Washington State Health Care Authority

Error Correction and Spousal Premium Surcharge

PPA Meeting
PEBB Outreach and Training
February 2015

Agenda

- Error correction
  - Types of agency enrollment errors
  - Resources
- Spousal premium surcharge
  - Defaulting
  - Attesting
  - Attestation tools
  - Keying in PAY1
- Questions

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Error Correction
– Agency Enrollment Errors –

- Three types of error correction:
  - Agency fails to notify an employee who is newly eligible or regaining eligibility
  - Agency fails to enroll employee in the default plans or fails to accurately enroll when employee timely elected
  - Agency fails to accurately enroll elected coverage
- WAC 182-08-187 and Policy 11-3

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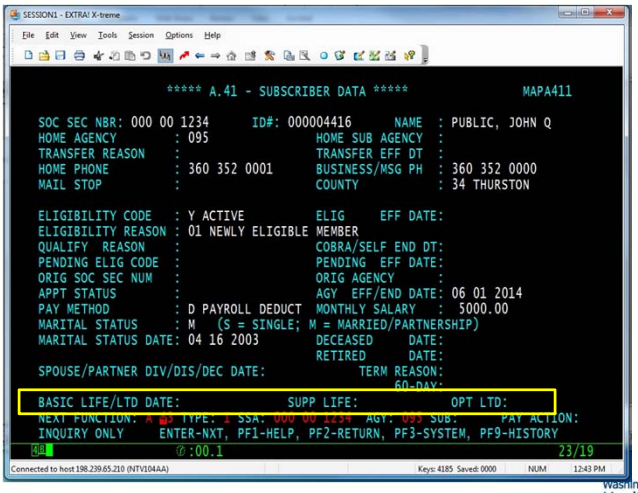
Original Life and LTD Effective Date



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Error Correction Resources

- For assistance, send a request through FUZE
- Contact PEBB for a sample *Error Correction* letter
- Visit PersPay site > Quick Reference Guides for lower limit dates and WAC, RCW, and PEBB policy

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Spousal Premium Surcharge

Spousal Premium Surcharge

Employees may pay a $50-per-month surcharge, in addition to their premium:

- If the employee has a spouse or registered domestic partner enrolled on their PEBB medical
- The spouse or domestic partner chose not to enroll in employer-based group medical insurance that is comparable to UMP Classic

Note: The comparison is to UMP Classic regardless of the plan the employee is enrolled in

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Default in PAY1

The employee is defaulted when the employee:

- Doesn't attest
- Submits an incomplete attestation form
- Attests after their initial date of eligibility
  - **31 days** when newly eligible or regaining eligibility
  - **60 days** for a special open enrollment
- Does not re-attest between November 1 and December 31 for following year

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When to Attest

An employee may only attest to the spousal premium surcharge during the following times:

1. When newly eligible or regaining eligibility for the employer contribution
2. When adding a spouse/partner to PEBB medical
3. When there is a change to the spouse/partner's employer-based group medical insurance
4. During annual open enrollment (required)

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Attesting During Open Enrollment

- Re-attestation is required during annual open enrollment due to the:
  - Changes to the benefits and premiums for the upcoming year

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Attestation Effective Dates

- Newly eligible or regaining eligibility:
  - Effective date is the same as the medical/dental effective date, as long as attestation is submitted within 31 days of the date of eligibility
- Adding a spouse or partner or change in spouse or partner's employer-based group medical insurance
  - Effective date is the first of the month following the receipt of the form; however, if the form is received on the first day of the month, the attestation is effective that day
  - Form must be submitted within 60 days of the event to add the spouse or of the change to the spouse's coverage
- Annual Open Enrollment
  - January 1 of the upcoming year

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Employee Attestation Steps

1. Complete *Surcharge Help Sheet*
   - Employee must answer the "knockout" questions
     - If "no" to any question, premium surcharge does not apply
     - If "yes" to all questions, premium surcharge may apply
2. Complete *Spousal Plan Calculator*
   (if employee answers "yes" to all knockout questions)
3. Attest

