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**MEMORANDUM 014-15HR**

**TO:** Agency Administrators

**FROM:** Carolyn Horwich, J.D., Director of Human Resources

**THROUGH:** Rip Colvin, Executive Director

**SUBJECT:** Division of State Group Insurance Updates

**DATE:** April 6, 2015

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The Division of State Group Insurance (DSGI) at the Department of Management Services (DMS) has advised state agencies of several changes being implemented. The changes are the result of several factors, including Affordable Care Act (ACA) provisions, audits, legislative efforts, and others. The changes below are *verbatim* from DSGI unless JAC felt that clarification was appropriate. Please be assured that JAC Human Resources distributes any information we receive from DMS upon receipt.

1. Rescission of health insurance coverage

The ACA prohibits rescission of coverage. In the past, even if claims were not paid, members could always submit a claim for reimbursement. This is no longer the case.

A couple of scenarios are resulting in rescission of coverage:

- a. *Retroactive terminations of employment.* When employment is not terminated in a timely manner, benefits will continue if the employee submits payment (and they will get underpayment letters). Retroactively terminating employment then terminates the benefits retroactively, which is no longer allowed. Even if the employee is on payroll one day of the month and should not be, the employee

will receive coverage for the whole month. Therefore, it is imperative that all timesheets and terminations are processed timely.

- b. *Ineligible/administrative errors.* There have been situations where OPS employees who were measured were deemed eligible. The agency then said there was a timesheet error (as an example) and the employee should not have been eligible. Please note that cancellations can only be entered prospectively. If an employee was erroneously given coverage and is then properly cancelled, the employee will be offered COBRA.

## 2. Medicare and active employees

Federal law holds that retirees eligible for Medicare who return to active employment are no longer eligible to have Medicare as primary coverage. Although the employees do not have to enroll in employer group coverage, they cannot remain enrolled in a Medicare tier (i.e, the only way they can be covered through DSGI is as an active employee). DSGI has identified about 60 employees statewide enrolled in a Medicare tier who are active employees. DSGI will change those employees to active coverage May 1 and will mail letters to them so they know their options. If they choose not to continue with active coverage, they will not be allowed to re-enroll when they terminate employment because they must have continuous coverage through the state group program.

## 3. IRS Reporting

For the 2014 tax year, employees must report that they have met the individual responsibility for minimum essential coverage on their tax returns. The state group health plan meets this requirement. In 2016, the IRS will require employers to report every employee and whether they had minimum essential coverage for each separate month in the 2015 plan year. Reporting must also be done for each of the employee's dependents. It is presumed that the IRS will use this reporting to audit tax returns. The tax forms require either a valid Social Security number or a valid tax identification number for employees and *each* of their covered dependents. DSGI will be starting a cleanup effort in the next month or so. Right now, more than 2000 dependents have bad SSNs that DSGI knows of. DSGI has stated that it will send additional information when it becomes available.

## 4. LWOP and Employee/Employer Contributions

According to DSGI's tax attorney, employees on ANY type of LWOP receive the state contribution for health insurance while they are on leave for the duration of their stability period because coverage must be: 1) offered, and 2) affordable. Suspension is included in this scenario. In other words, the employer cannot cancel coverage for the entire time the employee is in the stability period. Effective January 1, 2015, People First will be making

programming changes so that coverage will continue. In the past, DSGI has offered coverage, but because the employee had to pay the full premium, it was not “affordable”.

- a. Because of the IRS reporting requirements for 2015, agencies must go back to January 1 and make an offer of affordable coverage to employees on LWOP. DSGI will send letters to any affected employees. They will have the opportunity to retroactively enroll in coverage, and agencies will have to pay the state contribution. DSGI states that as this project is just in its beginning phase, there is uncertainty regarding the scope and timeframe of the project.
- b. This change impacts the QSC events. For example, now that the contribution is the same, employees no longer have a QSC event of significant cost increase that would allow them to cancel coverage, including any supplemental policies (although there is no state portion for those). FMLA law and gaining eligibility for other group coverage will be the QSC events to reduce or cancel coverage. The revised QSC Event Matrix is attached.
- c. Those employees who are on Military Leave can still cancel coverage, using the QSC of “Gain of Other Coverage” as they pick up Tricare.

