

April 2 2018 HBR Alert

Termination and Reinstatement Policy as a Result of Plan Audits of SSNs, Dependent Verification Documentation and QLEs

The State Health Plan has sent out a number of communications about HBR responsibilities to obtain and maintain documentation to verify dependent eligibility and/or validate qualifying life events (QLE). The Plan has also increased the volume of ongoing audits to ensure these documents are being maintained.

We have seen an increased awareness about the need for this documentation. However, we have also seen that not everyone is collecting, reviewing or validating the enrollment documentation. Therefore, the Plan has had to reverse hundreds of QLEs and we continue to terminate dependents when the appropriate dependent verification documentation is not provided. To avoid a QLE reversal or the termination of a dependent, it is essential that all proper documentation is maintained. [Information on dependent verification and QLE documentation can be found here.](#)

Similarly, the Plan continues to have to terminate dependents who do not have valid Social Security numbers (SSN). As a reminder, newborns can be added without a valid SSN, but the SSN must be added by the time the dependent is 6 months old.

The Plan has developed a new policy to clarify the termination and reinstatement process associated with the SSN, dependent verification documentation and QLE audits. [The full policy can be found here.](#) The policy highlights are outlined below:

Terminations:

- **QLE and Dependent Documentation** – The Plan will conduct ongoing audits to confirm appropriate QLE documentation has been provided for members who are dropped or added as a result of a QLE. The Plan will also confirm that appropriate dependent verification documentation has been provided for all new dependents, whether they are added during the subscriber's initial enrollment, Open Enrollment or as a result of a QLE.

Subscribers who have not provided sufficient documentation to support enrollment into the Plan will be terminated.

- **SSN** – Because eEnroll does not have SSN validation, the Plan must routinely query for valid SSNs and will follow up with subscribers and provide a deadline for supplying a valid SSN. The Plan will also follow up with subscribers who have not provided an SSN for dependents who have reached 6 months of age. Members who do not respond to the SSN inquiries by the deadline will be terminated.

If you have employees who are foreign nationals that have dependents without valid, unique SSNs, you must contact your Benefitfocus Account Manager or the HBR Support Line as soon as possible, so these dependents are identified and not terminated.

Reinstatements:

- **Terminations requested by Subscribers without QLE Documentation** – As described, if a subscriber has removed a dependent using a QLE and has not provided appropriate documentation to support the QLE, the Plan will have the dependent reinstated equal to the termination date. The subscriber will be responsible for any retroactive premiums owed for this period.
- **Terminations processed by the Plan because insufficient documentation has been provided to support the enrollment** – Subscribers and/or their dependents who are terminated by the Plan for insufficient documentation may be reinstated if appropriate documentation is submitted to the Plan via the enrollment exception process (see SHP Policy and Procedure: Enrollment Exception and Appeals Policy and Procedure). If the exception is approved, the enrollment will be reinstated equal to the termination date and the subscriber will be responsible for all retroactive premiums. Otherwise, any member whose coverage is terminated for improper or insufficient documentation will not be eligible to enroll without a new QLE or until the next Open Enrollment period.

Additionally, the Plan has approved messaging to be placed on all groups to notify members of the required documentation: