

ADMINISTRATIVE PROCEDURES GUIDE

State Employees' Insurance Board

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Introduction

This Administrative Procedures Guide is designed to inform State agencies of the State Employees' Insurance Board's policies and procedures that must be followed when enrolling and dis-enrolling eligible employees in the plans offered by the Board. This Administrative Procedures Guide replaces any previously issued information. The State Employees' Insurance Board (SEIB) has absolute discretion and authority to interpret the terms and conditions of the plans and reserves the right to change the terms and conditions and/or end the plan at any time and for any reason.

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I. EMPLOYEE ELIGIBILITY & ENROLLMENT FOR STATE EMPLOYEES' HEALTH INSURANCE PLAN (SEHIP), SUPPLEMENTAL COVERAGE, AND OPTIONAL POLICIES (SOUTHLAND).

A. Eligible Employee

The term "employee" includes only:

1. Full-time State employees and employees of County Health Departments, who are paid by the State Comptroller, the State Department of Mental Health, Historic Blakely, Ft. Payne Improvement Authority, Historic Ironworks Commission, Bear Creek Development Authority, International Motor Sports Hall of Fame, Space and Rocket Center, the State Docks, St. Stephens Historical Commission, Alabama Sports Hall of Fame, USS Battleship, and County Soil & Water Conservation Districts are to be eligible for coverage under this plan.
2. Part-time employees are only eligible for the Basic Medical Health Insurance Plan if they agree to have the required premium paid through payroll deduction.
3. Members of the Legislature and the Lieutenant Governor are eligible during their term of office (excluding optional and supplemental plans).

Exclusion: Coverage is not available for those classified on the State of Alabama's records as an employee employed on a seasonal, temporary, intermittent, emergency or contract basis.

B. Eligible Dependent

The term "dependent" includes the following individuals, subject to appropriate documentation (Social Security number, marriage certificate, birth certificate, court decree, etc.):

1. Subscriber's spouse (an ex-spouse cannot be covered).
2. An unmarried child under age 19 dependent upon subscriber for 50% or more support, only if the child is:
 - a. subscriber's son or daughter,
 - b. a child legally adopted by subscriber (including any probationary period during which the child is required to live with subscriber),
 - c. subscriber's stepchild.
3. An unmarried grandchild, niece, or nephew, under age 19, only if:
 - a. the court has granted subscriber custody,
 - b. she/he is wholly dependent upon subscriber for maintenance and support and permanently residing in subscriber's household, and
 - c. she/he is not eligible for other group health insurance.
4. Dependent child of subscriber age 19 through 25 who is:
 - a. unmarried,
 - b. a full-time student attending an accredited institution,
 - c. legally residing with subscriber, and
 - d. dependent upon subscriber for 50% or more of support.

Annual student verification from the institution must be filed with the SEIB.

5. An incapacitated dependent will be considered for coverage to any age provided dependent:
 - a. is unmarried,
 - b. is permanently mentally or physically disabled or incapacitated,
 - c. is so incapacitated as to be incapable of self-sustaining employment,
 - d. is dependent upon the subscriber for 50% or more support,
 - e. is otherwise eligible for coverage as a dependent except for age, and
 - f. the condition must have occurred prior to the dependent's 19th birthday (unless already covered by the SEIB as a student, in which case the condition must have occurred or to the dependent's 26th birthday).

Neither a reduction in work capacity nor inability to find employment is, of itself, evidence of eligibility. If a mentally or physically disabled dependent is working, despite his disability, the extent of his earning capacity will be evaluated.

To apply, employees should contact the SEIB to obtain an Incapacitated Dependent Certification Form. Final approval of incapacitation will be determined by Medical Review. Proof of disability must be provided to the SEIB within 60 days from the date the child would cease to be covered because of age.

Exception: There are two situations under which it may be possible to add an incapacitated dependent who otherwise meets the eligibility requirements except for age:

1. When a new employee requests coverage for an incapacitated dependent within 60 days of employment or
2. When an employee's incapacitated dependent is covered under a spouse's employer group health insurance for at least 18 consecutive months and:
 - the employee's spouse loses the other coverage because:
 - a. spouse's employer ceases operations, or
 - b. spouse's loss of eligibility due to termination of employment or reduction of hours of employment, or
 - c. spouse's employer stopped contribution to coverage,
 - change form is submitted to the SEIB within 30 days of the incapacitated dependent's loss of other coverage, and
 - incapacitation status is approved by Medical Review.

The above requirements must be met as a minimum threshold in order to be considered for incapacitation status. The SEIB shall make the final decision as to whether an application for incapacitated status will be accepted.

NOTE: The SEIB reserves the right to periodically re-certify incapacitation.

In the event of the death of an active employee, who carried family coverage, the eligible dependents may continue coverage by making the appropriate premium payment to the SEIB. The SEIB must be notified within 90 days of the death.

Exclusion: Employees may not cover their spouse or other dependents if they are full time State employees.

PCET's with ALDOT may remain dependents if their employment is part of their educational training.

C. Enrollment, Commencement and Reporting

Upon enrollment coverage commences as stated below. The provisions on waiting periods for preexisting will apply. (See "Waiting Periods for Preexisting Conditions.")