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Where to Attest

- *Employee Enrollment/Change* form
  (newly eligible or employees regaining eligibility)
- *Premium Surcharge Change* form
  (re-attestations)
- *My Account*
  (once coverage begins)

*Note: The Spousal Calculator and Premium Surcharge Help Sheet are **not** the attestation form*

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"Knockout" Questions
—Surcharge Help Sheet—

	Questions	YES	NO
1	Are you covering your spouse or registered domestic partner in Public Employees Benefits Board (PEBB) medical coverage under your account in 2015?		
2	Will your spouse or registered domestic partner be eligible for medical coverage through his or her employer in 2015? (If your spouse or registered domestic partner will not be employed in 2015, answer "NO.")		
3	Will your spouse's or registered domestic partner's employer offer at least one medical plan that serves your spouse's or registered domestic partner's county of residence in 2015?		
4	Has your spouse or registered domestic partner chosen not to enroll in his or her employer's medical coverage in 2015?		
5	Will the coverage offered by your spouse's or registered domestic partner's employer in 2015 NOT be through the PEBB Program? Answer "YES" if your spouse's or registered domestic partner's employer **does not** offer PEBB coverage. Answer "NO" if your spouse's or registered domestic partner's employer **does** offer PEBB coverage.		
6	Will your spouse's or registered domestic partner's share of the medical premium through his or her employer be less than $89.31 per month in 2015?		

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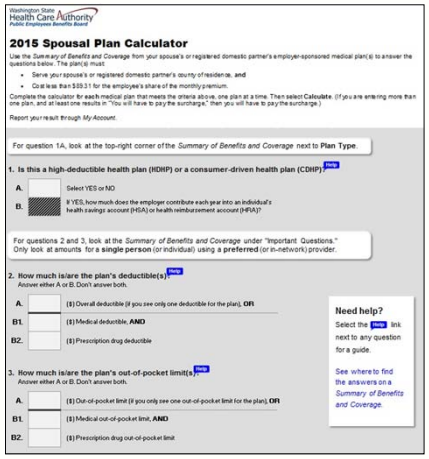
Spousal Plan Calculator

Online (Excel) Calculator



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2015 Spousal Plan Calculator

Use the *Summary of Benefits and Coverage* from your spouse's or registered domestic partner's employer-sponsored medical plan(s) to answer the questions below. The plan(s) must:

- Serve your spouse's or registered domestic partner's county of residence, **and**
- Cost less than $89.31 for the employee's share of the monthly premium.

Complete the calculator for each medical plan that meets the criteria above, one plan at a time. Then select **Calculate**. (If you are entering more than one plan, and at least one results in "You will have to pay the surcharge," then you will have to pay the surcharge.)

Report your result through *My Account*.

For question 1A, look at the top-right corner of the *Summary of Benefits and Coverage* next to **Plan Type**.

1. Is this a high-deductible health plan (HDHP) or a consumer-driven health plan (CDHP)? Help

A. Select YES or NO

B. If YES, how much does the employer contribute each year into an individual's health savings account (HSA) or health reimbursement account (HRA)?

For questions 2 and 3, look at the *Summary of Benefits and Coverage* under "Important Questions." Only look at amounts for a **single person** (or individual) using a **preferred** (or in-network) provider.

2. How much is/are the plan's deductible(s)? Help
Answer either A or B. Don't answer both.

A. ($) Overall deductible (if you see only one deductible for the plan), **OR**

B1. ($) Medical deductible, **AND**

B2. ($) Prescription drug deductible

3. How much is/are the plan's out-of-pocket limit(s)? Help
Answer either A or B. Don't answer both.

A. ($) Out-of-pocket limit (if you only see one out-of-pocket limit for the plan), **OR**

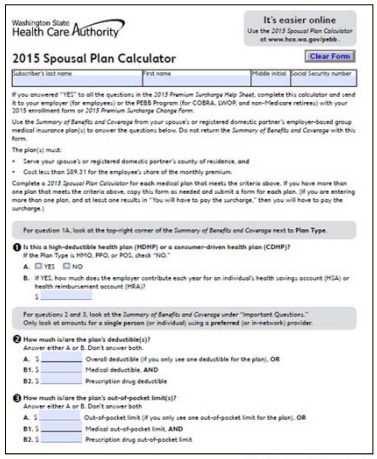
B1. ($) Medical out-of-pocket limit, **AND**

B2. ($) Prescription drug out-of-pocket limit

Need help?
Select the Help link next to any question for a guide.

