North Carolina State Health Plan
FOR TEACHERS AND STATE EMPLOYEES
A Division of the Department of State Treasurer

STATE TREASURER OF NORTH CAROLINA
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High Deductible Health Plan
Quick Guide

2019

This is a collection of information regarding the High Deductible Health Plan (HDHP) for Health Benefit Representatives.

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Health Plan Option for Non-Permanent Full-Time Employees

The North Carolina General Assembly passed legislation in 2014 to create a new eligibility category for non-permanent full-time employees to comply with the Affordable Care Act (ACA). The legislation directed the State Treasurer and the State Health Plan Board of Trustees to offer a health benefit coverage option for these "newly eligible" employees that provides minimum essential coverage at no greater than the ACA "Bronze" level and that minimizes the employer contribution in an administratively feasible manner. The State Health Plan (Plan) established a High Deductible Health Plan (HDHP) effective January 1, 2015, to meet this requirement.

Employing units are responsible for determining whether or not an employee is full-time in accordance with Section 4980H of the Internal Revenue Code and therefore required to be offered coverage. Full-time employee determination is based on specific hours of service rules, which include paid leaves of absence. An employee is full-time if the employee has, on average, 30 hours of service or more per week during a month. Full-time employee determination is done on a monthly basis unless the employer chooses to use the safe harbor method for identifying full-time employees.

The safe harbor method allows employers to determine average hours over a measurement period. If the employee is full-time based on the average hours during the measurement period, that employee is a full-time employee during a stability period.

The Plan created a Reference Guide for non-BEACON Employing Units to provide additional guidance in navigating through the HDHP eligibility requirements. This guide can be used as a reference tool; however, you will need to seek guidance regarding your specific needs with your group's legal counsel.

Benefit Summary

The HDHP features a higher deductible than other traditional medical and pharmacy benefit plans. This means that members will pay more up front and out-of-pocket for their medical and pharmacy expenses before the plan starts paying benefits.

The HDHP can be used with a Health Savings Account (HSA), which will allow employees to make tax-exempt contributions to an account that can be used to pay eligible medical expenses. Various banks and credit unions offer an HSA. Eligible members are responsible for setting up their own HSA.

Blue Cross and Blue Shield of North Carolina (Blue Cross NC) is the Plan's third party administrator (TPA) for claims and related services.

CVS Caremark is the Plan's Pharmacy Benefit Manager.

For more information on the benefits under this plan, review the HDHP Benefits Booklet available on the Plan's website.

Enrolling Eligible Members

All eligible employees should be loaded into eBenefits by the HBR to allow for them to enroll or waive coverage. Those who do not enroll within the appropriate timeframes will not be eligible to enroll until the next Open Enrollment or if they have a Qualifying Life Event (QLE) that allows them to enroll in the Plan.

During the implementation process, groups had the option to elect to utilize Electronic Data Interchange (EDI) for ongoing enrollment maintenance. If your group did not elect to use EDI, you are required to manually load your employees eligibility information into eBenefits with the appropriate Employment Status.

The Plan has received several questions regarding other notices and fees. Below is a list of those inquiries and what the Plan will be responsible for regarding the necessary action items.

- The State Health Plan has been reporting this information to HHS and making this payment.
- PPACA Section 6055 Reporting – Required for all employers offering insurance through the Plan. IRS 1095 form filing is the responsibility of the employer. There are reports on the HDHP website to provide this data to the employer. This data should be incorporated by the employer into their IRS reporting. Reported using Part III of Form 1095-C if you have 50 or more full time equivalents (FTE) or form 1095-B if you have less than 50 FTEs.
- PPACA Section 6056 Reporting – Required for all employers with 50 or more FTEs. IRS 1095 form filing is the responsibility of the employer. There are reports on the HDHP website to provide this data to the employer. This data should be incorporated by the employer into their IRS reporting. Reported using Part II of Form 1095-C.

Enrollment Process and Rules

To enroll in the HDHP, employees will need to visit the Plan's website at www.shpnc.org and click eBenefits. Then, select Access Your Benefits via eBenefits. Below the login are instructions to assist the employee through the online enrollment process. Employees that need assistance should call the Eligibility and Enrollment Support Center at 855-859-0966.