1. Employee

- a. new employees who do not decline coverage will be enrolled as of the **effective date of employment**, subject to SEIB rules and procedures.
- b. the SEIB will bill the employer a pro rata premium for every new employee for the month in which his/her coverage begins.
- c. if the date of hire is between the 1st and 15th, the full individual premium will be deducted from the employee's first paycheck. If date of hire is between the 16th and 31st, half of the individual premium will be deducted from the first paycheck. Up to three months of the individual premium could be deducted from the first paycheck.
- d. an SEIB Health Insurance Enrollment Form must be completed by the employee and his/her employer and submitted to the SEIB.
- e. part-time employees may elect coverage to be effective on their date of employment, subject to appropriate premium payment, or on the first day of the month following first payroll deduction.

2. Dependent

Before dependents are added to family coverage with SEHIP, the SEIB must receive appropriate documentation (Social Security number, marriage certificate, birth certificate, court decree, etc.). If documentation is not received with the Enrollment or Status Change Form, the SEIB will notify the employee to submit documentation. If documentation is not received by the SEIB within 60 days, the SEIB has the right to disallow request to add dependent coverage. Center for Medicare and Medicaid Services (CMS) requires that all members provide their Social Security number to the SEIB.

- a. new employees may elect to have dependent coverage begin on the date their coverage begins or on the first day of any subsequent month following their effective date of coverage.
- b. employees may elect to add dependent coverage on the first day of the month after notifying the SEIB.
- c. employees may enroll for the dependent's benefits, subject to appropriate premium payments, within 60 days of acquiring a new dependent and the effective date of coverage will be the date of marriage, birth, or adoption.
- d. if the SEIB is notified of a new dependent after the 60 day grace period, then the effective date of coverage will be the first day of the month following payroll deduction of the dependent premium.
- e. the new employee's enrollment form shall reflect the effective date for both the employee and dependent coverage. The SEIB may change the dependent's effective date, subject to receipt of documentation or premium payment.
- f. health insurance premiums are deducted from the paycheck on the 16th of the month for next month's coverage. A direct payment for dependent coverage premium must be submitted with the enrollment form for any coverage period prior to payroll deduction.

- g. if dependent coverage premiums or documentation are not received with the enrollment form, the dependent coverage effective date will be changed to reflect the date corresponding to the first payroll deduction of the dependent premium.

3. Part-time Employees

a. Eligibility

1. Part-time employees are **only** eligible for State Employees' **Basic Medical** Health Insurance (SEHIP) coverage provided that such employees agree to pay, through payroll deduction, the portion of the full premium not paid by the State.
2. Full-time employees enrolled in any of the supplemental plans, who go part-time, must either decline coverage or revert back to basic medical plan and pay portion of the funding rate.
3. The schedule shown below is used to determine the pro rata premium to be paid by the State and the employee:

Employment Status	State Portion of Funding Rate	Employee Portion of Funding Rate
Less than ½ time	25%	75% + employee premium
At least ½ time but less than ¾ time	50%	50% + employee premium
At least ¾ time but less than full time	75%	25% + employee premium
Full time	100%	0% + employee premium

b. Determination of Status

1. Determination of employment status is the responsibility of the employer; however, such status shall be subject to periodic review by the SEIB. A copy of Form 11 or a memo providing the SEIB with date and percentages of part-time status is required.
 - a) such reviews will consider the rate of pay and hours worked in determining the employment status of any part-time employee;
 - b) employers will be advised on any status questioned by the SEIB and will be required to revise or certify the status reported.
2. The employment status in effect on the first day of the month shall apply throughout that month for insurance purposes.
3. Changes in employment status which result in a change in pro rata premium payments will become effective on the first day of the following month.
4. Changes in employment status should be reported to the SEIB on a Form 11 or with a memo.

c. Termination of Coverage

Individuals whose employment status changes from full-time to part-time will not automatically be payroll coded for **no** insurance merely because their employment status changed to part-time. If an employee elects not to be covered while a part-time employee, a Membership Status Change Form should be completed requesting coverage cancellation. Do not use the "decline coverage" option on the enrollment form.

Until the "drop coverage" notification is received, the enrollment for initiating coverage is still in effect, and therefore, the appropriate payroll deduction will be made in order to continue the coverage.

d. Enrollment

1. Part-time employees who do not elect coverage to be effective on their date of employment or first day of month following first payroll deduction may enroll only during annual open enrollment.
2. Enrollment forms for part-time employees should indicate the employment status but otherwise should be completed in the same manner as enrollment forms for full-time employees.

D. Waiting Periods for Preexisting Medical Conditions

Each member must serve a waiting period of 270 consecutive days before benefits for "pre-existing medical conditions" are available. The 270-day waiting period begins with the member's effective date. The entire 270-day waiting period must be served before the member receives services or supplies or is admitted to the hospital for preexisting medical conditions. **NOTE:** The 270-day waiting period does not apply to pregnancy, newborns and recently adopted children, SECHIP, Southland or Supplemental Plan.

A "pre-existing medical condition" is any condition, no matter how caused, for which a member received medical advice, diagnosis, care, or for which treatment was recommended or received during the six months before his/her coverage began.