#### 5. Measurement Period Matrix

An important change from guidance previously given by DSGI is that non-variable hour employees (defined as any employee, including OPS that, when hired, is expected to work 30 hours or more or a .75 FTE) do NOT get a new hire measurement period. This means they have coverage until they are measured in their second Open Enrollment period. For example, Sam is hired in March 2015 and is expected to work 30 hours or more per week (or is a .75 FTE). He enrolls in coverage in May. Sam will have coverage for the rest of 2015 and all of 2016. He will be measured in the full 12 months of the 2016 Open Enrollment period for 2017 coverage. The Measurement Matrix is attached.

#### 6. Retro posting payments to underpaid months

Payroll files post employee insurance premiums to the next coverage month and do not look back to see if any previous months were underpaid. Enrollees, therefore, show as eligible for insurance coverage for the coverage month even though they are underpaid in one or more previous coverage months. Currently, more than 12,000 employees have underpayments, and employer and employee combined underpayments total more than \$7 million.

- a. This summer, DMS will start a new system process that takes the payroll deduction for the next coverage month and moves it back to the underpaid month. The employee will be underpaid for the current month, coverage will be suspended, and

employee will not go on the vendor eligibility file. The employee will stay in a suspended state until s/he pays the underpayment. These changes will ensure that the state's trust funds are appropriately funded and employees do not have access to insurance benefits to which they are not entitled.

- b. The first week of May, People First will mail a one-time "cleanup" letter about 60 days before system programming is deployed, requesting payment for total underpayments, explaining process, suspension, and appeal rights. The goal is to resolve underpayments so that current coverage will not be suspended.
- c. HR offices must clean up and resolve existing underpayments. (PLEASE NOTE – JAC does an excellent job of monitoring and working the over/underpayment reports on a monthly basis so little clean up by JAC will be required.) The process will be:
  - i. Use underpayment report to identify underpayments for both employee and employer.
  - ii. If employee was on LWOP, did not cancel coverage and did not pay the full premium, call the service center to cancel coverage for the LWOP period. This is a significant percentage of the money owed to the trust funds.
  - iii. JAC payroll staff in Tallahassee will work through org management to return employees from LWOP if not returned properly.
  - iv. Notify employees with underpayments to pay immediately (less noise than receiving letter and/or have coverage suspended). They must remit payments to the lockbox.
  - v. Remit employer underpayments as soon as possible.

d. Timeline

- March through April: HR offices clean up underpayments
- Week of May 4: NGA (DMS's contractor) mails one-time cleanup letter
- May through June: Employees send checks to lockbox for underpayment
- July 4: NGA deploys payroll posting process programming change to correspond with deductions from first the monthly payroll in July for August coverage.

## 7. Social Security Numbers

There is a possibility that DMS will be hiring a vendor to conduct a full audit of social security numbers to ensure they are correct. Specifically, it is estimated that 7% of all dependents in the PF system have erroneous social security numbers. Regardless of whether the audit takes place or not, please have all employees verify their social security numbers, those of any dependents, and their mailing addresses in People First.

8. A new benefit

At some point in 2015, state employees will be able to enroll spouses and dependents in life insurance plans.

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If you have any questions, please contact your benefits or payroll contact.

Thank you.

Attachments (2)

Definition <sup>1</sup>	Documentation REQUIRED Where Noted <sup>2</sup>	Health and Supplemental Plans	Basic <sup>3</sup> and Optional <sup>4</sup> Life	MRA/LPMRA <sup>4</sup>	DCRA
<b>A. Change in Subscriber's Legal Marital Status</b>					
<b>Marriage</b>					
<p>1. Legally recognized marriage between two persons under any state or foreign law at the time the marriage was entered into by the parties. Common law marriages, domestic partnerships, civil union partnerships or other relationships do not constitute marriage.</p> <p>60-day QSC window<sup>5</sup> Effective date of election<sup>6</sup></p>	<p>Copy of marriage license and birth certificates if adding children or stepchildren</p>	<p>Subscriber may enroll in or increase to a family tier for newly eligible spouse and any eligible dependents</p>	<p>Basic – subscriber may enroll or cancel</p> <p>Optional – subscriber may enroll, cancel, increase or decrease</p>	<p>Subscriber may enroll or increase election</p>	<p>Subscriber may enroll or increase election to accommodate newly-eligible dependents or, if eligibility is lost because new spouse does not work, may decrease the annual election to no less than the amount that has been contributed through payroll deduction as of the date the request is approved and end date the account</p>
<b>Loss of Spouse</b>					
<p>2. Legal divorce</p>	<p>REQUIRED: copy of final judgment that defines insurance coverage or divorce decree</p> <p>REQUIRED: court ordered custody is required to cover previously eligible dependents made ineligible by the divorce</p>	<p>Subscriber must remove spouse and other dependents made ineligible by the event and may decrease coverage tier if no other covered dependents, but cannot cancel</p>	<p>Basic – subscriber may enroll or cancel</p> <p>Optional – subscriber may enroll, cancel, increase or decrease</p>	<p>Subscriber may decrease annual election to no less than the greater of the amount contributed through payroll deduction or the amount of claims submitted as of the date the request is approved; may enroll or increase election</p>	<p>Subscriber may enroll or increase election to accommodate newly eligible dependents or decrease the annual election to no less than the amount that has been contributed through payroll deduction as of the date the request is approved and end date the account if eligibility is lost (e.g., because dependents now reside with ex-spouse)</p>

