

North Dakota Public Employees Retirement System

Health Insurance Employer Guide

NDPERS

Contents

Enrollments & Waivers.....	2
Changes/Additions.....	3
Separation of Employment.....	3
HEALTH INSURANCE APPLICATION OR CHANGE.....	4
NEW ELIGIBLE EMPLOYEES.....	4
ELIGIBLE DEPENDENTS	4
PART-TIME/TEMPORARY EMPLOYEES	4
MEMBERS OF BOARDS, COMMISSIONS, OR ASSOCIATIONS	5
ENROLLMENT PERIODS	5
HEALTH INSURANCE PARTICIPATION GUIDELINES	6
I.D. CARDS AND CERTIFICATE OF INSURANCE, & SERVICES.....	7
CONDITIONS UNDER WHICH HEALTH COVERAGE MAY BE CONTINUED	7
CHANGES/ADDITIONS	7
EMPLOYMENT STATUS CHANGES.....	7
ACKNOWLEDGEMENT OF OR DECLINE OFFER OF HEALTH INSURANCE COVERAGE	10
WAIVER OF INSURANCE COVERAGE.....	11
NOTICE OF CHANGE-MEMBER DATA RECORD.....	12
MEMBER TRANSFERS.....	13
EMPLOYMENT UPDATES THROUGH EMPLOYER SELF SERVICE	14
EMPLOYMENT STATUS CHANGES:.....	14
CONTINUATION OF GROUP INSURANCE COVERAGE (COBRA)	16

Enrollments & Waivers

For each new permanent and temporary employee, the authorized agent must complete the online “Setup New Employee”. See your PERSLink Employer Self Service Guide.

Did you know that eligible employees can complete their benefit plan enrollment(s) using PERSLink Member Self Service (MSS)?

NOTE: Temporary employees cannot use MSS to submit their enrollment for the health insurance plan. The Health Insurance Application or Change-SFN 60036 must be completed by the temporary employee and employer.

PERSLink MSS provides online access to benefit information, the ability to complete benefit enrollments and changes, as well as updating personal profile information* instead of completing paper forms and submitting to NDPERS.

*If you are a state or higher ed employer on the PeopleSoft payroll system, any updates to personal profile information should be completed through PeopleSoft and will transfer over to the NDPERS business system automatically.

If You Are Trying To:	Use the
Enroll a new employee in the health plan	New Hire Guide and Forms
Waive participation for new employee	<ul style="list-style-type: none"> • Waiver of Insurance Coverage-SFN 58819 (if not ACA eligible), or • Acknowledgement of or Decline Offer of Health Insurance Coverage-SFN 60711 (if ACA eligible)
Enroll a temporary/part-time employee	New Hire Guide and Forms
Waive participation for a new temporary/part-time employee	Acknowledgment of or Decline Offer of Health Insurance Coverage-SFN 60711
Switch an employee from mandatory participation to optional participation and employee is continuing participation	Submit “Update Employment” request through Employer Self Service
Switch an employee from mandatory participation to optional participation and employee is electing NOT to continue to participate	<ul style="list-style-type: none"> • Waiver of Insurance Coverage-SFN 58819 (if not ACA eligible), or • Acknowledgement of or Decline Offer of Health Insurance Coverage-SFN 60711 (if ACA eligible) <p style="text-align: center;">AND</p> Submit “Update Employment” request through Employer Self Service

Switch an employee from optional participation to mandatory participation	New Hire Guide and Forms
Waive participation for a newly elected official	<ul style="list-style-type: none"> • Waiver of Insurance Coverage-SFN 58819 (if not ACA eligible), or • Acknowledgement of or Decline Offer of Health Insurance Coverage-SFN 60711 (if ACA eligible)
Changes in Employment Status	See “Changes in Employment Status with Existing Insurance Plan Coverage” section