Credit for Prior Coverage (The Health Insurance Portability and Accountability Act): If a member is covered by another plan before becoming covered by SEHIP, the time they were covered will be credited toward the 270-day waiting period for preexisting medical conditions, if:

1. there is no greater than a 63 day break in coverage, and
2. the last coverage was "creditable coverage," i.e., under an individual or group health plan including COBRA, Medicare, Medicaid, U. S. Military, TRICARE, Federal Employee Program, Indian Health Service, Peace Corps Service, a state risk pool or a public health service.

E. Transfers

1. transfers from any other health insurance plan (including those of the Claims Administrator) will be required to serve the 270-day waiting period less any "creditable coverage" as described in Section D, 2.
2. insurance coverage for an employee who transfers from one State agency to another will be paid by the agency which pays the employee on the insurance payday received on the 16th of the month. Example: last day with Revenue Department August 9; begins with Public Safety August 20. Insurance pay period is with Revenue Department to pay for September coverage.

3. an employee may add coverage for a dependent when the dependent ceases to be a State employee. Dependent coverage for the former State employee must begin on the day following the final day of coverage for the dependent as a State employee. For example, a State employee whose wife terminates State employment on January 8 must add dependent coverage to be effective February 1, since his wife will be covered as an employee through the end of January.

F. Open Enrollment

1. annual open enrollment shall be held in November of each year for coverage to be effective January 1.
2. open enrollment shall apply to active or retired subscribers who wish to change plans or begin coverage.
3. the waiting period for preexisting conditions shall not be waived during open enrollment.

G. Special Enrollment

The Health Insurance Portability and Accountability Act of 1996 requires that a special enrollment period be provided in addition to the regular enrollment period for employees and eligible dependents if:

1. the employee declined to enroll in the SEHIP because of other coverage and submitted a completed "Declination of Coverage" (Form IB11); and
2. the employee gains a new dependent through marriage, birth or adoption; or
3. the employee loses the other coverage because:
 - a. COBRA coverage (if elected) is exhausted, or
 - b. loss of eligibility (including separation, divorce, death, termination of employment or reduction of hours of employment), or
 - c. employer stopped contribution to coverage; and,
4. the employee requests enrollment in the SEHIP in writing no later than 30 days after the loss of other coverage.

H. Active Employee Over 65

Active employees and their dependents over age 65 are covered under the same conditions as any employee under age 65. The SEHIP remains primary for services until employee retires.

I. Status Changes

A status change form should be completed for addition or deletion of dependent coverage. The status change must be submitted directly to the SEIB.

J. Address Changes

To change an address, a written request must be submitted to the SEIB office at Post Office Box 304900, Montgomery, AL 36130-4900. An address cannot be updated by Blue Cross and Blue Shield of Alabama or made from information shown on claim forms. Employees may also update their address online at www.alseib.org.

K. Employee Name Changes

Name changes are processed electronically once they are changed on payroll with the employee's agency.

II. TERMINATION OF COVERAGE

A. When Coverage Terminates

Coverage under this plan will terminate:

1. On the last day of the month in which employment terminates. The SEIB may continue an employee's coverage if the employee is absent from work because of injury or sickness, or if the employee is absent from work due to leave of absence or temporary layoff, but only for a limited period. Premiums may be required from the employee by direct pay. For details, contact the SEIB.
2. When this plan is discontinued.

Coverage under this plan will also terminate for a dependent:

1. On first day of the following month in which such person ceased to be an eligible dependent.
2. If the dependent becomes covered as an employee.
3. When premium payments cease.

In many cases the employee will have the option to choose continuation of group benefits as provided by the Public Health Service Act. (See COBRA Section in Employee handbook.)

B. Family & Medical Leave Act

The SEIB will adhere to the provisions of the Family and Medical Leave Act as approved by the appropriate authority. The Family and Medical Leave Act of 1993, which became effective August 5, 1993, requires state departments and agencies to continue health insurance coverage for employees on FMLA. Procedures for payment of health insurance premiums for employees on FMLA are as follows:

1. Employees who are in pay status while on FMLA (i.e. using annual or sick leave), will continue to have the employee and dependent health insurance premiums paid through the GHRs payroll/personnel system by the State Comptroller.
2. Those employees on FMLA who are not in pay status when health insurance premiums are deducted will be responsible for paying their premiums directly to the SEIB if they want to

continue the health insurance coverage. Keep in mind that premiums are prepaid the month before the health insurance coverage is effective.

The Board requests that the agency inform all employees who request FMLA of these procedures. Also, especially remind those employees on FMLA who want to continue coverage, they must ensure that their premiums are paid continuously every month. If they do not receive a pay check when premiums are normally deducted, they must make the payment directly to the SEIB; otherwise, the health insurance coverage will be canceled.

3. Documentation (Form 11) of FMLA on employees not in pay status should be sent to SEIB. The GHRIS payroll is not an automated billing system for FMLA insurance premiums. When SEIB is notified they will check to see premiums due are billed and paid. SEIB should also be notified when employees return to pay status.