<sup>1</sup> Throughout this document: all allowable election changes must be consistent with the qualifying event, based on a gain or loss of eligibility.

<sup>2</sup> Throughout this document: subscribers may be required to submit documentation to establish eligibility. The effective date of any election is prospective, unless otherwise noted.

<sup>3</sup> Throughout this document: enrollment is automatic for full-time Salaried FTE employees upon hire; part-time Salaried FTE may choose to enroll and pay a pro-rated premium; OPS employees may choose to enroll and pay the full monthly premium.

<sup>4</sup> Throughout this document: OPS employees are not eligible to participate in Optional Life, Medical Reimbursement Account or a Limited Purpose Medical Reimbursement Account.

<sup>5</sup> Throughout this document: a Qualifying Status Change (QSC) event window is defined as the period of time to provide required documentation and make allowable changes to benefits, as defined by the IRS. All QSC windows are 60 days from and including the event unless otherwise specified.

<sup>6</sup> Throughout this document except where otherwise indicated: the effective date of coverage shall depend on the date of the qualifying event, the date the election is made, and receipt of premium. For health insurance, see QSC Event #10 for salaried employees and see #11 for OPS employees; for supplemental plans, Optional Life, the first day of the month following a full payroll deduction; for basic life, the first day a full-time salaried employee is actively at work, or the first day of the month following full payroll deduction once an election is made by part-time salaried and OPS employees; for MRA/LPMRA and DCRA is the date of enrollment; for HSA is the day a payroll deduction can be taken and deposited into the Tallahassee State Bank account.

Definition <sup>1</sup>	Documentation REQUIRED Where Noted <sup>2</sup>	Health and Supplemental Plans	Basic <sup>3</sup> and Optional <sup>4</sup> Life	MRA/LPMRA <sup>4</sup>	DCRA
3. Death of spouse	Copy of death certificate  REQUIRED: court ordered custody is required to cover previously eligible dependents made ineligible by the death	Subscriber must remove spouse and other dependents made ineligible by the event and may decrease election if no other covered dependents, but cannot cancel	Basic – subscriber may enroll or cancel  Optional – subscriber may enroll, cancel, increase or decrease	Subscriber may decrease annual election to no less than the amount contributed through payroll deduction as of the date the request is approved; may enroll or increase election	Subscriber may enroll or increase election to accommodate newly eligible dependents
<b>B. Change in Number of Subscriber's Eligible Dependents</b>					
<b>Dependent Gains Eligibility</b>					
4. Birth of child, adoption, or placement in the home for purposes of adoption in compliance with applicable state and federal laws	REQUIRED: adoption papers, placement papers, or legal documentation before any changes can be made  Copy of birth certificate, copy of marriage license and birth certificates if adding other eligible dependents	Subscriber may enroll in or increase to the family coverage tier  Health plan only: if requested, coverage may be retroactive to the first day of the month of the birth or adoption and: <ul style="list-style-type: none"> <li>Coverage for the subscriber's newborn is effective as of the date of birth</li> <li>For adoption or placement, coverage for the child is effective the date of the adoption or placement</li> </ul> Other eligible dependents may be added the first day of the month following the month the newborn or adopted child is enrolled	Basic – subscriber may enroll or cancel  Optional – subscriber may enroll, cancel, increase or decrease	Subscriber may enroll or increase election for newly eligible dependents	Subscriber may enroll or increase election to accommodate newly eligible dependents and any other eligible dependents who were not previously covered; subscriber may drop or decrease contributions if spouse ceases to work following a birth or adoption
<b>Dependent Losses Eligibility</b>					
5. Dependent no longer meets eligibility requirements (e.g., end of the month in which dependent turns 13 for DCRA or end of the calendar year in which dependent turns 26 for insurance plans)	Based on the event; e.g., affidavit, letter from employer, etc.	Subscriber must remove the ineligible dependent and may decrease election only if no other covered dependents, but cannot cancel	Basic – No changes allowed  Optional – subscriber may enroll, cancel, increase or decrease	Subscriber may decrease annual election to no less than the amount contributed through payroll deduction as of the date the request is approved	Subscriber may decrease the annual election to no less than the amount that has been contributed through payroll deduction as of the date the request is approved and end date the account

