



*North Carolina*  
**State Health Plan**  
FOR TEACHERS AND STATE EMPLOYEES



## Open Enrollment Exceptions

*Board of Trustees Meeting*

January 31, 2014

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*A Division of the Department of State Treasurer*

# Exception Process

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## Submitting Exceptions

**Active employees** must submit exceptions through their Health Benefit Representative (HBR)

- The exception process has been communicated to all HBRs and is posted on the Plan's website.

**Retirees** submit their exceptions directly to the Plan

- Historically we have received very few retiree exceptions because retirees could enroll or drop coverage without a qualifying life event
- Effective January 1, 2014, a retiree's ability to change plan elections and add or drop coverage outside of open enrollment is subject to qualifying life events as defined by federal law, and for new retirees and retirees turning age 65, the MAPDP enrollment policy\*

*\*See appendix for MAPDP enrollment policy*

# Exception Process

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## Reviewing Exceptions

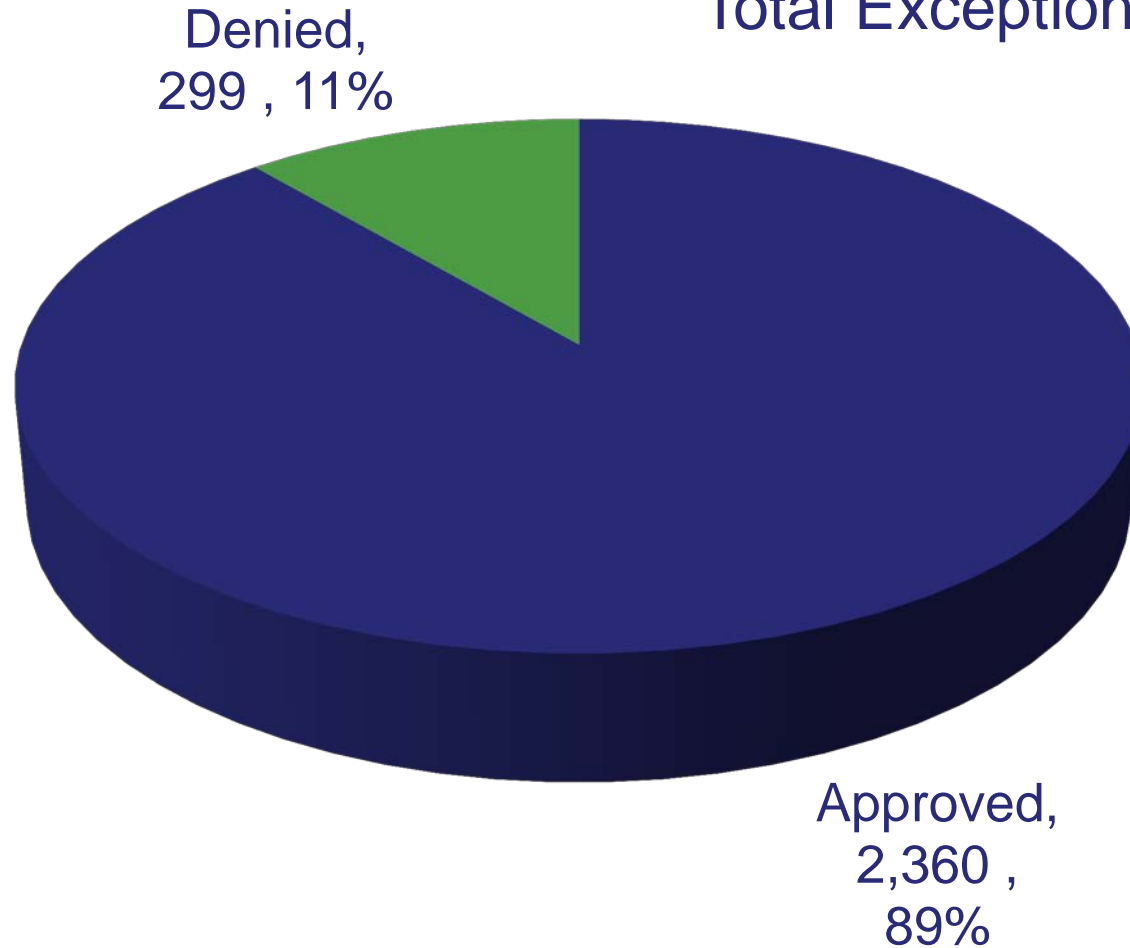
- The Plan follows the enrollment and eligibility requirements established in North Carolina General Statute and any applicable federal regulations
- Employees are held harmless by HBR errors
- Exceptions that require no additional information are generally resolved within three business days
- On average, the Plan receives approximately 40 exceptions each week