C. Employees on Leave Without Pay (LWOP)

1. **State health insurance coverage for employees on official leave without pay** may be continued for a maximum of 12 months provided the employee elects to make the premium payment required for coverage directly to the Board. Official leave without pay is established when an employee has received the approval of the Personnel Department (for classified employees) or appointing authority, where applicable, to be taken off the payroll for an extended period of time.
2. **Direct Payment of Premiums for Employees on Leave:** The employer share of premiums for employees going on leave without pay will be paid by the employer for the month in which leave without pay begins unless leave begins on the first of the month, in which case the employee must make the premium payment. For example, an employee beginning leave on March 10 will begin direct payment April 1 (the employer would pay the employer share for March coverage). Therefore, the first direct payment and documentation of leave without pay must be received by the Insurance Board no later than April 1. If leave began March 1, the employee would pay for March coverage.
3. **Documentation of Leave Status:** Direct payments will **not** be processed without proper documentation indicating that the employee is on official leave (Form 11 for classified employees, documentation from appointing authority for others). The first direct payment must be accompanied by a copy of the documentation of official leave and both the payment and the documentation must be received no later than the first day of the coverage period for which direct payment is submitted. Employees covered under the State Employees' Supplemental Plan or the Optional Plans will be required to pay premiums.
 - Employee enrolled in SEHIP pay 100% of funding rate plus the employee premium.
 - Employees enrolled in supplemental plan or optional policies pay 20% of funding rate (no employee premium).
4. **Return from Leave Without Pay:** If the employee maintained coverage through direct payment, the employee will be responsible for payment of premiums through the end of the month in which he/she returns to active employment unless they return on the first working day of the month. The employing agency must resume payment of employer share of premiums beginning with the month immediately following the month in which the employee returns. For example, an employee who returns from leave on March 8 must pay for his/her March coverage. The employer would resume payment of the employer share of premiums beginning with the April coverage. No pro rata premiums will be accepted unless the employee did **not** make direct payment of premiums while on leave, in which case the employee is considered a new employee for insurance purposes and must be re-enrolled on the date the employee returns to active employment. A new enrollment and

pro rata payment is required, (the 270-day preexisting condition limitation will apply if there is more than a 63-day break in coverage).

5. **Periods Off Payroll Not Considered Official Leave Without Pay:** When an employee has depleted his/her accumulated leave and must be taken off the payroll for several days, payment of the employer share of premium should be continued by the employing agency if the period off the payroll is not considered extended leave without pay requiring approval of the Personnel Department (for classified employees) or appointing authority where applicable.

D. Continuation of Group Health Coverage (COBRA)

The Public Health Service Act [42 USC Sections 300bb-1 through 300bb-8] requires that the SEIB offer employees and their families the opportunity for a temporary extension of health coverage (called "continuation coverage") at group rates in certain instances where coverage under the plan would otherwise end.

E. Workers' Comp - Premiums for Employees Who Suffer a Work-Related Injury

Agencies and departments will continue to be responsible for paying the employer's share of premiums for their employees who have reported a work-related injury to the State Employees' Injury Compensation Trust Fund (SEICTF). If the injured employee has opted to take the 2/3's wage replacement, agencies and departments are encouraged to maintain the employee's GHRS health insurance codes to pay the employer's share of premiums. Otherwise, premiums for these employees will be included in the monthly billing to the agencies and departments. The SEIB will not bill nor accept payment for the employer's share of premiums from the employee.

Injured employees, who do not have their share of premiums deducted through payroll, will be responsible for paying the premiums directly to the SEIB. If premiums are not received before or during the month of coverage, the employee's coverage will be canceled.

F. Refund Request

1. All requests for refund of SEHIP premiums should be submitted by using the Refund Request form which is provided by the SEIB.
2. The refund request form was designed to be used for both refunds made to the department and employees. Refunds will be sent to the department for any premiums paid through payroll deduction. Example: When an individual ceases to work on July 18 and the August premium has already been paid, the department should request a refund of the August premium.

III. RETIREE ELIGIBILITY & ENROLLMENT FOR STATE EMPLOYEES' HEALTH INSURANCE STATE EMPLOYEES SUPPLEMENTAL COVERAGE, OR STATE EMPLOYEES OPTIONAL POLICIES

A. Eligible Retired State Employee

A retired employee with at least ten years of service to the State who receives a monthly benefit from the Employees' Retirement System or Teachers' Retirement System of Alabama or Judicial Retirement System.

B. Eligible Dependent - see page 3.

C. Enrollment/Continuation

1. A retiring employee may elect coverage under the State Employees' Health Insurance, by agreeing to have the monthly premium amount (if applicable) deducted from his retirement check.
2. A retiring employee must make a direct payment (if applicable) to the SEIB for the month in which retirement is effective.
3. Medicare Part B premiums are the retiree's responsibility. These premiums are deducted from the retiree's Social Security check.
4. Miscellaneous insurance premium direct payments are not accepted. These premiums will be deducted from the retirement check upon receipt of notification from each company.

D. Open Enrollment

Retired employees that do not elect to continue their coverage under the SEHIP may do so during the annual open enrollment held each November for coverage to be effective January 1.

E. Survivor Enrollment

In the event of the death of a retired employee, who carried family coverage, the eligible dependents may continue coverage by making appropriate premium payments to the SEIB. The SEIB should be notified within 90 days of death.