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6. Death of dependent	Copy of death certificate	Subscriber may decrease election if no other covered dependents, but cannot cancel	Basic – No changes allowed  Optional – subscriber may enroll, cancel, increase or decrease	Subscriber may decrease annual election to no less than the amount contributed through payroll deduction as of the date the request is approved	Subscriber may decrease the annual election to no less than the amount that has been contributed through payroll deduction as of the date the request is approved and end date the account
<b>Placement, Judgments, Decrees or Orders</b>					
7. Court order that requires coverage for the subscriber's child, for legal guardianship, or for foster child in compliance with applicable state law	REQUIRED: official document from the courts or other authorized authority before any changes can be made	Subscriber may enroll or increase election	Basic – subscriber may enroll or cancel  Optional – subscriber may enroll, cancel, increase or decrease	Subscriber may increase election for newly eligible dependent as required under the order	No changes allowed
8. Court order that requires subscriber's ex-spouse to provide coverage for the child or that allows subscriber to cancel coverage for the child	REQUIRED: official document from the courts or other authorized authority before any changes can be made	Subscriber may decrease election if no other covered dependents, but cannot cancel	Basic – subscriber may cancel  Optional – subscriber may cancel or decrease	Subscriber may decrease annual election to no less than the amount contributed through payroll deduction as of the date the request is approved	No changes allowed
9. National Medical Support Order	REQUIRED: official document from a governmental entity	Health, dental and vision plans only; subscriber may enroll or increase election	No changes allowed	No changes allowed	No changes allowed
<b>C. Change in Employment Status of Subscriber, Spouse or Dependent that Affects Eligibility</b>					
<b>Commencement of Employment or Other Change in Employment Status that Triggers Eligibility</b>					
10. Salaried FTE New Hire  The earliest effective date is the first day of the month following the election	REQUIRED: Appointment PAR <sup>7</sup>  Copy of marriage license and birth certificates if adding children or stepchildren	Employee may enroll in single or a family coverage tier	Basic – full-time subscriber automatically enrolled; part-time subscriber may enroll and pay prorated premium  Optional – subscriber may enroll	Subscriber may enroll	Subscriber may enroll

<sup>7</sup> Throughout this document: a PAR is defined as a Personnel Action Request that is entered and completed in the People First system to trigger benefit eligibility.

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<p>11. OPS new hire reasonably expected to work 30 hours or more per week in all positions</p> <p>The earliest effective date for health is the first day of the third month following and including the month of hire; a full payroll deduction is required for supplemental, basic life, DCRA</p>	<p>REQUIRED: Appointment PAR</p> <p>Copy of marriage license and birth certificates if adding children or stepchildren</p>	<p>Employee may enroll<sup>3</sup> and add eligible dependents</p>	<p>Basic – subscriber may enroll and pay monthly premium</p> <p>Optional – not eligible</p>	<p>Not eligible</p>	<p>Subscriber may enroll</p>
<p>12. OPS employee Employment Status Change – within the new hire measurement period, the employee’s work hours are expected to increase to an average of 30 hours or more per week</p> <p>The earliest effective date for health is the earlier of the first day of the third month following and including the status change or the first day of the second month following the new hire measurement period</p>	<p>REQUIRED: Appointment PAR</p> <p>Copy of marriage license and birth certificates if adding children or stepchildren</p>	<p>Subscriber may enroll and add eligible dependents</p>	<p>Basic – subscriber may enroll and pay monthly premium</p> <p>Optional – not eligible</p>	<p>Not eligible</p>	<p>Subscriber may enroll</p>
<p>13. OPS employee works 30 or more hours on average per week during new hire measurement period</p> <p>The earliest effective date for health is the first day of the second month that follows the new hire measurement period; a full month’s payroll deduction is required for supplemental, basic life, DCRA</p>	<p>REQUIRED: Work hours recorded in the People First system during a new hire measurement period that begins the first day of the month following the hire date</p>	<p>Subscriber may enroll and add eligible dependents</p>	<p>Basic – subscriber may enroll and pay monthly premium</p> <p>Optional – not eligible</p>	<p>Not eligible</p>	<p>Subscriber may enroll</p>

<sup>8</sup> Throughout this document: OPS employees must meet the 30-hour per week average for subsequent 12-month measurement periods to continue coverage or to be eligible to enroll.