See where to find the answers on a *Summary of Benefits and Coverage*.

Paper Calculator



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It's easier online
Use the *2015 Spousal Plan Calculator* at www.hca.wa.gov/pebb.

2015 Spousal Plan Calculator Clear Form

Subscriber's last name	First name	Middle initial	Social Security number

If you answered "YES" to all the questions in the *2015 Premium Surcharge Help Sheet*, complete this calculator and send it to your employer (for employees) or the PEBB Program (for COBRA, LWOP, and non-Medicare retirees) with your 2015 enrollment form or *2015 Premium Surcharge Charge Form*.

Use the *Summary of Benefits and Coverage* from your spouse's or registered domestic partner's employer-based group medical insurance plan(s) to answer the questions below. Do not return the *Summary of Benefits and Coverage* with this form.

The plan(s) must:

- Serve your spouse's or registered domestic partner's county of residence, **and**
- Cost less than $89.31 for the employee's share of the monthly premium.

Complete a *2015 Spousal Plan Calculator* for each medical plan that meets the criteria above. If you have more than one plan that meets the criteria above, copy this form as needed and submit a form for each plan. (If you are entering more than one plan, and at least one results in "You will have to pay the surcharge," then you will have to pay the surcharge.)

For question 1A, look at the top-right corner of the *Summary of Benefits and Coverage* next to **Plan Type**.

1 Is this a high-deductible health plan (HDHP) or a consumer-driven health plan (CDHP)?
If the Plan Type is HMO, PPO, or POS, check "NO."

A. ☐ YES ☐ NO

B. If YES, how much does the employer contribute each year for an individual's health savings account (HSA) or health reimbursement account (HRA)?
$ _____

For questions 2 and 3, look at the *Summary of Benefits and Coverage* under "Important Questions." Only look at amounts for a **single person** (or individual) using a **preferred** (or in-network) provider.

2 How much is/are the plan's deductible(s)?
Answer either A or B. Don't answer both.

A. $ _____ Overall deductible (if you only see one deductible for the plan), **OR**

B1. $ _____ Medical deductible, **AND**

B2. $ _____ Prescription drug deductible

3 How much is/are the plan's out-of-pocket limit(s)?
Answer either A or B. Don't answer both.

A. $ _____ Out-of-pocket limit (if you only see one out-of-pocket limit for the plan), **OR**

B1. $ _____ Medical out-of-pocket limit, **AND**

B2. $ _____ Prescription drug out-of-pocket limit

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Keying Attestation in PAY1

Does the spouse or registered domestic partner coverage surcharge apply to you?

☑ **YES**
I used the *2015 Premium Surcharge Help Sheet* and, if directed, completed the *2015 Spousal Plan Calculator* online.

☑ **NO**
I used the *2015 Premium Surcharge Help Sheet* and, if directed, completed the *2015 Spousal Plan Calculator* online.

Which questions, if any, on the *2015 Premium Surcharge Help Sheet* did you check "NO"? Check all that apply.
☐ Question 1 ☐ Question 2 ☐ Question 3 ☐ Question 4 ☐ Question 5 ☐ Question 6

☐ **Employer or PEBB Program to determine**
I used the *2015 Premium Surcharge Help Sheet* and am completing and submitting a paper *2015 Spousal Plan Calculator* with this form. My employer or the PEBB Program will determine whether my spouse's or registered domestic partner's employer-based group medical insurance is comparable to UMP Classic.

- Key "Y" if employee attested "yes"
- Key "N" if employee attested "no" and did not select a knockout question or submitted the calculator

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Keying Attestation in PAY1

Does the spouse or registered domestic partner coverage surcharge apply to you?

☐ **YES**
I used the *2015 Premium Surcharge Help Sheet* and, if directed, completed the *2015 Spousal Plan Calculator* online.

