

# STATE HEALTH PLAN RULES

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<b>Rule Citation:</b>	<b>20 NCAC 12 .0101(a)</b>
<b>Rule Title:</b>	<b>SHP Rule on Enrollment Exceptions and Appeals</b>
<b>Current Effective Date:</b>	<b>March 15, 2019</b>
<b>Original Effective Date:</b>	<b>September 26, 2016</b>

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**Applies to:** North Carolina State Health Plan for Teachers and State Employees, a Division of the Department of State Treasurer

**Keywords:** Enrollment, Exception, Benefit, Grievance, Appeal, Premium, Credit, Qualifying Life Event

## **Purpose**

The purpose of this rule is to inform State Health Plan subscribers of the rules on how to file exceptions and appeals related to enrollment related activities, including enrollment, changes in benefit elections, premiums and premium credits, and terminations.

## **Related Statutes, Rules, and Policies**

North Carolina General Statutes, Chapter 135, Article 3B  
The Public Health Services Act, 42 U.S.C. § 300bb-1, et seq.  
Section 125 of the Internal Revenue Code

## **Rule**

This rule provides the North Carolina State Health Plan for Teachers and State Employees' ("Plan") criteria and process for the review of enrollment exception requests and appeals. These requests may be related to changing a subscriber's health plan option, applying premium credits, enrolling a new employee beyond the thirty-day window, adding new dependents outside of the established period from a qualifying life event, processing terminations, or changing an enrollment effective date. The requests may come directly from Plan Vendors, the Health Benefits Representative ("HBR"), or from subscribers.

The Plan shall review each enrollment exception request carefully to determine whether the request will be granted. The Plan shall take into consideration the reason for the request, the timeliness of the request, and whether or not granting an approval will be in conflict with Chapter 135 Article 3B of the North Carolina General Statutes, the federal Public Health Service Act, Section 125 of the Internal Revenue Code, or any other applicable law or regulation.

## **Roles and Responsibilities**

Customer Experience Specialist: Assists subscribers with Plan enrollment and benefit questions or inquiries. Retirees, disabled members, surviving dependents, and other subscribers not associated with an employing unit may submit enrollment exception requests through the Plan's Customer Experience Specialists.

Senior Director of Plan Integration or designee: Reviews all enrollment exception requests and determines approval or denial which is then communicated back to the requestor.

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Deputy General Counsel or designee: Reviews all appeals to any Senior Director of Plan Integration decision regarding an enrollment exception request and makes a legal recommendation for approval or denial to the Executive Administrator.

Executive Administrator: Determines whether appeals will be granted or denied.

Health Benefits Representative: An employee of an employing unit through which a subscriber is enrolled. The HBR is responsible for enrolling new employees, reporting changes, explaining benefits, reconciling group statements, and remitting group fees as well as submitting enrollment exception requests on behalf of the employing unit's Plan subscribers.

Subscriber: The primary holder (i.e. Employee, Retiree, Disabled Member, etc.) of the Plan health benefit coverage who is responsible for making the initial exception request to the HBR or the Plan.

Office of Administrative Hearings: Available to subscribers as a last level of appeal of the Executive Administrator's decision on an enrollment appeal.

## Nature of the Rule

The rule governs the Plan's enrollment exceptions and appeals. This rule serves as a binding interpretative statement, within the delegated authority of the Department of State Treasurer pursuant to N.C. Gen. Stat. § 135-48.25. The rule implements the laws and regulations listed above. Those laws or regulations, not this rule, shall take priority if they conflict in any way.

## Implementation

### Enrollment Exception Requests:

Active Employees:

To make an enrollment exception request, active subscribers must contact their HBR and request that the HBR file an enrollment exception request (Appendix 1) with the Plan. Enrollment exception requests must be submitted to the Plan within the following timeframe:

- a) Within sixty days of enrollment, termination, or change in benefit election; or
- b) Within thirty days of paycheck deduction or premium payment due date reflecting enrollment, termination, or change in benefit election, whichever is later.

Exceptions should be submitted by the HBR via a secure online exception form on the Plan's web site, shpnc.org. The online form is secure and the exception is confidential. Instructions on how to complete the online exception form are attached to this rule as Appendix 1 and can be found on the HBR section of the Plan's website.

1. If the Plan approves an enrollment exception request related to a termination for non-payment of premiums, the subscriber may be required to pay all outstanding premiums by personal credit card or ACH from the subscriber's bank account in order to be reinstated.

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2. The Plan will respond back to the HBR via secure email with a final disposition. The Plan's decision will be communicated within fifteen State business days of receipt of the exception request.
3. The HBR shall communicate the Plan's decision in writing to the employee within two business days of the Plan's communication to the HBR of the Plan's decision. The communication to the employee shall include information about the right to appeal the decision and the appeals process.

Subscribers not associated with an employing unit (including retirees, disabled members, RIF members, surviving dependents, former legislators, etc.):

To make enrollment exception requests, subscribers must contact the Plan directly by calling 919- 814-4400 and asking to speak with a Customer Experience Specialist. Enrollment exception requests must be submitted within the following timeframe:

- a) Within sixty days of enrollment, termination, or change in benefit election; or
  - b) Within thirty days of pension deduction or premium payment due date reflecting enrollment, termination, or change in benefit election, whichever is later.
1. The Customer Experience Specialist will submit the enrollment exception via the online tool.
  2. If the Plan approves an enrollment exception request related to a termination for non-payment of premiums, the subscriber may be required to pay all outstanding premiums by personal credit card or ACH from the subscriber's bank account in order to be reinstated.
  3. The Plan will contact the subscriber directly in writing regarding whether the enrollment exception is granted or denied. The Plan's decision will be made within fifteen business days of receipt of the exception request and will include information regarding the right to appeal and the appeals process.