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14. OPS employee moves to a salaried FTE position with no break in service <sup>9</sup>	REQUIRED: Appointment PAR	If enrolled as an OPS employee, no changes allowed  If eligible but not enrolled as an OPS employee, not entitled to enroll unless #25  If not eligible as an OPS employee, treat as a new hire (#10)	Basic – If eligible, but not enrolled as OPS and appointment to full-time salaried FTE automatically enrolled  If eligible and enrolled as OPS, coverage continues  If not eligible as an OPS employee, treat as a new hire (#10)  Optional – subscriber may enroll, if enrolled in basic life	Subscriber may enroll	If enrolled as an OPS employee, election continues  If eligible but not enrolled as an OPS employee, not entitled to enroll  If not eligible as an OPS employee, treat as a new hire (#10)
15. Salaried FTE or OPS employee commences LWOP and returns	REQUIRED: LWOP PAR  REQUIRED: Return from LWOP PAR if returning the employee from LWOP	If enrolled at the time of LWOP, same elections with same employee contributions automatically continue through the LWOP period and upon return to work; if the stability period ends while the employee is on LWOP or upon return to work and the employee is not eligible to continue coverage based on measurement, coverage terminates the last day of the stability period.			
16. Salaried FTE termination (meaning last day worked) and rehire <i>within</i> one full calendar month	REQUIRED: Appointment PAR if return from termination	Same elections continue. If not enrolled, must have an appropriate QSC event (e.g. marriage) to enroll during the remainder of the stability period			
17. OPS employee return from break in service	REQUIRED: Appointment PAR	Treat as OPS new hire #11			
18. Salaried FTE termination (meaning last day worked) and return <i>after</i> one full calendar month	REQUIRED: Appointment PAR	If no break in coverage, no changes allowed  If break in coverage, treat as new hire #10	Basic – if appointed to a full-time salaried (FTE 1.0) position, subscriber automatically enrolled  Optional – subscriber may enroll	Subscriber may enroll or continue election if personal payments made during termination; otherwise, may not enroll twice in same calendar year	May enroll

<sup>9</sup> Throughout this document a break in service for OPS employees is defined as, termination of employment or unpaid leave (other than FMLA, jury duty or military leave) that exceeds 13 consecutive weeks (26 for employees of academic institutions); or a break between four weeks and 13 (26) weeks if the period of service prior to the break is less than the period of the break.

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<b>Termination of Employment or Other Change in Employment Status that Causes Loss of Eligibility</b>					
19. Full-time (FTE of 0.75 – 1.0) salaried FTE to OPS (regardless of benefits eligibility) with no break in service	REQUIRED: Appointment and Separation PARs	If enrolled, election continues for the stability period: <ul style="list-style-type: none"> <li>The plan year if employed for more than one year</li> <li>The new hire stability period if employed less than one year</li> </ul> If not enrolled as a full-time FTE, not eligible to enroll	Basic – If enrolled, election continues  Optional – if enrolled, election automatically cancelled	Election ends or may continue by completing the <a href="#">MRA Options When Employment Ends</a> form and submitting payment	If enrolled, election continues
20. Part-time (FTE less than 0.75) salaried FTE to OPS (regardless of benefits eligibility) with no break in service	REQUIRED: Appointment and Separation PARs	If employee was measured at less than 30 hours, the benefits are terminated when moving to OPS. Eligibility is then determined at the next 12-month measurement period.  If the employee is in the new hire measurement period and the OPS appointment is full-time equivalent (at least 30 hours per week), the benefits are transferred and the employee may qualify for changes under #12.			
21. Termination of subscriber's employment, including retirement as a vested employee (see s. <a href="#">110.123(2)(g), F.S.</a> )	REQUIRED: Separation PAR	All elections end	All elections end	Election ends	Election ends
Continuation options if enrolled		May continue health, dental and vision through COBRA	May port optional life	May continue by completing the <a href="#">MRA Options When Employment Ends</a> form and submitting payment	
Continuation options if enrolled upon retirement		Retirees may continue health as a retiree (31-day QSC event window) and dental and vision through COBRA if previously enrolled	Retirees may change to retiree life insurance (31-day QSC event window) but may not port optional life	May continue by completing the <a href="#">MRA Options When Employment Ends</a> form and submitting payment	
22. Death of Subscriber	REQUIRED: Copy of death certificate within 60 days of the death or PAR to enroll in health plan as a surviving spouse	All elections end	All elections end	Election ends	Election ends
Surviving spouse benefits if spouse enrolled upon death of subscriber	Enrollment within 31 days of receipt of notification of benefits (surviving spouse package)	Spouse may continue health coverage and may COBRA the dental and vision		Surviving spouse may file claims incurred up through the date of death or use balance from leave payout to continue through the end of the calendar year	