# Open Enrollment Exceptions

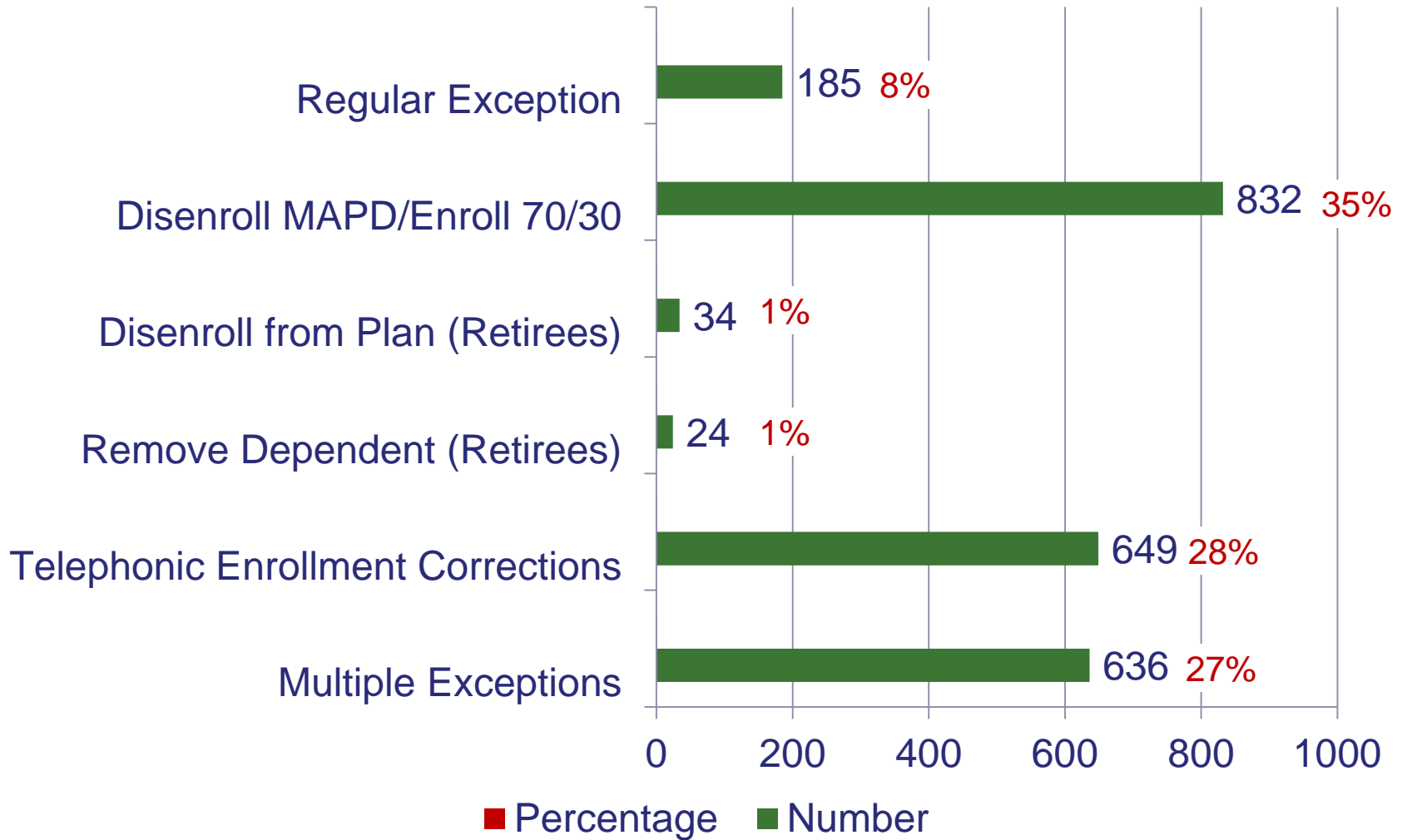
November 18, 2013-January 14, 2014

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Total Exceptions = 2,659



# Approved Open Enrollment Exceptions



# Approved Open Enrollment Exceptions

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- **“Regular” exceptions (185)** – exceptions we typically see during any OE.  
Some examples:
  - Newly hired/newly retired during the OE period
  - Misinformation from HBR
  - Dropped dependents or self in error (enrollment history captures subscriber OE enrollment )
