

## **High Deductible Health Plan HBR Frequently Asked Questions (FAQs)**

**If an employee has the high deductible plan coverage, and they lose their job, is this plan eligible for COBRA continuation?**

*Yes, members enrolled in this plan are eligible for COBRA.*

**If they waive coverage do we still have to enter them into the system?**

*Yes, all eligible employees should be loaded into the system to allow for them to enroll or waive coverage. Those who do not enroll within the appropriate timeframes will not be eligible to enroll until the next Open Enrollment.*

**For those who enroll during Open Enrollment, when does coverage begin, Jan. 1 or Feb. 1?**

*Coverage will begin Jan. 1, 2015.*

**What happens when an employee stops paying premiums?**

*If an employee does not pay their bill, they will be terminated from coverage due to non-payment.*

**What is the grace period for canceling coverage for non-payment?**

*Premium payments are due by the first of the effective month. Members who do not pay by the end of the effective month will be terminated the first of the following month.*

**Can the employer portion only be paid by going online? Can paper checks be submitted?**

*Employers will be able to pay online and paper checks will be accepted.*

**Are charter schools required to participate?**

*Yes, charter schools are required to participate.*

**How will we know if an employee has paid their premium before we pay the employer share?**

*Groups are required to pay as billed. The group premium payments are due by the first day of the effective month. Groups will receive a premium credit on a subsequent month for any employees that are terminated for non-payment. The HBR portal will display terminated members.*

**Will we have the ability to send eligibility files or is this a one-by-one approval?**

*Initial enrollment can be uploaded from a file or loaded manually one by one. Please contact the State Health Plan at [HBRInquiries@nctreasurer.com](mailto:HBRInquiries@nctreasurer.com) if you are interested in utilizing EDI for ongoing enrollment maintenance.*

**When will the premiums be due for the employee and the employer?**

*Both group and employee premium payments are due in full by the first day of the effective month.*

**Can employees decline this coverage?**

*Yes, they are able to decline coverage.*

**Is there a billing module in this system to see who has paid their premiums?**

*Yes, the HBR portal will have a billing functionality to allow you to view employees.*

**If this person is a retiree and they decline, will that affect their health plan benefits being paid by the Retirement Systems?**

*If an employee qualifies for this coverage, they are no longer eligible for Plan coverage under the Retirement Systems.*

**We noticed that the coinsurance is 50%. Doesn't ACA require that minimal essential coverage be 60%?**

*Yes, but coinsurance is not the same as "minimum value." Although the coinsurance is 50%, preventive services are covered at 100% and the overall value of this plan meets the minimum required value of 60% under the ACA.*

**Will HBRs be receiving website and login information prior to Open Enrollment?**

*Yes, HBRs will receive portal information including login credentials in the coming weeks.*

**Has there been any discussion regarding payroll deduction? Will this be an option or is it all going to be direct billed?**

*Providing a direct bill for these employees will be the standard approach. Groups interested in using payroll deductions for their members may contact the Plan at [HBRInquiries@nctreasurer.com](mailto:HBRInquiries@nctreasurer.com) for an exception.*

**Does the employer have to provide the email address for employees on the census load so the employee can register?**

*No, an email address will not be required for a member to enroll online.*

**How will we be getting the group bill? Are premiums paid in advance? Who's responsible for reconciling premiums and tracking employee payment to ensure we pay the right amount?**

*This is an eBilling system; therefore, your premium bill will be available on the COBRAGuard billing portal. Premiums will be due on the first day of the effective month. Groups are responsible for reconciling their bills on a monthly basis. Groups may contact COBRAGuard with any questions about their bill.*

**BCBSNC requires that we pay the bill as sent without manual reconcile. Will this billing be the same?**

*The Plan requires all groups to pay as billed. Groups should reconcile their bills monthly and make adjustments via the enrollment portal as needed.*

**What is the deadline to enroll employees in this plan for the Jan. 1 effective date? Our admin period doesn't start until November.**

*There will be a second Open Enrollment period in November that may work for your group. As with any new hire, these newly eligible employees can be loaded throughout the year as they become eligible. Ideally they need to be enrolled prior to their effective month to avoid access to care issues.*

**Will we have to approve tasks like in eEnroll?**

*Yes, it will be very similar to eEnroll in that you will have to approve an employee's activity in the enrollment system.*

**You stated that the member will receive a bill monthly for the premiums. Will the employer not be responsible for submitted payment on behalf of these newly eligibles?**

*No, COBRAGuard, the Plan's billing administrator, will be billing the members monthly. Employers will not have to bill employees for this plan.*

**Will someone from COBRAGuard be reaching out to design census files?**

*Yes, COBRAGuard will be sending a template of the census file to groups.*

**How will we be billed and how will we make payment?**

*Employing units will be able to log into the portal and view their invoice. You will be able to submit payment via ACH or by check.*

**If employee enrollment is effective Jan. 1, does that mean they will have to pay premiums in December?**

*January premiums are due by Jan. 1, 2015.*

**How will we be made aware of changes that an employee makes on their own?**

*HBRs must approve any qualifying life event changes. Additionally, HBRs have access to various employee reports and can view the employees' records.*

**Will employees pay premiums current or one month in advance?**

*Employees will receive a bill the month before payment is due.*

**How current will the billing report be?**

*The bill will be as current as the enrollment entered the day before the bill run.*