## Appealing the Enrollment Exception Request Determination:

1. Subscribers not satisfied with the determination made regarding their enrollment exception request may submit an appeal of the determination made within sixty days of the notice of the denial of an enrollment exception request. Appeals should be made in writing to: NC State Health Plan, Customer Experience - Appeal, 3200 Atlantic Avenue, Raleigh, NC 27604 or submitted to [PPO.inquiries@nctreasurer.com](mailto:PPO.inquiries@nctreasurer.com) (APPENDIX 2).
2. Appeals should include any relevant information that the subscriber believes should be considered by the Plan in reviewing the appeal.
3. The Plan will contact the subscriber directly in writing regarding whether the appeal is granted or denied. If denied, the letter will provide information regarding the ability to file a grievance with the Office of Administrative Hearings. The Plan's decision will be made within fifteen State business days of receipt of the appeal. For purposes of beginning the time period in which to render a decision on an appeal, the date of receipt is the later of the date the Plan receives notice of the appeal or the date it has sufficient information to render an informed decision on the appeal.

## **Enforcement**

This rule may be amended by the Plan's Executive Administrator, in consultation with the Board of Trustees. Proposed amendments will be noticed for public comment at least 30 days prior to adoption.

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## Revision/Review History

Version/Revision	Date Approved	Description of Changes
V1.0	September 26, 2016	New Policy
V2.0	June 2, 2017	Updated to include information regarding communication of appeal rights and process and include a time limit for filing an appeal.
V2.1	August 15, 2017	Updated with new titles/roles.
V3.0	October 31, 2018	Replace LeapFile with online form, other changes to match policy to current process.
V4.0	March 15, 2019	New Rule
V5.0	TBD	New Online Form Instructions

## Appendix

### Appendix 1 – Online Exception Form

*For questions or clarification on any of the information contained in this rule, please contact the rule owner or designated contact point: Caroline Smart, Senior Director of Plan Integration at [Caroline.Smart@nctreasurer.com](mailto:Caroline.Smart@nctreasurer.com). For general questions about department-wide rules, policies, and procedures, contact the [DST Policy Coordinator](#).*

# APPENDIX 1 – Online Exception Form



## State Health Plan Exception Request

### Enter HBR Information

**Group \***

**HBR Contact Name \***

**HBR Email \***

### Enter Member Information

**Member Name \***

**Member SSN/ID \***

### Enter Exception Information

**Urgent?**  
 No  Yes

**Request Type \***

**Other Exception Type Information**

**Error Type \***

**Other Exception Type Information**

**Error Type \***

**Other Error Type**

**Requested Effective Date**

**Reason for Exception \***

To view the Privacy Practices of the NC State Health Plan please visit the link below:

<https://www.shpnc.org/notice-privacy-practices>

#### Important Notes:

- 1) Items with a \* are required fields and will ensure the request can be processed in a timely manner.
- 2) Please remember that exception requests can only be submitted by an HBR. Requests submitted by a member will be denied.
- 3) If the member does not have a social security number or other ID yet, please enter N/A.
- 4) In the reason field, please enter a detailed description for why this exception is needed.
- 5) Any supporting documentation should be uploaded to the member's document center record in eBenefits.

Submit Exception Request Form

APPENDIX 2 – Exception Decision Form contains Appeal Information



*Dale R. Foewell, CPA*  
State Treasurer of North Carolina  
DALE R. FOEWELL, CPA

# Exception Form

**Exception Record ID:** EX-0127

**Date Received:** 09/26/2023

**Member ID:** 111-11-1111

**Group Name:** Direct Bill -

**Member Name:** Example Member

**HBR Name:** Example Exception

**HBR Email:** example@nctreasurer.com

**Request Type(s):** Reinstatement

**Requested Effective Date:** 09/01/2023

**Other Req Type:**

**Error Type(s):** Member Error

**If Other:**

**Exception Request:** Member missing paying their direct bill payment and coverage has been terminated due to non-payment. Member is requesting reinstatement and can pay the back payment due immediately.

**Decision:** Approved

**Decision Date:** 09/26/2023

**Reviewed By:** Example Reviewer

**Denial Reason(s):**

**Review Notes:** Member is approved for reinstatement, but must make payment via credit card or ACH by 9/29/2023 for all premium currently due and must remain current with all premium payments going forward.

### APPEALING THE ENROLLMENT EXCEPTION REQUEST DETERMINATION

1. Members not satisfied with the determination made regarding their enrollment exception request may submit an appeal of the determination made within sixty (60) days of the notice of the denial of an enrollment exception request. Appeals should be made in writing to one of the following:

US Mail: NC State Health Plan  
Customer Experience – Appeal  
3200 Atlantic Avenue  
Raleigh, NC 27604

E-Mail: PPO.inquiries@nctreasurer.com

2. Appeals should include all contact information to include address, phone number, and email address along with any relevant information that the member believes should be considered by the State Health Plan in reviewing the appeal.
3. The State Health Plan will contact the member directly in writing regarding whether the appeal is granted or denied. If denied, the letter will provide information regarding the ability to file a grievance with the Office of Administrative Hearings. The Plan's decision will be made within fifteen (15) State business days of receipt of the appeal.