



Revisions to Group Health Insurance Plan Eligibility and Enrollment Rules

October 12, 2020



Agenda

- Review Process
- Proposed Changes
- Timeline for revisions and approval

Process for Revisions

- SBO Internal Working Group
 - Health, Vision, Dental, DIP Program Leads
 - Customer Service Team- changes from member and Ben Rep inquiries
- PHRST
- Pension Office
- Human Resource Leads (from Centralized Agencies)
- Legal review by DAG

Summary of Proposed Changes- General

- General changes:
 - Style and formatting as per Delaware Admin Code
 - Explicitly include long-term disability beneficiaries and COBRA beneficiaries as eligible
 - Change from OMB to DHR as authorized agency
 - Clarification of civil union (outside DE) coverage
 - Incorporates latest updates to:
 - Double State Share coverage (eff 1/1/18)
 - Spousal Coordination of Benefits Policy (eff 5/1/18)

Summary of Proposed Changes- Section Changes

- Section 1.0 – Authority & Eligibility
 - Defines SEBC authority
 - Defines eligibility for contract holder of coverage for State Plan
- Section 1.0 – Proposed Changes
 - Added definitions for LTD beneficiaries and COBRA beneficiaries
 - Clarifies definition of employees not eligible for coverage

Summary of Proposed Changes- Section Changes

- Section 2.0 – Dependents Eligible to Participate
 - Defines eligibility for spouses and dependents
- Section 2.0 – Proposed Changes
 - Clarifies requirement of Statement of Support for covered adult children who are considered “dependent” under Section 105(b) of Internal Revenue Code
 - Clarifies primary coverage when both parents are covered under State plan

Summary of Proposed Changes- Section Changes

- Section 3.0 - Coverage
 - Describes coverage details for State Plan enrollees
- Section 3.0- Proposed Changes
 - Clarifies practice related to retired State troopers returning to active State employment that coverage is required through active State employer
 - Aligns with budget epilogue giving SEBC authority to determine coverage for employees who do not engage in annual Open Enrollment
 - Aligns with current Spousal Coordination Of Benefits Policy and administration

Summary of Proposed Changes- Section Changes

- Section 3.0- Proposed Changes Continued
 - Expands examples of loss of coverage or eligibility under HIPAA to permit request for State Plan enrollment
 - Loss of Medicaid eligibility
 - Loss of individual market/Marketplace coverage for reason other than failure to pay premiums
 - Clarifies that enrollment of spouse/dependent or change in benefit plan must be tied to qualifying event
 - Clarifies in the case of two married eligible contract holders who choose to be covered under the State Plan that exceptions to coverage of dependents may be permitted upon mutual agreement by employing organizations/Office of Pensions

Summary of Proposed Changes- Section Changes

- Section 3.0- Proposed Changes Continued
 - Clarifies in the case of two married eligible contract holders, one of which is employed by a Participating Group (with exception of UD, DTC, DSWA and DSHA), that the Participating Group employee must enroll in coverage through their employing organization
 - Clarifies in the case of two married eligible contract holders, one of which is retired from the State and the coverage will be carried under one contract, coverage will be through the active employee's coverage until such time as the retiree becomes Medicare eligible.

Summary of Proposed Changes-

Section Changes

- Section 4- Changes in coverage
 - Describes coverage details for State Plan enrollees
- Section 4 – Proposed Changes
 - Clarifies and references Section 10.0 for dental and vision plan changes
 - Clarifies that birth certificates must include either the contract holder or legal spouse's name for children born to contract holder or legal spouse
 - Clarifies that eligible dependent coverage when the employee is already enrolled can be effective either the date of eligibility or the first day of the following month

Summary of Proposed Changes- Section Changes

- Section 4 – Proposed Changes Continued
 - Clarifies in the case where the employee transfers from one State Plan organization to another and the cost for coverage significantly increases or decreases, employee may make a corresponding change in election (enrollment, revocation of coverage, change in plan)
 - Expands the definition of qualifying events permissible under Section 125 of the Internal Revenue Code for both enrollment and disenrollment for employees, spouses and dependents
 - Death of a spouse, changes in employment status, change in the eligibility conditions, events that cause the dependent to cease to satisfy eligibility requirements, change in place of residence