F. Retiree Sliding Scale

Employees retiring after September 30 will be subject to a sliding scale premium structure based on years of service. For employees retiring with 25 years of service, the State would pay 100% of the State share premium. Each year less than 25, the State share would be reduced by 2% and the retiree share will be increased accordingly. Each year over 25, the State share would be increased by 2% and the retiree share reduced accordingly.

Eligible retirees may apply the federal poverty level discount to the retiree share excluding the tobacco user premium.

The number of years and months of creditable service by an employee prior to retirement will be determined by the Retirement Systems of Alabama, including any periods of full time permanent employment subsequent to retirement up to a maximum of five years.

Employees who:

1. enter the Drop Program after September 30, 2005 or
 2. enter the Drop Program before October 1, 2005, but have not yet left state service,
- will be subject to the sliding scale premium and will be given credit for years of service while in the Drop Program.

The retiree sliding scale premium will not apply to disability retirements.

G. Retiree Other Coverage

If the employee retires after September 30 and goes to work for another employer, the retiree may be required to enroll in the other employer's health insurance plan. If the retiree is eligible for coverage in the new employer's health insurance plan and the new employer contributes 50% or more of the individual premium, the retiree will be required to drop the SEHIP as their primary coverage and enroll in the new health plan. The SEIB will offer the retiree supplemental coverage or optional coverage to cover most of their out-of-pocket expenses.

Special Enrollment is available for retirees who lose their other employer's group health plan coverage.

H. Special Enrollment

The Health Insurance Portability and Accountability Act of 1996 requires that a special enrollment period be provided in addition to the regular enrollment period for retired employees and eligible dependents if:

1. The retired employee declined to enroll in the SEHIP because of other coverage and submitted a completed "Declination of Coverage" (Form IB11); and
2. The retiree gains a new dependent through marriage, birth or adoption; or
3. The retiree loses the other coverage because:
 - a. COBRA coverage (if elected) is exhausted, or
 - b. loss of eligibility (including separation, divorce, death, termination of employment or reduction of hours of employment), or
 - c. employer stopped contribution to coverage; and,
4. The retiree requests enrollment in the SEHIP in writing no later than 30 days after the loss of other coverage.

IV. Employee Options to SEHIP

A. Optional Plans

1. Employee Opt-Out Provision

Employees may decline coverage in the SEHIP by submitting an enrollment form to SEIB for approval. The agency is still required to pay the Employer Premium for those who decline coverage in the SEHIP.

Employees who decline coverage may reenroll during the regular Open Enrollment period. Special Enrollment is available for all employees who lose their other employer group health coverage, subject to the rules and procedures established by the SEIB.

A full time employee of the State of Alabama may not be covered as a dependent under the SEHIP.

2. State Employees' Supplemental Coverage Plan (No dependent documentation required.)

Employees who decline coverage in the SEHIP may enroll in the State Employees' Supplemental Coverage Plan at no cost to the employee. The State Employees' Supplemental Coverage Plan will provide secondary benefits to the employee's and non-Medicare retiree's primary coverage

provided by another employer. Employee *must* provide SEIB with primary coverage information. The State Employees' Supplemental Coverage Plan benefits cover deductibles, copayments, and coinsurance per their primary coverage plan benefits. Participants may elect individual or family coverage.

Employees who enroll in the State Employees' Supplemental Coverage Plan may drop this coverage and re-enroll in the SEHIP at any time. Coverage will be effective no later than the first day of the second month following receipt and approval of an enrollment form by the SEIB.

The initial plan year will begin June 1, 2005 and end December 31, 2005 with subsequent Plan Years beginning January 1 and ending December 31.

Employees who decline coverage in the SEHIP and enroll in the State Employees' Supplemental Coverage Plan may not enroll in the SEIB Optional Insurance Plan.

The primary coverage cannot be with PEEHIP, LGHIP, TRICARE or Medicare.

An employee may not be added as a dependent under another employee's SEHIP coverage regardless of whether he or she has declined coverage in the SEHIP.

3. SEIB Optional Insurance Plan (No dependent documentation required.)

Employees who decline coverage in the SEHIP may enroll in the SEIB Optional Insurance Plan. The SEIB Optional Insurance Plan will be offering four (4) supplemental policies: Dental, Cancer, Hospital Indemnity and Vision. The four supplemental policies will be offered as a package at no premium to the employee. Participants may elect individual or family coverage.

An eligible employee or retiree may enroll in the SEIB Optional Insurance Plan at any time, subject to SEIB rules and procedures, by submitting a completed enrollment form directly to the SEIB. Participants must remain in the SEIB Optional Insurance Plan for at least twelve months.

The initial plan year will begin June 1, 2005 and end December 31, 2005 with subsequent Plan Years beginning January 1 and ending December 31. Open and Special Enrollment back into the SEHIP is available for all eligible employees and retirees subject to SEIB rules and procedures.

Employees who decline coverage in the SEHIP and enroll in the SEIB Optional Insurance Plan may not enroll in the State Employees' Supplemental Coverage Plan.

An employee of the State of Alabama may not be covered as a dependent under the SEHIP.

4. State Employees' Children's Health Insurance Plan

Children of State employees with a total family income of from 100% to less than 300% of the Federal Poverty Level may be eligible for coverage under the State Employees' Children's Health Insurance Plan (SECHIP). This is low copay coverage for children ages newborn through 18 years of age. Premiums vary based on income. Contact the SEIB for details.