☑ **NO**
I used the *2015 Premium Surcharge Help Sheet* and, if directed, completed the *2015 Spousal Plan Calculator* online.

Which questions, if any, on the *2015 Premium Surcharge Help Sheet* did you check "NO"? Check all that apply.
☐ Question 1 ☐ Question 2 ☐ Question 3 ☑ Question 4 ☑ Question 5 ☐ Question 6

☐ **Employer or PEBB Program to determine**
I used the *2015 Premium Surcharge Help Sheet* and am completing and submitting a paper *2015 Spousal Plan Calculator* with this form. My employer or the PEBB Program will determine whether my spouse's or registered domestic partner's employer-based group medical insurance is comparable to UMP Classic.

- If the employee attested "no" and selected a knockout question, key the question number in place of "N"
- If the employee selected more than one knockout question, key the lower number

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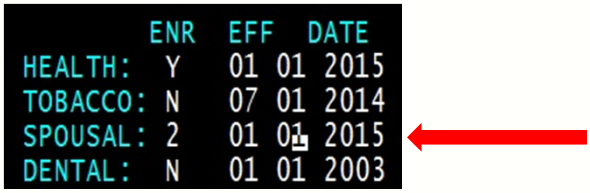
Keying Attestation in PAY1

- Enter a "D" if employee did not attest, submitted an incomplete attestation form, or attested after their initial date of eligibility
- If employee attested online through *My Account,* their attestation will automatically populate in PAY1
  - The selected knockout question will show in place of "N"



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Keying Attestation in PAY1

Does the spouse or registered domestic partner coverage surcharge apply to you? Check one:

- ☐ I previously attested to the spouse or registered domestic partner coverage premium surcharge for 2015 and the attestation has not changed.
- ☐ YES, I used the *2015 Premium Surcharge Help Sheet* and completed the *2015 Spousal Plan Calculator* online.
- ☐ NO, I used the *2015 Premium Surcharge Help Sheet* and, if needed, completed the *2015 Spousal Plan Calculator* online.

Which questions, if any, on the *2015 Premium Surcharge Help Sheet* did you check NO? Check all that apply.

☐ Question 1 ☐ Question 2 ☐ Question 3 ☐ Question 4 ☐ Question 5 ☐ Question 6

- ☑ Employer to determine. I used the *2015 Premium Surcharge Help Sheet* and am completing and submitting a printed *2015 Spousal Plan Calculator*. My employer will determine whether my spouse's or registered domestic partner's employer-based group medical insurance is comparable to UMP Classic.

The *2015 Premium Surcharge Help Sheet* and the *2015 Spousal Calculator* are available at **www.hca.wa.gov.pebb**.

- If the employee wants you to determine, they must submit their Spousal Plan Calculator with the attestation
  - Enter the information from the paper Spousal Plan Calculator into the online (Excel) version – the online version will determine the answer

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Keying Attestation in PAY1

- Additional guidance for entering attestations into PAY1 is available on the:
  - PersPay website (www.hca.wa.gov/perspay) under Notices and Updates > Premium Surcharges

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Attestation Reminders

- If an employee is hired or regains eligibility at end of the year, they must attest for **2 separate years**
  - Current year
    - Attest no later than 31 days after their date of eligibility
      - Use current year attestation form
  - Upcoming year
    - Attest between November 1 and December 31, which is effective January 1
      - Use next year's attestation form
- 1 attestation form cannot serve as 2 attestations

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Spousal Premium Surcharge Wrap-Up

Circumstance	Attest	What if Attestation Due Date is Missed?
Newly eligible employee or employee regaining eligibility for employer contribution	No later than **31 days** after their date of eligibility	- Default in PAY1 - Employee must wait to re-attest
Employee experiences a special open enrollment and adds spouse/partner to PEBB medical	No later than **60 days** after the date of the event that triggered the SOE	- Default in PAY1 - Employee must wait to re-attest

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Thank You!

Questions or Comments?

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WAC 182-08-187: How do employing agencies correct enrollment errors and is there a limit on retroactive enrollment?