Summary of Proposed Changes- Section Changes

- Section 4 – Proposed Changes Continued
 - Clarifies that LTD beneficiaries not actively working will have coverage through the Office of Pensions and must enroll in Medicare upon eligibility
 - Clarifies that eligibility ends the day following divorce for spouse and any step-children
 - Clarifies that Medicare retirees who lose Part B coverage due to non payment are not eligible for State Plan enrollment until the next Open Enrollment and only if re-enrolled in Part B

Summary of Proposed Changes- Section Changes

- Section 5 – Cost of Coverage
 - Describes cost of coverage including State Share contributions for State Plan enrollees
- Section 5- Proposed Changes
 - Clarifies that benefit eligible employees of UD, DTC, DSWA and DSHA who are hired into a State employer organization do not have to fulfill the 3-month State Share waiting period if there is no more than 3 months between termination and re-hire.

Summary of Proposed Changes- Section Changes

- Section 5- Proposed Changes Continued
 - Aligns and updates cost of coverage and eligibility for Double State Share coverage as defined in 29 Del C Section 5202(d)
 - Clarifies that employees or retirees who meet eligibility for Double State Share and leave State service or stop collecting a Pension benefit will be eligible for Double State Share if they later return to State service or receive pension benefits at a later date as long as they remain married to the same spouse who is also eligible as defined in 29 Del C Section 5202(d)

Summary of Proposed Changes- Section Changes

- Section 5- Proposed Changes Continued
 - Clarifies that when employee transfers mid-month, the agency/school where employee left is responsible for payment of employer share of premium
 - Aligns with Section 8 proposed change to expand from 30 days to 24 months, the time period in which State Share waiting period will not apply for a LTD beneficiary's end of LTD benefits and re-hire into a State benefit eligible position

Summary of Proposed Changes- Section Changes

- Section 5- Proposed Changes Continued
 - Clarifies eligibility for State Share for employees appealing STD benefits in accordance with DIP Rules and Regulations
 - Clarifies SBO Health Fund audit procedures, practices and timeframes related to requests for premium refunds

Summary of Proposed Changes- Section Changes

- Section 6- Continuation of Coverage
 - Describes requirements for continuation of coverage for State Plan enrollees
- Section 6 – Proposed Changes
 - Clarifies for State Plan enrollees on unpaid leave of absence that premium payments are due by the first day of the month and failure to make payment within 30 days may result in termination

Summary of Proposed Changes- Section Changes

- Section 7- Termination of Coverage
 - Describes requirements for termination of coverage for State Plan enrollees
- Section 7 – Proposed Changes
 - Clarifies that coverage of dependent children for covered employees who died in the line-of-duty in accordance with 18 Del C Section 6602(a)(5) does not terminate on the last day of the month of the employee's death
 - Aligns with Section 8 proposed change to expand from 30 days to 24 months, the time period in which State Share waiting period will not apply for a LTD beneficiary's end of LTD benefits and re-hire into a State benefit eligible position

Summary of Proposed Changes- Section Changes

- Section 8 - Reinstatement of Coverage
 - Describes requirements for reinstatement of coverage for State Plan enrollees
- Section 8 – Proposed Changes
 - Clarifies reinstatement of coverage for a LTD beneficiary who is rehired into a full time position and State share waiting period is waived (current 30 days) and expands the time period from 30 days to 24 months between the end of LTD benefits and re-hired

Summary of Proposed Changes- Section Changes

- Section 10 – Dental and Vision Plans
 - Outlines eligibility, enrollment, termination and payment for the State Plan dental & vision plans when rules differ from health plan (primarily due to these being fully insured plans)
- Section 10 – Proposed Changes
 - Clarifies enrollment is not permitted upon date of hire unless first of the month
 - Clarifies timeframes and terms related to payment of premium, premium refunds and coverage terminations in accordance with contracts
 - Clarifies that school district, charter and higher education (except DTCC) employees who are offered employer dental or vision are not eligible for State Plan dental or vision

Timeline for Revisions

- October 2020 - Finalize edits and Registrar of Regulations review
- November 16, 2020- SEBC vote on changes
- December 1, 2020- Effective date of revised Rules

Thank You



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