Eligible children may enroll at any time. Before an application can be approved it must be correctly completed and all required documentation must be submitted to the SEIB.

Coverage for all SECHIP enrollees will be continuous for one year unless the child becomes ineligible.

Employees who enroll their children in the SECHIP may drop this coverage and re-enroll in the SEHIP at any time. Coverage will be effective no later than the first day of the second month following receipt and approval of an enrollment form by the SEIB.

B. Optional Discounts

1. Federal Poverty Level Discount Program

The Federal Poverty Level Discount Program will be available to any employee or retiree paying a premium to the SEIB. In order for employees and retirees enrolled in the SEHIP to qualify for the discount, acceptable proof of total family income must be submitted to the SEIB. The effective date of the discount will be the first day of the second month following approval by the SEIB. If acceptable proof of income is not provided with the application, the discount will be denied or delayed until acceptable proof of income is provided and approved by the SEIB.

Family income will be determined based upon current income in conjunction with the prior year's federal and state income tax returns. As a condition of participating in the Federal Poverty Level Discount Program, applicants must authorize the Alabama Department of Revenue (or the appropriate agency of the applicant's state of residence) to release to the SEIB all of the applicant's tax related information in their records for the current and prior tax year.

The premium discount will be applied as follows:

Over 200% of the FPL – employee pays 100% of the employee contribution

176% to 200% of the FPL – employee contribution reduced 10% & employee pays 90%

151% to 175% of the FPL – employee contribution reduced 20% & employee pays 80%

126% to 150% of the FPL – employee contribution reduced 30% & employee pays 70%

101% to 125% of the FPL – employee contribution reduced 40% & employee pays 60%

100% or less of the FPL – employee contribution reduced 50% & employee pays 50%

Certification of income level will be effective for twelve months. Thereafter, re-certification will be made annually on the employee's or retiree's birthday.

The Federal Poverty Level discount will not apply to COBRA, or surviving spouse (INS, BEN) premiums.

Employees who have discounted premiums through the Federal Poverty Discount program or cover their dependents under the State Employees' Children's Health Insurance Plan may continue under these programs while on approved leave without pay provided they qualified and elected these programs prior to going on leave without pay.

2. Non-Tobacco User Discount Program

Under this program, employees and retirees can obtain a discount off their monthly premium by certifying that they (and their spouse if covered as a dependent) have not used tobacco products in any form (cigarettes, cigars, pipe, oral tobacco products, etc.) within the last 12 months.

The discount will go into effect each October 1 and will be effective for twelve months. Employees and retirees will be required to certify their non-tobacco use status each year in order to qualify for the premium discount.

Following the initial certification, employees, retirees and their covered spouses who have not used tobacco products in the last twelve months may apply for the discount any time during the year. The discount will go into effect on the first day of the second month following approval of the certification by the SEIB.

In order for new employees and retirees enrolling in the SEHIP to qualify for the discount, a certification form must be submitted with their enrollment form.

New certification forms must also be included when spouses are added to coverage in order to qualify for the discount.

The only way to qualify for the Non-Tobacco User Discount Program is to submit an acceptable certification form. Refunds will not be allowed for failure to submit an acceptable certification form.

New employees will be given a 60-day grace period before being charged the tobacco fee. When a spouse is added, the 60-day grace period will also apply.

3. Wellness Discount Program

In order for employees (part-time or full-time) to receive the wellness discount, they must have submitted a completed screening form to the SEIB by November 30, 2009. Screenings may have been performed by a private physician, through the SEIB Wellness Program or by the Alabama Department of Public Health.

All employees who provided screening data to the SEIB by November 30, 2009 receive a \$25 monthly discount beginning with the December 16, 2009 payroll for 2010 coverage.

New employees will have a sixty day grace period from the date of employment to have a screening completed in order to receive the discount for current year. If at risk, the employee must submit follow-up information by 11/30/10 for the 2011 discount. If not at risk the discount applies to the remainder of the current year and 2011. If new employee submits a physician form the discount is applied to the remainder of the current year and 2011.

ENROLLMENT FORM USES

To enroll new employees

To re-enroll employees returning from LWOP

To change insurance companies during open enrollment

To enroll existing employees in Optional Coverage

NON-TOBACCO USER DISCOUNT APPLICATION USE: (Reverse Side)

Use this form to apply for the discount.

**STATE EMPLOYEES' INSURANCE BOARD
NON-TOBACCO USER DISCOUNT APPLICATION**

CONTRACT HOLDER NAME: (please print)	SOCIAL SECURITY NUMBER #:
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Declaration

I declare that I am not currently using or have used tobacco products in any form (cigarettes, cigars, pipe, oral tobacco products, etc.) within the last 12 months.

If my spouse is covered as a dependent under the State Employees' Health Insurance Plan (SEHIP), I declare further that my spouse is not currently using or has used tobacco products in any form within the last 12 months.

I understand that if it is determined that I (or my spouse if covered as a dependent under the SEHIP) have used tobacco products within the last 12 months or if I (or my spouse if covered as a dependent under the SEHIP) start using tobacco products subsequent to the date of this application without notifying the State Employees' Insurance Board, that I will be subject to disciplinary action, including termination of employment, and will be required to repay all discounts as well as all claims and other expenses incurred by the SEHIP, plus interest.

