

USE THIS FORM IF YOU ARE TRYING TO...

NDPERS GROUP HEALTH INSURANCE FORMS:

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

Enroll a new employee in the PPO/Basic option	New Hire Kit SFN 54360
Waiver participation for new employee	Waiver of Health Coverage
Enroll a temporary/part-time employee	New Hire Kit SFN 54360
Waive participation for a new temporary/part-time employee	Waiver of Health Coverage
Switch an employee from mandatory participation to optional participation and employee is continuing participation	Notice of Status or Employment Change SFN 53611
Switch an employee from mandatory participation to optional participation and employee is electing NOT to continue to participate	Waiver of Health Coverage & Notice of Status or Employment Change SFN 53611
Switch an employee from optional participation to mandatory participation	New Hire Kit SFN 54360
Waive participation for a newly elected official	Waiver of Health Coverage

Changes/Additions

Report a name, marital, or address change	Notice of Change SFN 10766 and NDPERS Group Health Application
Report dependent loss of eligibility status	Notice of Status or Employment Change SFN 53611 and NDPERS Group Health Application
Report an employee transferring to another PERS participating agency	Notice of Transfer Kit SFN 53728
Report a leave of absence, leave of absence extension, or return from leave of absence	Notice of Status or Employment Change SFN 53611
Report an employee's classification change within agency	Notice of Status or Employment Change SFN 53611

Separation of Employment

Notify PERS of an employee's separation of employment (for all circumstances, including retirement, disability, and death)	Notice of Status or Employment Change SFN 53611
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NDPERS GROUP HEALTH APPLICATION

The Group Health Application 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.

To assist you with enrollments, life change events, transfers, active duty/discharge, canceling, and changing insurance coverage, refer to the [**NDPERS Active Group Insurance Matrix**](#).

NEW ELIGIBLE EMPLOYEES (INCLUDING SEASONAL 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 BCBS Waiver of Health Coverage form.

DEPENDENTS The Subscriber's legally married spouse, and the Subscriber's living, covered spouse's unmarried children:

Under the age of 23 are eligible if they are:

- **Financially dependent**

Children age 23 to 26 are eligible if they are:

- **A full-time student (12 credit hours) at an accredited institution and 50% financially dependent on the employee or the employee's spouse.**

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 AN EMPLOYEE.

PART-TIME/TEMPORARY EMPLOYEES

A part-time/temporary employee employed on or after August 1, 2007, is only eligible to participate if the employee is employed at least 20 hours a week and at least 20 weeks each year of employment. Coverage will be effective the

first of the month following date of employment. If application is not made within the first 31 days, the provisions of the Special Enrollment Periods will apply. 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. The agency is responsible for collecting and remitting the monthly premium with their agency group bill. The agency is responsible for providing written verification to NDPERS that the individual is a part-time or temporary employee, the effective date of employment, the employee's name, address and social security number. The agency is also responsible for providing written verification and sending the **Continuation of Group Health Coverage for Terminating Employees SFN 14120** to NDPERS when the employee terminates. An employee who elects not to enroll themselves or their eligible dependent(s) must complete a **BCBS Waiver of Health Coverage** form.

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

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.
- Add a spouse 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 is enrolled.
- 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.
- 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.

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.
- There may be a 12-month waiting period for coverage of any pre-existing conditions. Pre-existing condition does not include maternity. **The entire waiting period will apply only if a late enrollee cannot provide confirmation of previous qualifying health insurance coverage (Certificate of Coverage) or their lapse in previous coverage exceeds 62 days.**

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.

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 NDPERS Group Health Insurance Application 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 an employee elects not to continue health coverage during the leave, they will be required to complete a NDPERS Group Health Insurance Application 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.

FILING PROCEDURE: ORIGINAL TO NDPERS-PLEASE MAKE PHOTOCOPIES FOR YOUR RECORDS

MINIMUM PARTICIPATION & MINIMUM CONTRIBUTION GUIDELINES FOR POLITICAL SUBDIVISIONS

Minimum Participation Requirements

Minimum participation requirements for the Dakota Plan are based on the size of an employer group. This is done by comparing the eligible number of full-time employees to the number of actual employees signing up for the health plan. Part-time employees or members of the Board are not considered when determining the minimum participation requirement.

Employer groups must meet the minimum participation requirements listed below:

Minimum Participation Requirements:

Total Eligible	Minimum Required	Total Eligible	Minimum Required
2	2	19	14
3	3	20	15
4	4	21	15
5	5	22	16
6	5	23	17
7	6	24	17
8	7	25	18
9	8	26	19
10	9	27	19
11	9	28	20
12	10	29	21
13	10	30	21
14	11	31	22
15	11	32	23
16	12	33	24
17	13	34	24
18	14	35	25
		36 and over	70%

For all employers, deduct from the number of eligible employees those who have Blue Cross Blue Shield in other employee groups only, or who have reputable group commercial insurance carried by their spouse or those eligible for Medicare.