  - Did not save online enrollment, but has a screen shots, enrollment history or other information to confirm enrollment activity
- **Dis-enrollments from assigned MAPDP and enrolled in Traditional 70/30 (832\*)**
  - Took no action during OE
  - Change in plan selection allowed through February 14<sup>th</sup> per CMS regulations
- **Dis-enrollment from the Plan - Retirees (34)**
  - All of these members cited frustration with the process as a reason for the dis-enrollment
    - Call Center
    - Auto-enrollment
  - All stated they had other coverage

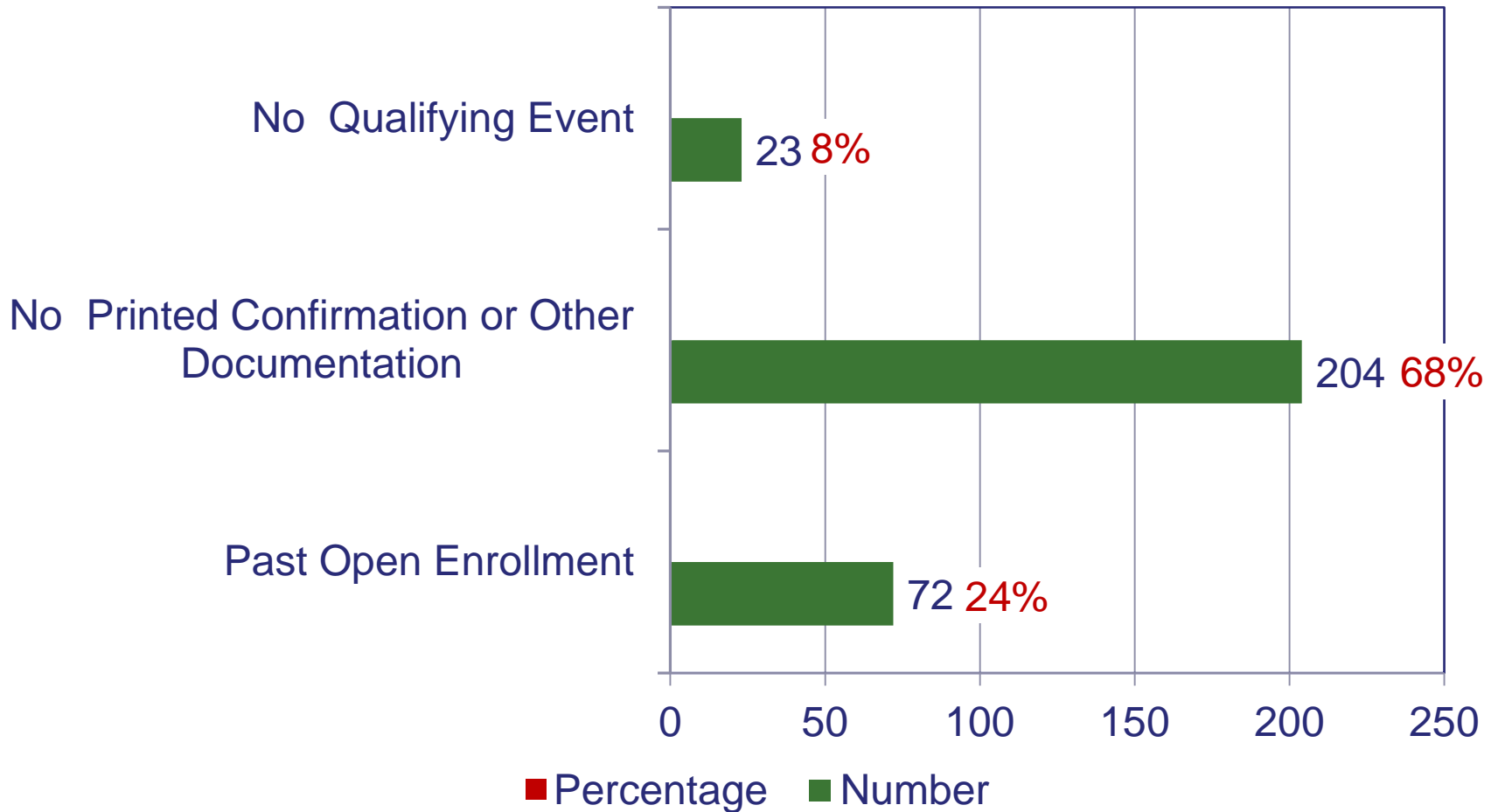
*\*Does not include dis-enrollments handled telephonically by Benefitfocus*