Signed: _____
Contract Holder

Date: _____

Authorization

By signing below, I/we hereby authorize any licensed physician, medical practitioner, hospital, pharmacy, clinic or other medically related facility, insurance company, any government agency or other organization or person that has any records or knowledge of my health to provide to the State Employees' Insurance Board any information related to my/our use of tobacco products.

Signed: _____
Contract Holder

Date: _____

Signed: _____
Spouse (if covered under SEHIP)

Date: _____

Return to: State Employees' Insurance Board
201 South Union Street, Suite 200
Post Office Box 304900
Montgomery, AL 36130-4900
334.263.8341 / 1.866.836.9737 / Fax: 334.263.8541

PLAN CHANGE FORM USES

To change insurance companies during open enrollment

To enroll existing employees in Supplemental or Optional Coverage

MEMBERSHIP STATUS CHANGE FORM USES

To add dependent coverage

To drop dependent coverage

To cancel a dependent

To add a dependent to existing coverage

To change address

To cancel part-time employees

NOTICE: Complete ONLY if canceling dependent coverage. Not applicable for retirees.

REVOKE ELECTION FORM

State Employees' Health Insurance Coverage

Name: _____ Contract #: _____
(Please Print)

Work Telephone: (_____) _____ Ext: _____ Agency: _____

I certify that I have incurred the following change in status:

- _____ Addition of dependent(s) through marriage, birth or adoption of a child, legal custody or placement for adoption;
- _____ Loss of dependent(s) through divorce, annulment, legal separation, death of a spouse or other dependent, or loss of legal custody;
- _____ Unpaid leave of absence for you or your spouse;
- _____ Termination or commencement of your spouse's or dependent's employment;
- _____ Change from full-time to part-time or part-time to full-time by the employee, spouse or dependent;
- _____ Change from hourly to salaried payroll status or vice versa;
- _____ Any other change in employment status not listed that results in the gain or loss of eligibility of the employee, spouse, or dependent;
- _____ Dependent's loss of coverage due to age or student's status;
- _____ Change of residence or worksite of employee, spouse or dependent;
- _____ Compliance with Issuance of family relations judgment, decree or order (i.e., QMCSO);
- _____ Medicare or Medicaid entitlement of employee, spouse or dependent;
- _____ Taking leave under the Family and Medical Leave Act;
- _____ To make changes in the IRC Section 401(k) and 401(m) elective and after-tax deferrals as permitted by those sections;
- _____ HIPAA Special Enrollment events;
- _____ Significant change in medical benefits or premiums.

Date qualifying event occurred _____ (Must be within the last 30 days.)

Certification

I understand that Federal regulations prohibit me from changing the election I have made after the beginning of the Plan Year, except under special circumstances. I understand that the change in my benefit election must be necessary or appropriate as a result of the status change under the regulations issued by the Department of the Treasury.

I hereby certify that the information furnished in this form is true and complete to the best of my knowledge.

Employee Signature: _____ Date: _____

**STATE EMPLOYEES' INSURANCE BOARD
POST OFFICE BOX 304900
MONTGOMERY, ALABAMA 36130-4900
334-263-8341 / 1-866-836-9737 / FAX: 334-263-8541**

OTHER FORMS

REFUND REQUEST FORM USES

Used to request refunds of premiums paid in error.

COBRA NOTICE MEMO USES

Optional form that can be used if Personnel's Form 11 not used.

WELLNESS SCREENING FORM

Use to apply for the discount.

FPL/SEHIP APPLICATION

Use to apply for FPL and SECHIP.

STATE EMPLOYEES' INSURANCE BOARD
POST OFFICE BOX 304900
MONTGOMERY, ALABAMA 36130-4900
334.263.8341 / FAX: 334.263.8541

Mo/Day/Year By

REFUND REQUEST

A refund of State Employees' Health Insurance premiums is requested for the department and/or employee referenced below:

Agency Identification Data

Employee Identification Data

Agency name _____

Employee name _____

Agency No. _____

Address: _____

(if applicable) Street Number

City: _____ State: _____ ZIP: _____

Flex Plan: Yes _____ No _____

Social Security # _____

Refund amount \$ _____ Coverage Period: ____/____/____ through ____/____/____

Reason for requesting refund of premiums (check the appropriate line):

____ Employee terminated: Date ____/____/____

____ Employee retired: Date ____/____/____

____ Employee began leave without pay: Date ____/____/____

____ Employee notified SEIB on ____/____/____ to drop coverage on

____ Employee ____ Dependent. Effective date ____/____/____ (Attach change form.)

____ Dependent died: Date ____/____/____

____ Employee died: Date ____/____/____

____ Coverage was paid/deducted in error on ____ Employee ____ Dependent

for the period of ____/____/____ through ____/____/____

____ Employee status changes to ____ full time ____ part-time: Date ____/____/____

____ Other reason. Please explain _____

Signature of Official requesting refund

COBRA

Employer Notice Memo
Or
Send a copy of Form 11

Name of Employee

Social Security Number

Number and Street or P. O. Box

City

State

ZIP

The above identified employee of _____
is covered in the SEHIP and under the provisions of COBRA we hereby provide SEIB notice that the
following qualifying event has occurred relative to the employee.