HBRs must approve the enrollment transaction in the HBR Administration Site located within eBenefits.

Members are subject to the same QLE rules as permanent employees and have the same rights under COBRA if they lose eligibility due to a COBRA Qualifying Event. For detailed information on QLEs, please review the HDHP Benefits Booklet. For information on COBRA, the A Guide To COBRA Administration is located on the Health Benefits Representative tab, under Training and Development.

Member Premium Billing

Blue Cross NC handles the group billing for the HDHP and iTedium invoices the members. Member invoices are generated on the 10th of the month for any employee or dependent premium.

Premium payments are due by the first of the effective month. Members may pay online, and paper checks are also accepted. Members who do not pay by the grace period (end of the effective month) will be terminated. The HBR will be able to see the terminated status in eBenefits. The group will receive a credit for the employer share of the premium on their next Blue Cross NC invoice.

Group Premium Billing

HBRs have access to manage eligibility through eBenefits and access group premium bills for this population in eBilling.

Groups are required to pay as billed. Group invoices are generated each month on the date requested and payment is due by the first day of the effective month. Groups are encouraged to pay online, and paper checks are also accepted.

HBR Access – Please e-mail the following information to HBRInquiries@nctreasurer.com with the contact person or persons that will need access to the Enrollment and Billing portal.

- First and Last Name
- Employing Unit Name
- Address
- Phone
- E-mail Address

For more information on billing, click here for the HDHP Enrollment and Billing Portal presentation.

Rehired Retirees Process

Effective January 1, 2016, active groups had to make the decision to offer the High Deductible Health Plan (HDHP) or the benefits traditionally offered to active employees (70/30 Plan, 80/20 Plan) to a rehired retiree that meets the eligibility requirements of a non-permanent full-time employee. While the rehired retiree is not required to enroll in a plan, the retiree is no longer eligible for the State Health Plan retiree group coverage under the Retirement System as required by NC General Statute 135-48.41(j). Therefore, the Plan will terminate the retiree from the State Health Plan retiree group coverage under the Retirement System.

HBRs should follow the process outlined under the Retiree Termination Process on the Plan's website under the HBR tab in the High Deductible Health Plan section. The process appears below the document grid of resources. The retiree is eligible for health coverage under the active group effective the 1st of the month following their date of hire. Therefore, their coverage under the Retirement System will end at the end of the month in which they returned to work. Please be aware that if the retiree is enrolled in a Medicare Advantage plan, retroactive terminations are not allowed. Therefore, it is important for the HBR to submit the Retiree Termination of Coverage Form in a timely manner. If the form is not received before the date that the coverage should be terminated, the retiree's coverage will be terminated at the end of the month that the form is received.

Once the rehired retiree is no longer eligible for health coverage as a full-time employee under the group, they have 30 days to re-enroll in their health coverage under the Retirement System by using the "loss of other coverage" event online or by calling the Eligibility and Enrollment Support line at 855-859-0966. If they fail to re-enroll within 30 days, they will be unable to come back on the Plan until the next Open Enrollment period. In order to enroll in the Medicare Advantage plan, if eligible, they must re-enroll before the effective date of health care under the Retirement System. The Plan cannot send retroactive enrollments for a Medicare Advantage plan.

If a retiree comes back to work, but has less than 30 hours of service per week, the retiree is not eligible for coverage as a full-time employee. In that situation, the retiree remains eligible for health benefits as a retiree through the Retirement Systems.

Permanent Full-time Employees

Retirees who return to work as permanent full-time employees are eligible for coverage through the employing unit in the 70/30 Plan or the 80/20 Plan.

Under state law, the employing unit is responsible for ensuring enrollment in the active group and paying the cost of coverage if the retiree is employed in a position that would require the employer to pay for benefits if the individual had not been retired.

Important Resource Information

- For general plan questions, please contact the HBR Support Line at 800-422-5249 or create a case via One Place 365 or contact your Account Manager.
- Eligibility and Enrollment Support Center: 855-859-0966
- Blue Cross NC (Medical Benefits): 888-234-2416
- CVS Caremark (Pharmacy Benefits): 888-321-3124