**Who notifies MedCost of life event changes – the EE or ER? If EE, how is the ER notified?**

*Members enter the life event and the HBR must approve it.*

**Are employers given a choice as to whether premiums are collected by COBRAGuard, or the agency?**

*Providing a direct bill for these employees will be the standard approach. Groups interested in using payroll deductions for their members may contact the Plan at [HBRInquiries@nctreasurer.com](mailto:HBRInquiries@nctreasurer.com) for an exception.*

**How is the portal accessed by HBRs?**

*The portal is a web-based system and HBRs will be given the link to access it, but it will also be available on the Plan's website under the HBR tab as a resource.*

**How do we work out an enrollment time if Oct. 6 will not work?**

*There will be a second Open Enrollment in November (currently scheduled to begin Nov. 20).*

**"Part Time Open Enrollment" - is this another name for HDHP Open Enrollment?**

*Eligible employees are not part-time employees. Some employing units may be calling the HDHP "Part Time Open Enrollment" but that is not accurate.*

**Can you give some examples of work schedules which would qualify for this HDHP?**

*Any employee who meets the definition of a full-time employee under the Internal Revenue Code, i.e., an employee with 30 hours of service or more per week during a month or with 130 service hours in a month, is eligible for coverage. This could include employees acting as substitute teachers or filling other positions on a temporary basis.*

**How many months running does a non-permanent employee need to work full time before the HDHP is required to be offered?**

*Any employee who meets the definition of a full-time employee under the Internal Revenue Code, i.e., an employee with 30 hours of service or more per week in a month or with 130 service hours in a month, is eligible for coverage.*

**If we use the Safe Harbor method for these non-permanent employees, would we need to use the Safe Harbor method for our permanent employees (to determine if working 30 hours per week)?**

*Yes, in order to avoid IRS penalties, you must identify any common law employee – regardless of how classified (permanent or otherwise) – and offer those employees coverage that is affordable and has minimum value. Keep in mind that permanent full-time employees, those employed in permanent job*

*positions on a recurring basis who work 30 or more hours per week for nine or more months per calendar year, are eligible for other coverage with the State Health Plan and not the HDHP.*

**How and when do we get set up for ACH payments?**

*Once you have access to the portal, you will be able to sign up for ACH.*

**So just to clarify, for any special requests needed for the HDHP coverage, we will use the same exception process that we use now for the standard plans?**

*The process will be the same. We will update the form so you can identify the exception as an HDHP exception.*

**Who do we contact to set up the Open Enrollment period for our school system?**

*If you are unable to use either the October or November Open Enrollment periods, you must contact the Plan at [HBRInquiries@nctreasurer.com](mailto:HBRInquiries@nctreasurer.com) for an exception.*

**How can members enroll in a Health Savings Account (HSA)?**

*Various banks and credit unions offer an HSA. Eligible members are responsible for setting up their own Health Savings Account.*

**To clarify on COBRAGuard: HBRs will need to log into the Dashboard and select "Census Upload" to load the file and to notify you of those employees that are newly eligible?**

*Yes, HBRs will need to load eligible members by using the upload feature.*

**Will SHP provide an enrollment form for employees to complete if they cannot enroll online?**

*Enrollment will only be available online. Members without computer access will be able to call to enroll.*

**Will the HBR be responsible for entering all key data on an eligible employee?**

*Yes, HBRs will be responsible for uploading information on eligible employees.*

**What about waivers – if an employee is already covered under spouse, do they decline like current employees?**

*Yes. The Employing Unit has to show that it made the offer of coverage and so it is important to capture when an employee declines coverage.*

**Must they decline each year, and in an Open Enrollment period?**

*Yes. The Employing Unit has to show that it made the offer of coverage and so it is important to capture when an employee declines coverage.*

**Will you explain the difference between the department census and the enrollment report once again?**

*The department census shows all employees (and dependents, if selected) that are actively enrolled in benefits. If an employee has waived coverage they will show on this report as well. The enrollment report will show all pending enrollments for employees and dependents, as well as the pending benefit the employee has selected.*

**For those employers selecting the month to month measurement evaluation, will the State Health Plan require a participation length longer than a month? If so, what is the length required?**

*There is no required length of coverage if offering coverage on a month to month basis. If an employee does not have the required number of hours of service in a month, they are not eligible for coverage. Thus, if they have 130 hours in January, they would need to be offered coverage for January. If they then have 115 hours in February, they would not have to be offered coverage but they would be eligible for COBRA. The termination should be completed within the effective month of the termination. This intermittent offering of coverage will be difficult to administer and is not recommended.*

**If a retiree comes back to work but has less than 30 hours of service per week is the retiree able to maintain health benefits through the Retirement Systems?**

*Yes. If the retiree is not eligible for coverage as a full time employee of an employing unit, then the retiree remains eligible for health benefits as a retiree through the Retirement Systems.*

**If a retiree comes back to work for an employing unit and has at least 30 hours of service per week is the retiree able to maintain health benefits through the Retirement Systems?**

*No. If the retiree is eligible for coverage as a full-time employee, i.e., has 30 or more hours of service a week or 130 hours of service a month, then they are no longer eligible for health benefits through the Retirement Systems. In that case, the employing unit must notify the State Health Plan of the retiree's eligibility for coverage with the employing unit. The State Health Plan will terminate the retiree's coverage through the Retirement Systems and will issue a letter to the retiree to confirm the termination.*