How do employing agencies correct enrollment errors and is there a limit on retroactive enrollment?

If an employing agency fails to notify an employee of his or her eligibility for public employees benefits board (PEBB) benefits and the employer contribution as required in WAC 182-12-113 or the employer group contract, or fails to accurately enroll insurance coverage, the agency is authorized and required to correct the error as described in this section.

The employing agency or PEBB designee must enroll the employee in PEBB benefits as described in subsection (1) of this section, reconcile premium payments as described in subsection (2) of this section, and provide recourse as described in subsection (3) of this section.

Note: If the employing agency failed to provide the notice required in WAC 182-12-113 or the employer group contract before the end of the employee's thirty-one day enrollment period described in WAC 182-08-197 (1)(a), the employing agency must provide the employee a written notice of eligibility for PEBB benefits and offer a new enrollment period. Employees who do not return enrollment forms default to enrollment according to WAC 182-08-197 (1)(b).

(1) Enrollment.

(a) Medical and dental enrollment is effective the first day of the month following the date the enrollment error is identified, unless the authority determines additional recourse is warranted, as described in subsection (3) of this section. If the enrollment error is identified on the first day of the month, the enrollment correction is effective that day;

(b) Basic life and basic long-term disability (LTD) insurance enrollment is retroactive to the first day of the month following the day the employee became newly eligible, or the first day of the month the employee regained eligibility, as described in WAC 182-08-197. If the employee became newly eligible on the first working day of a month, basic life and basic LTD insurance coverage begins on that date;

(c) Optional life and optional LTD insurance is retroactive to the first day of the month following the day the employee became newly eligible if the employee elects to enroll in this coverage (or if previously elected, the first of the month following the signature date of the employee's application for this coverage). If an employing agency enrollment error occurred when the employee regained eligibility for the employer contribution following a period of leave as described in WAC 182-08-197(3):

(i) Optional insurance coverage is enrolled the first day of the month the employee regained eligibility, at the same level of coverage the employee continued during the period of leave, without evidence of insurability.

(ii) If the employee was not eligible to continue optional LTD insurance coverage during the period of leave, optional LTD insurance coverage is reinstated the first day of the month the employee regained eligibility, to the level of coverage the employee was enrolled in prior to the period of leave, without evidence of insurability.

(iii) If the employee was eligible to continue optional insurance coverage under the period of leave but did not, the employee must provide evidence of insurability and receive approval from the contracted vendor.

(d) If the employee is eligible and elects (or elected) to enroll in the medical flexible spending account (FSA) or dependent care assistance program (DCAP), enrollment is limited to three months prior to the date enrollment is processed, but not earlier than the current plan year. If an employee was not enrolled in FSA or DCAP as elected, the employee may adjust his or her election. The employee may either participate at the amount originally elected with a corresponding increase in contributions for the balance of the plan year, or participate at a reduced amount for the plan year by maintaining the per-pay period contribution in effect.

(2) Premium payments.

(a) The employing agency must remit to the authority the employer contribution and the employee contribution for health plan premiums, basic life, and basic LTD from the date insurance coverage begins as described in subsections (1) and (3)(a)(i) of this section. If a state agency failed to notify a newly eligible employee of his or her eligibility for PEBB benefits, the state agency may only collect the employee contribution for coverage for months following notification of a new enrollment period.

(b) When an employing agency fails to correctly enroll the amount of optional life insurance or optional LTD insurance coverage elected by the employee, premiums will be corrected as follows:

(i) When additional premiums are due to the authority, the employee is responsible for premiums for the most recent twenty-four months of coverage. The employing agency is responsible for additional months of premiums.

(ii) When premium refunds are due to the employee, the optional life insurance or optional LTD insurance vendor is responsible for premium refunds for the most recent twenty-four months of coverage. The employing agency is responsible for additional months of premium refunds.

(3) Recourse.