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<b>D. Change in Place of Residence of Employee, Spouse, or Dependent that Triggers a Loss of Eligibility</b>					
23. Subscriber or dependent moves outside of HMO service area	For subscriber: home and work county code change in the People First system  For dependent: moves to college or otherwise out of the service area, documentation proving change in address	Subscriber must work or reside in the HMO service area to make a new HMO election; otherwise, must change to the PPO	No changes allowed	No change allowed, even if underlying health coverage change occurs	No change allowed
<b>E. Significant Cost Changes</b>					
24. Premium increase or decrease to subscriber of at least \$20 per month as a result of change in pay plan (e.g., Career Service or OPS employee to SES), Salaried FTE (e.g., part-time to full-time), legislative premium mandates, Optional Life age banding, etc.	REQUIRED: PAR showing salaried FTE or classification  System premium update  Refer to <a href="#">optional life premium chart</a> that shows age-banding requirements	<b>Cost decrease:</b> subscriber may enroll or increase coverage level for health plan only  <b>Cost increase:</b> subscriber may decrease or cancel coverage level for health plan only and enroll in a different benefit option providing similar coverage, if available	Optional Life only <b>Cost decrease:</b> subscriber may increase corresponding election  <b>Cost increase:</b> subscriber may decrease corresponding election	No change permitted	Election change may be made whenever there is a change in provider or a change in hours of dependent care; no change can be made when the cost change is imposed by a dependent care provider who is a relative of the subscriber
<b>F. Curtailment of Subscriber's Benefit Package Option</b>					
25. Significant reduction of subscriber's coverage (with or without loss of coverage) as a result of state or federal legislative change	REQUIRED: DSGI approval	<b>Without Loss of Coverage:</b> subscriber may cancel election and make new election for similar coverage  <b>With Loss of Coverage:</b> subscriber may cancel election and make new election for similar coverage or cancel coverage if no similar benefit package option is available	No changes allowed	No changes allowed	No changes allowed

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<b>G. Gain or Loss of Other Group Health Coverage</b>					
26. Gain eligibility for other group coverage, e.g., change in spouse's employment status, spouse's open enrollment, Medicare <sup>10</sup> , Military Leave <sup>11</sup> , or the Marketplace	As applicable, proof of other group coverage, letter from employer  REQUIRED: PAR for Military Leave, military orders sent to human resource office  REQUIRED: Medicare card if due to disability or normal retirement age	Subscriber may cancel election for self and/or dependents if subscriber and dependents are added to other similar coverage	No changes allowed	No changes allowed	No changes allowed
27. Lose eligibility for other group coverage, including Medicare, Medicaid, Military Leave or as a result of change in spouse's employment status	REQUIRED: PAR for Military Leave, military orders sent to human resource office	Subscriber may enroll or increase coverage in plans for which the loss of eligibility occurred	No changes allowed	No changes allowed	No changes allowed
28. Dependent becomes eligible for government subsidized health coverage (60-day window from the date of eligibility or the effective date whichever is later)	Copy of the letter from the health insurance provider (e.g., Healthy Kids)	If no other covered dependents, subscriber may decrease health election (and dental and vision, if applicable) for subsidized dependents only, but cannot cancel	No changes allowed	No changes allowed	No changes allowed
29. Dependent becomes ineligible for government subsidized health coverage	Copy of the letter from the health insurance provider (e.g., Healthy Kids)	Subscriber may increase health election and add dependents who lost eligibility for subsidy	No changes allowed	No changes allowed	No changes allowed
<b>H. Other Allowable Changes</b>					
30. Retirees, surviving spouses, COBRA and layoff subscribers may cancel or decrease the election to individual at any time (a QSC event is required to increase the coverage level to family)	No changes allowed	Applies only to applicable plans under which the subscriber is currently covered	Applies only to basic life coverage	No changes allowed	No changes allowed

