

Attachment 3: Process Enrollment Actions

Responsibilities for Processing FEHB Enrollment Actions

1. **Prompt Processing** –
 - a. Agencies who manually process election forms are encouraged to do so timely. This allows carriers and payroll offices to communicate an error to the agency with reasonable time for all parties to provide corrections and proceed with processing.
 - b. Payroll offices should process enrollee and carrier copies of Standard Form (SF) 2809 **daily**.

2. **Ensure copies of the SF 2809 are transmitted to both the gaining and losing carriers.** Confirming this is performed assists in mitigating Centralized Enrollment Reconciliation Clearinghouse (CLER) System errors for later correction and prevents the losing carrier from making erroneous payment of claims and provision of services.

3. **Verification of Employee Coverage** – Employees become concerned when they do not receive their identification cards from a new plan within a short time after the end of Open Season. Many health plans offer temporary cards that employees may obtain from their plan’s website or employees may contact their plan directly for more information. If an employee asks you about this, you **must** contact the payroll office to determine when the carrier was notified of the change. It is important that payroll offices send daily enrollment transactions to ensure that employees get identification cards before the effective date of coverage. If more than three weeks have passed since the payroll office sent the SF 2809 to the carrier, contact the carrier to determine the reason for the delay and relay the employee’s request for identification cards.

An employee may need to verify their coverage under their plan before a carrier has processed the enrollment or enrollment change. Employees may obtain temporary identification cards from their health plans directly. You should confirm that the employee is covered under the plan and inform the requesting party (e.g., carrier, doctor, and hospital) of the effective date of coverage. You should also remind employees that their copy of the SF 2809 is acceptable as proof of enrollment until they receive their identification cards from the plan. Employees who make Open Season changes using an agency electronic enrollment system and who do not receive new identification cards by the effective date of the change may obtain a letter confirming their coverage by calling the Help Desk at their agency’s self-service system or by requesting your help.

FEHB Enrollment Cancellations

Cancellation of FEHB – An Open Season cancellation is effective at the end of the day before the first day of the first pay period that begins in the next year.

Note: Cancellation can have serious consequences. To continue FEHB coverage after retirement, an employee must have been covered under the FEHB Program continuously for the five years of service immediately before retirement or, if less than five years, for all periods of service during which they were eligible for FEHB coverage.

If an employee is canceling their FEHB enrollment to be covered as a family member by a spouse's FEHB Open Season enrollment, be sure to coordinate the effective date of the cancellation with the effective date of the spouse's enrollment to prevent a break in coverage. Coverage under a family member's FEHB enrollment counts towards the "five-year rule" for continuing coverage into retirement.

Processing Qualifying Life Events (QLE) During Open Season

An employee may experience a QLE during Open Season. The effective date of an enrollment or enrollment change due to a QLE may differ from the effective date of an Open Season enrollment or enrollment change. Be sure to process these actions correctly as QLE elections and not Open Season elections. If you have questions regarding the employee's intent, check with your employee to verify whether they are seeking a QLE election or an Open Season election. Counsel your employees on the impact and differences between elections.

FEHB Enrollment Reconciliation

The large number of FEHB enrollment actions made during Open Season increases the chance of errors by employing offices or by carriers in updating records. Any errors will be identified as discrepancies through the CLER during the March 2023 reconciliation cycle.

The reconciliation process is critical to ensure that carriers receive the proper premium payments and that enrollees are properly reflected on the carriers' records for accurate provision of services and claims payment.

Belated Enrollment Actions

Employing offices do not have the authority to extend the Open Season for employees or a group of employees, even if the agency did not provide adequate notice or information regarding the Open Season.

- 1. FSAFEDS – Employing Offices do not have the authority to approve belated enrollments.** HealthEquity (the provider for FSAFEDS) makes these decisions. Employees who are unable to enroll during the entire Open Season for reasons beyond their control may qualify for a belated enrollment. Not knowing about Open Season is not an acceptable reason for a belated enrollment. They must submit the Belated Enrollment Form (available at www.FSAFEDS.com) to Health Equity within 30 days after Open Season ends. Instructions are on the form. Belated enrollments are effective the day after FSAFEDS receives the employee's form if approved by Health Equity.
- 2. FEDVIP – Employing Offices do not have the authority to approve belated enrollments.** BENEFEDS makes these decisions on behalf of the FEDVIP Carriers. The time limit for enrolling or changing an enrollment may be extended for up to 3 months after the end of Open Season, only if the employee provides evidence to BENEFEDS that they were unable to enroll or change enrollment in a timely manner due to circumstances beyond their control. Not knowing about Open Season is not an acceptable reason for a belated enrollment. This includes receiving incorrect information from the agency. The employee must enroll or

change enrollment within 30 days after BENEFEDS notifies them that the belated enrollment is approved.

For approved belated FEDVIP enrollments or belated changes in enrollments, the effective date will be retroactive to January 1, 2023, their enrollment will be cancelled retroactively as if it never existed, and they will be responsible for repaying any benefits received.

- 3. FEHB – Employing offices have the authority to accept individual late elections if you determine an employee was unable to submit the election on time due to circumstances beyond the employee’s control.** We encourage a liberal review to cases when an employee’s plan is terminating FEHB participation or reducing their service area.

If an employee’s late election is approved, write “Belated Open Season enrollment/change” in the Remarks section of the SF 2809. Attach the employee’s statement explaining why the enrollment or change was not submitted during Open Season or add a note of the agency’s responsibility of fault on the Official Personnel Folder copy of the SF 2809.

If the agency determines the late filing was not due to a cause beyond the employee’s control, do not accept the employee’s belated enrollment request. Notify the employee in writing of the disapproval, the reason for the agency’s denial, and a statement of the employee’s right to request reconsideration within 30 days of the notice.

An accepted belated FEHB Open Season enrollment is effective retroactive to the first day of the first pay period which begins on or after January 1, 2023. This effective date is the same as that of an Open Season change filed on time. If the belated change is from “not enrolled” to “enrolled,” the requirement of having been in pay status during the pay period prior to the effective date must also be met.

As with all enrollments, belated Open Season enrollment actions are automatically subject to premium conversion (unless participation in premium conversion is waived). If premium conversion is not waived, the effective date of premium conversion cannot be retroactive since Internal Revenue Service (IRS) rules do not allow for retroactive adjustments to taxable income. This means any additional withholding for retroactive premiums that are due must be made with after-tax dollars.