

**Title: Correcting employing agency and contracted vendor enrollment errors**

**PEBB Program Administrative Policy 11-3**

<b>Contact:</b>	Rules Specialist, ERB Division	<b>Effective:</b>	January 1, 2019
		<b>Rescinded:</b>	
<b>Associated RCW:</b>	41.05.008 41.05.009 41.05.014 41.05.050 (1), (3) and (4) 41.05.065 41.05.160	<b>Supersedes:</b>	
<b>Associated WAC:</b>	182-08-015 182-08-187 182-08-197 (1)(a) & (b)		
<b>Assoc. fed law/reg:</b>		<b>Owner:</b>	Policy, Rules, & Compliance Manager, ERB Division
<b>Associated Procedures:</b>			
<b>Associated Forms &amp; Communication</b>		<b>Approved by:</b>	<i>DLZ</i>
		<b>Position:</b>	Director of the PEBB Program
		<b>Date approved:</b>	11/29/2018

**Purpose:**

This policy clarifies the requirements placed on an employing agency or contracted vendor when they correct their own enrollment errors as described in WAC 182-08-187.

**Policy:**

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

As defined in WAC 182-08-015,

“Employing agency” for the Public Employee Benefits Board (PEBB) Program means a division, department, or separate agency of state government, including an institution of higher education; a county, municipality, school district, educational service district, or other political subdivision; and a tribal government covered by chapter 41.05 RCW.”

“Contracted vendor” means any person, persons, or entity under contract or agreement with the HCA to provide goods or services for the provision or administration of PEBB

benefits. The term "contracted vendor" includes subcontractors of the HCA and subcontractors of any person, persons, or entity under contract or agreement with the HCA that provide goods or services for the provision or administration of PEBB benefits.

2. If an employing agency, or contracted vendor in the case of life insurance, fails to timely enroll an employee, or their dependent, in Public Employees Benefits Board (PEBB) benefits as elected by the employee, then the employing agency or contracted vendor must correct the error. The employing agency or contracted vendor must enroll the coverage the employee elected when correcting enrollment and related premium payments and any applicable premium surcharges as described in WAC 182-08-187 (2) and (3) and provide recourse as described in WAC 182-08-187(4).

"Timely" in this subsection means the enrollment was entered by the employing agency or contracted vendor within the lower limit date.

The "lower limit date" is three calendar months before the current process month. For example, if the current process month is June, three calendar months before would be March; therefore, the lower limit date would be March 1.

"Current process month" identifies the specific period of time for which the insurance system is billing an agency. The begin and end date of an agency's current process month depends on which one of the three invoicing cycles the agency is in.

3. If an employing agency fails to notify an employee of their eligibility for PEBB benefits and the employer contribution as described in WAC 182-12-113 or the employer group contract, before the end of the employee's thirty-one day election period, then the employing agency 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, premium payments, and applicable premium surcharges as described in WAC 182-08-187 (2) and (3) and provide recourse as described in WAC 182-08-187(4).
4. If an employing agency fails to enroll an employee in PEBB benefits as elected in the required forms or apply the applicable surcharges as attested in the required forms, then the employing agency must correct the error. The employing agency must enroll the coverage the employee elected and accurately reflect the employee's premium surcharge attestations when correcting enrollment and related premium payments and applicable premium surcharges as described in WAC 182-08-187 (2) and (3) and provide recourse as described in WAC 182-08-187(4).
5. If an employing agency or contracted vendor in the case of life insurance, fails to accurately enroll an employee in Uniform Medical Plan Classic, Uniform Dental Plan, basic life insurance, or basic long-term disability insurance, and apply the tobacco use surcharge status as described in WAC 182-08-197 (1)(b) when the employee fails to return the required employee forms within required time limits as described in WAC 182-08-197 (1)(a), then the employing agency or contracted vendor must correct the error. The employing agency or contracted vendor must enroll the employee as described in WAC 182-08-197 (1)(b) when correcting enrollment and related premium payments and applicable premium surcharges as described in WAC 182-08-187 (2) and (3) and provide recourse as described in WAC 182-08-187(4).
6. If an employing agency fails to accurately enroll an employee in optional long-term disability (LTD) insurance as elected, then the employing agency must correct the error as follows:

- a. Enroll the employee in their elected LTD coverage back to the correct effective date of coverage; and,
  - b. Collect all applicable LTD premiums as described in WAC 182-08-187 (3)(b).
  
- 7. If an employing agency enrolls an employee or dependent in PEBB insurance coverage when they are not eligible as described in WAC 182-12-114 or 182-12-260 and it is clear there was no fraud or intentional misrepresentation by the employee involved, then the employing agency must correct the error as follows:
  - a. Terminate the coverage prospectively as described WAC 182-08-187(2); and
  - b. Refund any premiums and applicable premium surcharges paid by the employee to the employee without rescinding the insurance coverage as described WAC 182-08-187(3).
  
- 8. "Recourse" as described in WAC 182-08-187(4) requires an employing agency to work with the employee and receive approval from the Health Care Authority (HCA) to implement 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 (4)(a) best provides recourse for the employee's unique circumstance.
  - b. An employing agency must document the recourse solution and provide a copy to the HCA for approval. A recourse solution may not be implemented until approved by the HCA.
  - c. An employing agency must provide a copy of the approved recourse solution to both the employee and the HCA.
  - d. An employee who does not agree with a recourse decision of the employing agency or the HCA may appeal the decision by submitting an appeal within 30 days as described in chapter 182-16 WAC.