If the eligible employee and/or dependent wishes to waive the coverage, a waiver **must** be submitted.

Responsibility to comply with minimum participation guidelines belongs to the employer. BCBSND will notify all employers through a letter that a participation % is needed. If the employer group does not meet the minimum requirements participation, the group will need to take steps to bring

enrollment to within guidelines. The group will have a specified amount of time to ensure adherence. If the underwriting guidelines cannot be met, the group will no longer be eligible for the Dakota Plan and must find alternative coverage within a specified time period for non-compliance of the minimum participation guidelines.

Please use the formula below to calculate whether your employer group is within minimum participation guidelines.

Total Number of Employees Eligible for Health Insurance		_____
Minus the Number of Employees Covered under Spouse Coverage, Other Employer Group Coverage or Medicare	-	_____
Equals Total Number of Eligible	=	_____
Number from the Underwriting Requirement for Your Group		_____
Number of Employees Actually Enrolled in the NDPERS Dakota Plan		_____

Review of Minimum Participation Requirements will be done on an annual basis in September.

Minimum Contribution Requirements

NDPERS requires that all *new groups* enrolled in the NDPERS health plan beginning May 1, 2004 and thereafter pay a minimum employer contribution, which is defined as a least 50% of the single premium.

Review of Minimum Contribution Requirements will be done on an annual basis in October.

An Employer Payment Plan for Health Insurance [SFN 54422](#) must be completed by the Authorized Agent and submitted to the NDPERS office along with the Employer Participation Agreement at the time the group enrolls in the health plan. If at any time the employer elects to change the employer health premium contribution a revised Employer Payment Plan for Health Insurance [SFN 54422](#) must be completed and filed with NDPERS prior to the effective date of change.

If the employer group does not meet the minimum contribution requirements, the group will need to take steps to become compliant with the guidelines. The group will have a specified amount of time to ensure adherence. If the guidelines cannot be met, the group will no longer be eligible for the Dakota Plan and must find alternative coverage within a specified time period for non-compliance of the minimum contribution guidelines.

WAIVER OF HEALTH COVERAGE

**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.**

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

FILING PROCEDURE: ORIGINAL TO NDPERS-PLEASE MAKE PHOTOCOPIES FOR YOUR RECORDS

NOTICE OF CHANGE
SFN 10766

This form is to be completed to notify NDPERS of:

- Name change
- Address change
- Marital Status change

Whenever the Notice of Change SFN 10766 is completed and sent to NDPERS, the authorized agent must certify the accuracy of the information 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.

1. Complete a marital status change whether there is a name change or not.
2. Name changes should match the name the member has filed with Social Security.
3. 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.

NOTICE OF TRANSFER
SFN 53728

All instructions, terms and conditions are in the NDPERS Notice of Transfer Kit SFN 53728.

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 ([NDPERS Participating Employer Groups](#)).

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.

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

1. Complete the Notice of Transfer Kit **SFN 53728**, 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 PERS
3. PERS 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 previously enrolled in through previous employer
4. Submit any new enrollment forms to PERS

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 PERS.
3. If there is an existing record, and the hire date is within 31 days of separation from previous employer, PERS 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 PERS

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 SFN 53728.**

1. Complete Parts A, E, and F of the Notice of Transfer Form.
2. Send Notice of Transfer Form to PERS.

3. If hire date is within 31 days of separation from previous employer, PERS 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 previously enrolled in through previous employer.
5. Employer will set up the benefit record accordingly.

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

NOTICE OF STATUS OR EMPLOYMENT CHANGE
SFN 53611

This form is to be completed by the employer when the employee has a change in employment Status. (Instructions and conditions are also listed on the other side of this form).

This form is to be completed 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 classification change within agency
- Employee's reduction in hours
- Employee's separation from employment

PART B: CHANGE OF STATUS

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 should be terminated.
3. NDPERS must be notified of a return from leave prior to the employer enrolling the employee in the dental plan. If an employee elects not to continue dental coverage during the leave, they may be required to complete the Re-enrollment Restriction Period set forth in the Schedule of Benefits.

CLASSIFICATION CHANGE

1. Often employees will change their position within the employer group. This may affect their eligibility for benefits, as well as, how the employee is reported to NDPERS.

REDUCTION IN HOURS

1. If notifying PERS of an employee's change from permanent to temporary service, this form must be accompanied by **SFN 17627**.

PART C: SEPARATION OF EMPLOYMENT

1. If an employee is leaving the employer's service due to Termination (pre-retirement), Retirement, Disability retirement, or Death, this form is in one (1) of 6 PERS separation of employment kits. The **EMPLOYER MUST COMPLETE** a Notice of Status or Employment Change **SFN 53611**. The PERS separation of employment kit includes all necessary forms the employer and employee are required to complete.

