employee will be changed to permanent employee rate the first of the month following the final date of temporary employment.

Example: Temporary employment ends May 20 and permanent employment begins May 27. Upon completion of application, permanent employee rate will begin effective June 1.

Example: Temporary employment ends May 31 and permanent employment begins June 1. Upon completion of application, permanent employee rate will begin effective June 1.

**FILING PROCEDURE:** Original to NDPERS –Please make photocopy for your records.

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**ACKNOWLEDGEMENT OF OR DECLINE OFFER OF HEALTH INSURANCE COVERAGE  
SFN 60711**

**THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA) (FEDERAL LAW): REQUIRES THIS FORM MUST BE COMPLETED AT THE TIME OF INITIAL ELIGIBILITY BY ALL ELIGIBLE EMPLOYEES (INCLUDES PERMANENT AND PART-TIME, TEMPORARY OR SEASONAL) IF THEY ELECT NOT TO ENROLL THEMSELVES OR THEIR ELIGIBLE DEPENDENT(S) IN THE GROUP HEALTH INSURANCE PLAN.**

**THIS FORM SHOULD BE USED IF THE EMPLOYEE MEETS THE DEFINITION OF A “FULL-TIME” EMPLOYEE AS DEFINED BY THE AFFORDABLE CARE ACT (ACA). THE DEFINITION OF A “FULL-TIME” EMPLOYEE UNDER THE ACA IS ONE WHO WORKS AT LEAST 30 HOURS/WEEK OR 130 HOURS/MONTH.**

**\*STATE EMPLOYEES COVERED UNDER NDPERS THROUGH THEIR SPOUSE OR PARENT SHOULD COMPLETE THIS FORM TO ACKNOWLEDGE THAT THEY ARE COVERED.**

The employee must complete requested information and sign and date the form.

**FILING PROCEDURE:** Employer can either retain form in personnel files or send to NDPERS – If sending to NDPERS, please retain a photocopy for your records.

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**WAIVER OF INSURANCE COVERAGE  
SFN 58819**

**THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA) (FEDERAL LAW):  
REQUIRES THIS FORM MUST BE COMPLETED AT THE TIME OF INITIAL ELIGIBILITY BY ALL  
ELIGIBLE EMPLOYEES (INCLUDES PERMANENT AND PART-TIME, TEMPORARY OR SEASONAL)  
IF THEY ELECT NOT TO ENROLL THEMSELVES OR THEIR ELIGIBLE DEPENDENT(S) IN THE  
GROUP HEALTH INSURANCE PLAN.**

**THIS FORM SHOULD BE USED ONLY IF THE EMPLOYEE DOES NOT MEET THE DEFINITION OF A  
FULL-TIME EMPLOYEE UNDER THE AFFORDABLE CARE ACT (ACA).**

The employee must complete all requested information and sign and date the form.

**FILING PROCEDURE:** Original to NDPERS – Please retain a photocopy for your records.

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**NOTICE OF CHANGE  
SFN 10766**

This form is to be completed to notify NDPERS of:

- Name change
- Address change
- Marital Status change
- Telephone Number change
- E-mail Address change
- Contact change

**Whenever the Notice of Change SFN 10766 is completed and sent to NDPERS, the accuracy of the information must be certified by the authorized agent or the member and the form must be dated. If someone other than the authorized agent or member signs the form, it will be returned for the proper signature.**

For **FURTHER** instructions on completing the form, please refer to the back of the form.

1. Complete a marital status change whether there is a name change or not.
2. In cases of marital status change, it is necessary that the member complete a new Designation of Beneficiary **SFN 2560** and Life Insurance Designation of Beneficiary **SFN 53855**
3. Name changes should match the name the member has filed with Social Security.
4. The authorized agent or the member **must** sign Part F for this form to be valid.

**FILING PROCEDURE:** Original to NDPERS – Please retain a photocopy for your records.

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**NOTICE OF TRANSFER  
SFN 53706**

**All instructions, terms and conditions are in the NDPERS Notice of Transfer Kit.**

**If the employee will not begin employment with a new participating agency within 31 days from the date of employee's last regular paycheck with your agency, both the employee and the authorized agent must complete a separation of employment kit.**

**Administrative Code Chapter 71-02-01-01(24): "Termination of employment" means a severance of employment by not being on the payroll of a covered employer for a minimum of one month. Approved leave of absence does not constitute termination of employment.**

Often employees will terminate their position with an employer participating in NDPERS and take a job with another employer who is also participating in NDPERS.

- **When an employee transfers from one participating employer to another, the new employer is responsible for submitting the premium for the first of the month following the month of employment.**

If employee transfers employment from one participating employer to another participating employer without terminating eligible employment, and in recognition of the fact that the current employer may not be aware of the circumstances regarding a departing employee's employment plans and subsequently a new employer will not receive any transfer information, NDPERS has developed a series of scenarios along with the required administrative procedures to follow depending on the particular situation. These procedures are designed to ensure transfers are processed consistently based on "what the employer knows at the time of separation of employment.

**Situation: Current employer knows the employee is transferring to another covered employer:**

1. Complete the Notice of Transfer Kit, which contains the Notice of Transfer form.
2. Send Notice of Transfer form to the new employer

**Situation: Current employer has no knowledge that terminating employee is transferring to another covered employer:**

1. Current employer and employee complete the appropriate separation of employment kit
2. Send the complete kit to NDPERS
3. NDPERS will process accordingly in absence of any other information.

