

STATE HEALTH PLAN RULES

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

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.

Rule Citation:	20 NCAC 12 .0101(a)	Page 1 of 8
Rule Title:	SHP Rule on Enrollment Exceptions and Appeals	
Current Effective Date:	March 15, 2019	

STATE HEALTH PLAN RULES

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. The Customer Experience Specialists will monitor the online submissions and route them to the Senior Director of Plan Integration, or designee, for a determination.
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.

STATE HEALTH PLAN RULES

3. 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.
4. 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 requests to the Senior Director of Plan Integration, or designee, for a determination.
 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, Deputy General Counsel Appeal, 3200 Atlantic Avenue, Raleigh, NC 27604 or submitted to PPO.inquiries@nctreasurer.com.
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.

Rule Citation:	20 NCAC 12 .0101(a)	Page 3 of 8
Rule Title:	SHP Rule on Enrollment Exceptions and Appeals	
Current Effective Date:	March 15, 2019	

STATE HEALTH PLAN RULES

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

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. For general questions about department-wide rules, policies, and procedures, contact the [DST Policy Coordinator](#).



Dale R. Folwell, CPA
STATE TREASURER OF NORTH CAROLINA
DALE R. FOLWELL, CPA

Exception Form

Group Information

1 / 3 33%

* Agency/Organization Name

* HBR Contact Name

* HBR E-Mail Address

Next



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DALE R. FOLWELL, CPA

Exception Form

Member Information

2 / 3 67%

* Type of Request

How was error made?

* Effective Date

* Member Details

Name	<input type="text"/>
ID# or SSN	<input type="text"/>
Address	<input type="text"/>
Address 2	<input type="text"/>
City/Town	<input type="text"/>
State/Province	<input type="text" value="-- select state --"/>
ZIP/Postal Code	<input type="text"/>
Email Address	<input type="text"/>
Phone Number	<input type="text"/>

* Reason for Exception

Prev

Next

Page 3 displays the Appeal Instructions:

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

DALE R. FOLWELL, CPA
STATE TREASURER OF NORTH CAROLINA

Exception Form

Appeal Instructions

3 / 3 100%

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: NC State Health Plan, Deputy Executive Administrator – Appeal, 3200 Atlantic Avenue, Raleigh, NC 27604 or submitted to PPO.inquiries@nctreasurer.com.
2. Appeals should include 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.

Prev Done

Page 4 indicates a successful submission. Clicking “Done” will allow you enter a new exception.

Rule Citation:	20 NCAC 12 .0101(a)	Page 7 of 8
Rule Title:	SHP Rule on Enrollment Exceptions and Appeals	
Current Effective Date:	March 15, 2019	



Exception Form

Exception Submitted!

Done