(a) Eligibility for PEBB benefits begins on the first day of the month following the date eligibility is established as described in WAC 182-12-114. When retroactive correction of an enrollment error is limited as described in subsection (1) of this section, the employing agency must work with the employee, and the authority, to implement retroactive insurance coverage within the following parameters:

(i) Retroactive enrollment in a PEBB health plan;

(ii) Reimbursement of claims paid;

(iii) Reimbursement of amounts paid for medical and dental premiums; or

(iv) Other recourse, upon approval by the authority.

(b) Recourse must not contradict a specific provision of federal law or statute and does not apply to requests for noncovered services or in the case of an individual who is not eligible for PEBB benefits.

[Statutory Authority: RCW 41.05.160 and 2013 2nd sp.s. c 4. WSR 14-20-058 (PEBB Admin 2014-02), § 182-08-187, filed 9/25/14, effective 1/1/15. Statutory Authority: RCW 41.05.160 and 2012 2nd sp.s. c 3. WSR 13-22-019 (Admin. 2013-01), § 182-08-187, filed 10/28/13, effective 1/1/14.]

#11-3

Title: Correcting employing agency enrollment errors

Policy #11-3

Contact:	Rules Specialist, PEB Division	**Effective:**	January 1, 2015
		Rescinded:	
Associated RCW:	Chapter 41.05 RCW	**Supersedes:**	N/A
Associated WAC:	Chapters 182-08 WAC, 182-12 WAC, and 182-16 WAC.		
Assoc. fed law/reg:	PHSA §2712 [42 USC §300gg-12] Prohibition on rescissions. 26 U.S. Code §125 Cafeteria Plans.	**Owner:**	Policy & Rules Manager, PEB Division
Associated Procedures:			
Associated Forms & Communication		**Approved by:**	
		Position:	Deputy Division Director, PEB Division
		Date approved:	12-12-14

Purpose:

This policy clarifies the requirements placed on an employing agency when the employing agency corrects its enrollment errors as described in WAC 182-08-187.

Policy:

1. An employing agency must correct enrollment errors as described in WAC 182-08-187 and as described in this policy.

    a. An employing agency that fails to notify an employee of his or her eligibility for Public Employees Benefits Board (PEBB) benefits as described in WAC 182-12-113 or the employer group contract, before the end of the employee's thirty-one day election period, must correct the error. The employing agency must provide the employee a written notice of eligibility for PEBB benefits, offer a new enrollment period, and correct enrollment and premium payments as described in WAC 182-08-187.

    b. An employing agency that fails to enroll an employee in PEBB benefits as elected on the employee enrollment/change forms must correct the error. The employing agency must enroll the coverage the employee elected when correcting enrollment and related premium payments as described in WAC 182-08-187(1) and (2).

c. An employing agency that fails to enroll an employee in Uniform Medical Plan, Uniform Dental Plan, basic life insurance, and basic long-term disability insurance as described in WAC 182-08-197(1)(b) when the employee fails to return employee enrollment/change forms within required time limits must correct the error. The employing agency must enroll the employee in coverage as described in WAC 182-08-197(1)(b) when correcting enrollment and related premium payments as described in WAC 182-08-187(1) and (2).

d. An employing agency that fails to correctly enroll an employee's optional long-term disability (LTD) insurance coverage as elected must correct the error as follows:

   i. Correct the coverage election back to the effective date of the error.

   ii. Correct the collection of LTD premiums as described in WAC 182-08-187(2)(b).

e. An employing agency that fails to correctly enroll an employee's optional life insurance coverage as elected must correct the error according to instructions from PEBB.

2. "Recourse" as described in WAC 182-08-187(3) enables and requires an employing agency to provide an employee with an appropriate substitution for retroactive insurance coverage when the employing agency makes an enrollment error.

   a. An employing agency must determine which of the options described in WAC 182-08-187(3)(a) best provides recourse for the employee's unique circumstance.

   b. An employing agency must document the recourse solution and provide a copy to both the employee and the PEBB Program.

   c. An employing agency's written decision becomes effective fifteen days after receipt by HCA, unless the HCA determines the recourse plan is not acceptable within this time period and notifies the employing agency of its determination.

   d. An employee who does not agree with a recourse decision of the employing agency or the PEBB Program may appeal the decision by submitting an appeal within 30 days as described in chapter 182-16 WAC.