**Situation: New employer receives a Notice of Transfer Form from a participating employer.**

1. Do not have transferring employee complete new enrollment forms for plans indicated in Part C of Notice of Transfer Form
2. Set up employee with benefits according to information provided in Part C of Notice of Transfer Form
3. Have employee complete enrollment forms for programs not offered by previous employer but now offered through new employer
4. Submit any new enrollment forms to NDPERS

**Situation: New employer is not aware a new employee is a transfer from another participating employer. Previous employer processed as a separation of employment and employee does not provide the information.**

1. Have new employee complete all required enrollment forms.
2. Send the enrollment forms to NDPERS.
3. If there is an existing record, and the hire date is within 31 days of separation from previous employer, NDPERS will notify you that employee is a transfer from another participating employer and will:
  - a. Void the enrollment forms for any programs that employee previously participated in.
  - b. Complete Parts A-D of the Notice of Transfer Form and send it to new employer.
  - c. Employer will set up benefit record according to information provided in Part C of the Notice of Transfer Form
  - d. Employer must complete Parts E and F on the Notice of Transfer Form and return it to NDPERS

**Situation: New employer is aware a new employee is a transfer but previous employer treated as a separation of employment and did not complete a Notice of Transfer Kit.**

1. Complete Parts A, E, and F of the Notice of Transfer Form.
2. Send Notice of Transfer Form to NDPERS.
3. If hire date is within 31 days of separation from previous employer, NDPERS will complete Part C based on existing record and return the form to the new employer.
4. Have employee complete enrollment forms for programs not offered by previous employer but now offered through new employer.
5. Employer will set up the benefit record accordingly.

**FILING PROCEDURE:** Original to NDPERS – Please retain a photocopy for your records.

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## **EMPLOYMENT CHANGE REQUESTS THROUGH EMPLOYER SELF SERVICE**

### **Use to notify NDPERS of:**

- Employee leave of absence/leave without pay
- Extending leave of absence/leave without pay
- Employee's return from leave of absence
- Employee's classification change within agency
- Employment type change
- Employee's reduction in hours/change from permanent to part time/temporary
- Employee's termination of employment

### **EMPLOYMENT STATUS CHANGES:**

#### **LEAVE OF ABSENCE**

1. NDPERS must be notified whenever an employee is taking a leave without pay and the reason for the leave.
2. A leave of absence cannot exceed one year without being recertified. If an employee is taking an unpaid leave in excess of two years, the employee's membership in NDPERS should be terminated unless the leave is due to an interruption of covered employment due to military activation. However, since the employee has not separated employment with the employer, the employee is not entitled to a distribution of their retirement benefits.
3. NDPERS must be notified of a return from leave prior to the employer resuming retirement contributions for the employee.

#### **EMPLOYMENT CHANGES**

1. Job Class (This may affect their eligibility for benefits, as well as, how the employee is reported to NDPERS.)
2. Employment Type (example: Temporary to Permanent)
3. Participation Status (example: Contributing to Non-Contributing)
4. Hourly or Seasonal Status

#### **REDUCTION IN HOURS OR PERMANENT TO PART-TIME/TEMPORARY**

If notifying NDPERS of an employee's change from permanent to temporary service, have employee complete an Agreement/Waiver of Participation for Defined Benefit Optional Participants **SFN 17627**.

## **SEPARATION OF EMPLOYMENT**

1. A NDPERS separation of employment kit includes all necessary forms the employee is required to complete.

The employer or employee may obtain the following Kits:

- Refund/Rollover Kit
- Deferred Retirement Kit
- Disability Retirement Kit
- Retirement Kit
- Transfer Kit

**NDPERS would like to remind employer's that participate in the group health plan of the Administrative Rules pertaining to final payment of the health insurance premium for terminating employees. Administrative Code section 71-03-04-01 pertaining to state agencies and section 71-03-07-01 pertaining to political subdivisions clarify that an employee's coverage must end the month following the month after termination of employment. This means the employer must remit premium payment for insurance coverage for the month following the month of termination in order to comply with this requirement. In addition, when an employee transfers from one participating employer to another, the new employer is responsible for submitting the premium for the first of the month following the month of employment."**

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**CONTINUATION OF GROUP INSURANCE COVERAGE (COBRA)  
SFN 14120**

**FEDERAL COBRA LAW**

The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) requires that employers provide employees and their dependents that lose their eligibility to participate in the Group Health Plan an opportunity to continue comparable coverage at their own expense.

1. **PERSONS AFFECTED:** The right to COBRA continuation coverage applies to all employees and must be offered to:
  - A. Employees who terminate either voluntarily or involuntarily. Termination as a result of gross misconduct is not accepted;
  - B. An employee's divorced or widowed spouse;
  - C. Spouses and dependent(s) losing coverage due to a terminated employee's eligibility for Medicare;
  - D. Dependents who lose eligibility.

Employees no longer eligible for participation in the Group Health Plan may be eligible for COBRA coverage for a period of up to 18 months. Dependents (including spouses) no longer eligible for participation in the Group Health Plan may be eligible for COBRA coverage for a period of up to 36 months.

1. **COVERAGE WILL NOT BE PROVIDED IF:**
  - A. The individual enrolls in another Group Health Plan or they (or any dependent) become eligible for Medicare while on COBRA continuation.
  - B. The premium is not paid in a timely manner;
  - C. The employer ceases to provide the Group Health Plan to any employees;
  - D. The (ex) spouse enrolls in another Group Health Plan (including a new spouse's Group Health Plan if they re-marry);
  - E. The dependent enrolls in another Group Health Plan (excluding CHAMPUS).

**FILING PROCEDURE:** Original to NDPERS – Please retain a photocopy for your records.