<sup>10</sup> Throughout this document: if enrolling in Capital Health Plan or Florida Health Care Plans, retirees must first contact the HMO to enroll in its Medicare Advantage plan

<sup>11</sup> Throughout this document: if on Military Leave, a subscriber may continue or cancel within 60 days of commencement of leave and may re-enroll within 90 days of discharge

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31. Active employees enrolled in an HIHP become eligible for Medicare	Age in People First system, Medicare card	Health only: subscriber may remain in HIHP without an HSA or may enroll in a Standard plan with the same company	No changes allowed	No changes allowed	No changes allowed
32. Employees enrolled in a prepaid dental plan with no available dentist within a 30-mile radius of the home address ( <a href="#">PC 11-002</a> )	Written verification from the dental plan	Dental plan subscriber may change to another dental plan with dentist that are accepting patients	No changes allowed	No changes allowed	No changes allowed
33. At the end of the calendar year in which dependents turn 26, over-age health insurance is available for an additional premium through the end of the calendar year in which they turn 30, provided they meet these eligibility requirements: <ul style="list-style-type: none"> <li>• Unmarried,</li> <li>• Have no dependents of their own,</li> <li>• Dependent on subscriber for financial support,</li> <li>• Live in Florida or attend school in another state, and</li> <li>• Not enrolled in other health insurance</li> </ul>	Same as other QSCs events	Health only: may enroll if meets all eligibility requirements  Must cancel if dependent loses eligibility for any one of the requirements	No changes allowed	No changes allowed	No changes allowed
34. Employees commence FMLA	REQUIRED: Leave of Absence PAR	Subscriber may decrease election or cancel	Basic – subscriber may cancel  Optional – subscriber may decrease election or cancel	Subscriber may decrease annual election to no less than the greater of the amount contributed through payroll deduction or the amount of claims submitted as of the date the request is approved; will not be allowed to re-enroll upon return to employment in the same calendar year	Subscriber may decrease annual election to no less than the amount contributed through payroll deduction as of the date the request is approved
35. OPS employee change in status so that employee is no longer expected to average 30 or more hours per week <i>and</i> employee enrolls in another health plan that provides minimal essential coverage	PAR  Proof of minimal essential coverage	Health only: subscriber may cancel health election only	No changes allowed	No changes allowed	No changes allowed

# Measurement Matrix

	New Hire Measurement Period (NHMP)	Open Enrollment Measurement Period (OEMP)
Definition	The period of 12 consecutive months for which hours of services are measured to determine eligibility for coverage.	
Who is measured?	<p>Part-time salaried FTE (less than 0.75) and OPS employees expected to work less than 30 hours per week at the point of initial hire.</p> <p><b>Note:</b> salaried FTE of 0.75 or greater and OPS employees expected to work 30 hours or more on average per week do <i>not</i> have a NHMP. They are only measured during OEMP after they have worked 12 months.</p> <p><b>Example:</b> OPS employee hired February 2015 is expected to work 30 hours or more per week on average. He elects coverage, which begins, at the earliest April 2015 and continues through December 2016. He is measured at the 2016 OEMP for coverage effective in 2017.</p>	<ul style="list-style-type: none"> <li>• All salaried FTE employees</li> <li>• All OPS employees who were employed on the first day of the measurement period and have not had a break in service as of the last day of the measurement period</li> </ul>
When are they measured?	Starting the first day of the month following the initial hire date and ending the last day of the twelfth month of continuous employment.	October 3 through the following October 2 each year
What is measured?	<p>Hours of service, including paid leave (salaried FTE employees only).</p> <p>Employees of academic institutions are credited with up to 501 hours for academic breaks. Academic breaks must be recorded in People First (PAR or file, as applicable).</p> <p>As long as recorded in People First, the following unpaid leave types do <i>not</i> count against the average: FMLA (PAR), military leave (PAR) and jury duty (timesheet).</p>	
What coverage is available?	<p>For OPS employees: health, basic life, dental, vision, supplemental plans and DCRA</p> <p>For FTE (full and part-time salaried) employees: above plus optional life and MRA/LPMRA</p>	
When does coverage begin?	<p>See the QSC Matrix for new hire and qualifying event effective dates.</p> <p>For employees who are measured for NHMP and meet 30-hour eligibility requirement, the earliest effective date is as follows:</p> <ul style="list-style-type: none"> <li>• Health insurance – the first day of the second month that follows the NHMP</li> <li>• MRA and LPMRA – not eligible to enroll</li> <li>• DCRA – the date of election</li> <li>• All other plans – the first day of the month following a full payroll deduction and receipt of underwriting approval, if required</li> </ul>	January 1 of the plan year following the open enrollment measurement