The employer or employee may obtain the following Kits:

- Refund/Rollover Kit **SFN 53725**
- Deferred Retirement Kit **SFN 53724**
- Disability Retirement Kit **SFN 53726**
- Retirement Kit **SFN 53723**

2. The "membership termination date" is the last date the employee worked at your agency in an eligible position.
3. The "last month insurance premium(s) will be paid by your agency/or this employee". This is the last month the employee will be on your group insurance billing.

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."

PART D: PLAN INFORMATION

1. The employer must always complete this section.

PART E: AUTHORIZATION OF AUTHORIZED AGENT

1. The employer's authorized agent must always sign this section for the form to be valid.

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

CONTINUATION OF GROUP HEALTH INSURANCE COVERAGE (COBRA)

Employee - SFN 14120 Dependent – SFN 53883

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.

2. **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 MAKE PHOTOCOPIES FOR YOUR RECORDS

GROUP HEALTH AND LIFE INSURANCE MONTHLY RECONCILING PROCEDURES

Pay Direct Agencies - All agencies that are not on Central Payroll.

(Counties, Cities, School Districts, District Health Units, Higher Ed, etc.)

The monthly Group Insurance Billings are sent out on or about the 1st of each month.

Step 1. **Verify Coverage.** Review the billing to make sure it includes the employees who should have insurance coverage for the billing month. **Do not cross out names on the billing.** To report additions, deletions, or changes that reflect the current month's coverage, use the Adjustments page of the billing. If applications reflecting these changes have not been sent to NDPERS, they must be sent along with the billing for processing. Make changes to level of coverage on the adjustment page as follows:

Additions - Enter Last Name, First Name, Social Security Number and add insurance premium amounts to the amount billed.

Deletions - Enter Last Name, First Name, Social Security Number and subtract insurance premium amounts from the amount billed.

Changes in level of coverage – Record the old level of coverage as a deletion and the new level of coverage as an addition.

The entries on the adjustment page should only be for changes to an employee's insurance coverage for the current month (additions, cancellations, etc).

Step 2. **Reconcile payment to billing.** The amount of premium that should be remitted with the billing should equal the original amount billed, plus any additions, less any deletions. If the payment does not equal the adjusted billing, you must provide a reconciliation of your payment amount to the billing as follows. Be sure to include the employee's name, premium amount and month for each adjustment.

Premium payment

Add premiums that you owe for the current month, that are not included in your payment

Subtract premiums that you paid for the current month, that you are requesting a refund for

Subtract premiums that are included in your payment that are for a prior month

Total must equal adjusted billing

This same process applies to employers who are remitting premium payments through ACH.

Step 3. Return the "Adjustment Page", along with your premium check and premium reconciliation to NDPERS by the 10th of each month.

The remittance enclosed with your insurance billing should be for insurance premiums only. Do not include deferred comp deductions, retirement contributions, or any other payments for NDPERS programs in which you may participate.

GROUP HEALTH AND LIFE INSURANCE MONTHLY RECONCILING PROCEDURES

Central Payroll Agencies

The monthly Group Insurance Billings are sent out on the 5th of each month.

Step 1. **Verify Coverage.** Review the billing to make sure it includes the employees who should have insurance coverage for the billing month. **Do not cross out names on the billing.** To report additions, deletions, or changes that reflect the current month's coverage, use the Adjustments page of the billing. If applications reflecting these changes have not been sent to NDPERS, they must be sent along with the billing for processing. Make changes to level of coverage on the adjustment page as follows:

Additions - Enter Last Name, First Name, Social Security Number and add insurance premium amounts to the amount billed.

Deletions - Enter Last Name, First Name, Social Security Number and subtract insurance premium amounts from the amount billed.

Changes in level of coverage – Record the old level of coverage as a deletion and the new level of coverage as an addition.

The entries on the adjustment page should only be for changes to an employee's insurance coverage for the current month (additions, cancellations, etc).

Step 2. **Reconcile payment to billing.** Use the PeopleSoft State Detailed Deduction Report or the query NDS_PR165_DEDUCTIONS to determine the premiums that were paid from the advanced and supplemental payrolls. The premiums paid should equal the original amount billed, plus any additions, less any deletions. If the payroll reports do not equal the adjusted billing, you must provide a reconciliation of the premiums paid to the billing as follows. Be sure to include the employee's name, premium amount and month for each adjustment.

Premium payment (from payroll reports)

Add premiums that you owe for the current month, that were not paid

Add personal checks received from employees to pay for current month coverage

Subtract premiums that you paid for the current month that you are requesting a refund for

Subtract premiums that are included in your payment that are for a prior month

Total must equal adjusted billing

Step 3. Return the "Adjustment Page", along with any checks and premium reconciliation to NDPERS by the 15th of each month.