# Approved Open Enrollment Exceptions

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- **Dropped dependent – Retirees (24)**
- **Telephonic Corrections (649)**
  - Enrollment not processed correctly
  - Inaccurate information provided
- **Multiple Exceptions (636) – Some members have called multiple times**
  - Original exception not processed in a timely manner
  - Original exception not processed correctly
  - A subsequent change has over-written the original exception or change

# Denied Open Enrollment Exceptions





# Denied Open Enrollment Exceptions

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- **No Qualifying Event (23)** – These members enrolled during OE and subsequently requested to drop a dependent. Active employee subscribers cannot drop a dependent without a qualifying life event.
- **No Printed Confirmation (204)** – These members stated they completed enrollment online, but they did not have a screen shot or confirmation statement, nor was there any available enrollment or “keystroke” history to confirm the enrollment. The Plan receives these types of exceptions following every open enrollment and always attempts to validate enrollment activity before denying the exception.
- **Past Open Enrollment (72)** – The member took no action during OE and now wants to make an enrollment election.

# Open Enrollment Exceptions – Ongoing

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While the exception request volume has decreased, several hundred exceptions have been processed since these results were gathered.

The Plan will continue to review the requests as they are received. Ensuring members are enrolled correctly is a priority.

# Appendix

# Retiree MAPDP Enrollment Policy

## Originally Outlined in May 23, 2013 BOT Meeting

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One of the most complex elements of the enrollment process is managing “split contracts,” where one or more family members is eligible for SHP Primary benefits and other family members are eligible for Medicare Primary benefits.

### **Split Contract Enrollment Policy:**

- When the retiree and dependents are both Medicare Primary or both SHP Primary, the dependents’ enrollment will match the retiree’s enrollment.
  - **There is one exception:** When all Medicare Primary retiree family members enroll in an MAPDP and CMS “dis-enrolls” one family member, the “dis-enrolled” family member will be enrolled in the Traditional 70/30 PPO Plan.
- When the retiree and dependents are split between Medicare Primary and SHP Primary, the Medicare Primary members will only be offered the Medicare Primary options. The SHP Primary members will only be offered the SHP Primary options. If there are multiple dependents on a separate contract from the retiree, all the dependents must elect the same option.
  - Example:
    - Retiree is Medicare Prime and is offered the 4 MAPDP options and the Traditional 70/30 plan – Retiree elects an Enhanced MAPDP
    - Dependents are SHP Prime and are offered the Enhanced 80/20 Plan, the CDHP, and the Traditional 70/30 PPO Plan - Dependents elect the CDHP

### **Auto-Enrollment Policy for Retirees Turning 65 or Entering the Retirement System at Age 65 or Older**

#### **Retirees/Dependents Turning 65 – No other family member is Medicare Primary:**

- Auto-Enrolled in a base MAPDP 90 days prior to effective date and offered to elect any of the 5 options – Final election must be made 30 days before the effective date.
- **Retirees/Dependents Turning 65 – Family member(s) already Medicare Primary:**
  - Auto-Enrolled into the same plan as other Medicare Prime family members. Notified of the enrollment and advised of the options available at the next open enrollment.
- **Active Member or New Retiree coming into the Retirement System age 65 or older:**
  - **Retires with at least 60 days notice** – Auto-Enrolled in a base MAPDP and offered to elect any of the 5 options – Final election must be made 30 days before the effective date.
  - **Retires with less than 60 days notice** – Auto-Enrolled in the Traditional 70/30 PPO Plan and advised of the options available at the next open enrollment.