# Eligibility Matrix

	New Hire Measurement Period (NHMP)	Open Enrollment Measurement Period (OEMP)
When does coverage end?	For salaried FTE employees and OPS employees who maintain eligibility: coverage ends when they cancel elections during open enrollment or when they experience a qualifying status change (QSC) event (see QSC Event Matrix) that results in ineligibility for the program.	For employees who do not meet the 30-hour per week average requirement: coverage ends Dec. 31 of the OEMP calendar year.
What is the associated stability period?	The stability period begins, at the earliest, the first day of the second month following the completion of the measurement period and ends the last day of the 12 <sup>th</sup> month of health insurance coverage.	January 1 – December 31
Special circumstances?	The NHMP does not change if employees to be measured are subsequently hired by additional agencies, unless there is a Break in Service.	
How does the Break in Service work?	After a Break in Service, the employee is treated as a new hire upon reemployment. A Break in Service occurs when: <ul style="list-style-type: none"> <li>Moving from one salaried FTE position to another salaried FTE position: termination of employment or unpaid leave that lasts one full calendar month.</li> <li>For all other position changes: termination of employment or unpaid leave that lasts at least 13 consecutive weeks (26 weeks for employees of educational organizations); or a break between four weeks and 13 weeks (26 weeks for employees of educational organizations) if the period of service prior to the break is less than the period of the break.</li> </ul>	
Are there employment status changes?	See the QSC Matrix for a complete listing.  Specifically occurring during the NHMP: the employee’s work hours are expected to increase to an average of 30 hours or more per week. The effective date for health is the first day of the third month following and including the status change or the first day of the second month following the NHMP, whichever is earlier.	See the QSC Matrix for a complete listing.
How are employee contributions determined if an employee changes positions?	The employee contribution is determined by looking at the position the employee is moved to (e.g., SES/SMS, Career Service, OPS), regardless of the position held or contribution paid prior to the change in positions. <a href="#">MA 11-007</a> still applies.	

# Eligibility Matrix

	New Hire Measurement Period (NHMP)	Open Enrollment Measurement Period (OEMP)
<p>What about retirees who return to work?</p>	<p>They are now active employees and therefore subject to measurement.</p> <p>Note regarding Medicare-eligible retirees: once Medicare retirees are reemployed and if they are eligible for state group health insurance, Medicare becomes the secondary payer. Under Medicare rules, <i>Medicare retirees are not allowed to continue <b>retiree</b> coverage as an employee.</i> Medicare retirees may either:</p> <ol style="list-style-type: none"> <li>1. Enroll in employee health insurance to have primary coverage and pay the employee contribution. They will be able to continue coverage as a retiree upon termination; or</li> <li>2. Cancel retiree coverage and enroll in a Medigap supplement plan that coordinates with Medicare which will once again become primary. Medicare retirees who choose this option will not be allowed to re-enroll in state group health insurance upon termination of employment.</li> </ol> <p>“Early” retirees may continue retiree coverage until Medicare eligible or enroll in employee coverage if eligible.</p>	
<p>What kinds of communications are sent to employees?</p>	<p>New Hire ID letter – gives employees their People First ID so that if they are eligible, they can make online elections; receiving this letter does <b>not</b> indicate eligibility.</p> <p>Benefits package – sent to employees if they are eligible for benefits as a new hire or after the New Hire Measurement Period and includes the benefits statement, COBRA information and enrollment instructions.</p>	<p>Open Enrollment package – mailed to all eligible employees (based on eligibility as of 1/1 of the new plan year) to their mailing address in People First before annual Open Enrollment.</p> <hr/> <p>Underpayment Notices – up to three notices are sent during the coverage month that is underpaid.</p> <p>Emails – various reminders are sent to eligible employees who enter a notification email address in People First.</p> <p>Confirmation of Benefits – for employees who make changes to benefits, People First mails confirmation to their mailing address in People First or, if there is a notification email address, People First emails instructions for viewing online. The confirmation is also available anytime from the Quick Links section of the employee’s homepage in People First.</p> <p>Employee correspondence history is available in People First under Personal Information. Document IDs that begin with “E” are emails; all others are sent via the U.S. Postal Service.</p>