1. _____ Termination of employment for any reason other than gross misconduct.
Date of termination: _____
2. _____ Reduction in hours of employment. This includes leave without pay.
Date of reduction: _____
3. _____ Death of the employee.
Date of death: _____
4. _____ Medicare eligibility of the employee.
Date of eligibility: _____

Date: _____ Employer: _____

State Employees' Insurance Board

Provider Screening Form

Instructions: If you can not or choose not to participate in SEIB's Worksite Wellness screenings, you may submit your health screening results through your physician. You are to complete Section 1 of the form and your provider is to complete Section 2. In order to be eligible for the wellness premium discount, this form should be returned to the SEIB no later than 60 days of date of hire. Refunds are not allowed.

SECTION 1 (To Be Completed by Employee)

Member Name (Please print)	Screening Date	Male <input type="checkbox"/> Female <input type="checkbox"/>	Age: _____
Contract Number	Social Security Number	Date of Birth (00/00/00)	Day Time Phone Number ()

What best describes your race/ethnicity?

- White Black/African American Asian Indian or Alaska Native
 Hispanic/Latino Native Hawaiian/Pacific Islander Other

Do you have (or have you been told you had) any of the following? (Mark all that apply.)

- High Cholesterol High Blood Pressure Diabetes

Do you take Medication for any of the following? (Mark all that apply.)

- High Cholesterol High Blood Pressure Diabetes

SECTION 2 (To Be Completed by Provider)

Blood Pressure _____ / _____ Total Cholesterol _____ mg/dL HDL Cholesterol _____ mg/dL LDL Cholesterol _____ mg/dL Triglycerides _____ mg/dL	Blood Glucose _____ mg/dl Height _____ ft. _____ in Weight _____ BMI _____
---	---

Provider's Name: (Please print) _____

Provider Signature: _____

Provider Address: _____

Please return completed form to:
STATE EMPLOYEES' INSURANCE BOARD
 P O BOX 304900
 MONTGOMERY AL 36130-4900
 1.866.838.3059
 FAX: 334.263.8631

STATE EMPLOYEES' INSURANCE BOARD
Federal Poverty Level (FPL) Discount and/or
State Employees' Children's Health Insurance Plan (SECHIP) Application
(Copies of your most recent income tax filing and pay stubs must be attached.)

1. Employee/Retiree Information

Name: First Middle Last		Contract Number of Employee	
Address			
City, State, Zip Code			
Home Phone ()	Work Phone ()	Cell Phone ()	
Marital Status: (circle one) Single Married		E-mail Address:	

2. Income: List your household's current total monthly income. This includes **other** income sources listed below.
You must submit pay stubs or other necessary documentation verifying your current household income.

1. Social Security (include Medicare premium)	14. Veterans Benefits, Pensions, Compensation or Insurance
2. SSI (Gold Check)	15. Insurance Annuity or Proceeds
3. Public Assistance (Welfare)	16. Government Payments on Land
4. Railroad Retirement	17. Coal, Oil, Gravel Rights, Timber Leases
5. Unemployment Compensation	18. Royalties
6. Legal Settlements	19. Child Support
7. Federal Civil Service Annuity	20. Interest on Savings
8. State Retirement/Pension	21. School Grants or Loans Private Pension
9. Miner's Benefits	22. Sheltered Workshop Earnings
10. Black Lung Benefits	23. Lump Sums
11. Cash Contributions (from relatives and others)	24. Dividends
12. Rental Income	25. Other: Specify _____
13. Personal Loans	

Name of Person Receiving the Payments	Source of Income	Current Gross Monthly Amount	Projected Annual Gross Amount

NOTE: You must submit your **most current pay stub** and **most recent state and federal income tax returns**.
If you are married and you and your spouse file separately, you must submit your spouse's state and federal income tax returns as well. **W-2 forms will not be accepted in place of pay stubs.**

FPL-SECHIP Application

3. Household Members

Line A - State Employee's/Retiree's name Line B - Spouse's name Lines C – G names of children*** under 19 years of age who live in your home	Social Security Number	Relationship to the State Employee	Date of Birth	Age	Sex	Do you want to enroll your spouse in SEHIP? *	Do you want to enroll your child in SECHIP? **
A.		SELF					
B.		SPOUSE					
C.							
D.							
E.							
F.							
G.							

* Please note above if you want to enroll your spouse, a copy of your marriage license must accompany this application.

** To enroll your child in SECHIP, attach copies of each child's birth certificate to this application.

*** Please supply proof of daycare expenses incurred by you.

4. Affirmation I declare that the above statements and answers are true, complete and correctly recorded. I understand that submitting false or misleading information on this application is a crime punishable under state and federal law. I also recognize and understand that if any of the statements or answers recorded are found to be incorrect, incomplete, false or misleading, I will also be subject to disciplinary action, including termination of employment, and will be required to repay all discounts, plus interest.

Signature of Employee/Retiree

Date

Please return to:

State Employees' Insurance Board
P.O. Box 304900
Montgomery, AL 36130
Phone: 334.263.8379
Fax: 334.263.8720