Changes/Additions

Report a name, marital, or address change	Notice of Change-Member Data Record-SFN 10766 and Health Insurance Application or Change-SFN 60036, if applicable
Report dependent loss of eligibility status	Health Insurance Application or Change-SFN 60036
Report an employee transferring to another NDPERS participating agency	Notice of Transfer Guide and Forms
Report a leave of absence, leave of absence extension, or return from leave of absence	<p>Submit “Leave of Absence” request through Employer Self Service</p> <p>*Refer to the Leave of Absence Employer Guide for NDPERS Insurances</p>
Report an employee’s classification change within agency	Submit “Update Employment” request through Employer Self Service

Separation of Employment

Notify NDPERS of an employee’s separation of employment	Submit “Terminate Employee” request through Employer Self Service
Report the death of an active employee	Use the “Report a Death” functionality through Employer Self Service

HEALTH INSURANCE APPLICATION OR CHANGE SFN 60036

SFN 60036 is used to enroll employees in the Group Health Insurance Plan. Employees who add or delete dependents or have a change in marital status also need to complete this form.

NEW ELIGIBLE EMPLOYEES

To be eligible, they must be:

- ✓ at least 18 years of age
- ✓ work at least 20 hours per week for 20 or more weeks per calendar year, and
- ✓ filling a position that is regularly funded and not of limited duration (i.e. permanent).

NDPERS must accept all applications for coverage with no restrictions, limitations or waiting periods for the employee and all eligible dependents. Coverage will be effective the first of the month following date of eligible employment. If application is not made within the first 31 days of employment, the provisions of the Special Enrollment Periods will apply. An employee who elects not to enroll themselves or their eligible dependent(s) must complete a Waiver of Insurance Coverage-SFN 58819.

Permanent employees of a state agency, university system or district health unit may enroll in the High Deductible Health Insurance Plan, referred to as HDHP. The High Deductible Health Plan is a Comprehensive Deductible and Coinsurance Plan. Please refer to the NDPERS website or New Hire Guide to learn more about this option.

ELIGIBLE DEPENDENTS

- The Subscriber's spouse under a legally existing marriage.
- The Subscriber's or the Subscriber's living, covered spouse's children until the end of the month of their 26th birthday.
 - An eligible dependent child can be married and have other coverage. However, the dependent child's spouse cannot be covered.
 - If an eligible dependent child is on the contract and has a child, the grandchild can be covered as long as the dependent child is chiefly dependent upon the Subscriber. The Grandchild Eligibility Verification-SFN 60983 form will be required to verify dependency. The grandchild's birth certificate must also be provided. Eligibility is reviewed yearly.
 - If an eligible dependent child becomes employed with an NDPERS covered employer under the health plan, the child dependent may waive coverage with their employer group and remain on the Subscriber's policy until they attain age 26. Upon attaining age 26 and losing eligibility, the child may transfer to their employer coverage by making application within 31 days of the loss of coverage.

A CHILD CANNOT BE AN ELIGIBLE DEPENDENT OF MORE THAN ONE EMPLOYEE. A DEPENDENT OF AN EMPLOYEE WILL NOT BE ELIGIBLE IF THAT DEPENDENT IS ALSO EMPLOYED BY AN NDPERS EMPLOYER AND ELECTS COVERAGE THROUGH THE EMPLOYER.

PART-TIME/TEMPORARY EMPLOYEES

A part-time/temporary employee employed on or after January 1, 2015 is only eligible to participate if the employee is employed at least 30 hours/week or 130 hours/month. Coverage will be effective the first of

the month following date of employment or at the end of applicable measurement period. The Health Insurance Application or Change-SFN 60036 must be completed and submitted to NDPERS within 31 days of eligibility. The employer must complete Part F of the form to certify that the temporary employee is eligible to join per eligibility requirements. The employee cannot enroll through MSS.

NDPERS will bill the agency for the premium on the agency monthly billing. The part-time/temporary employee or the temporary employee's employer shall pay monthly the premiums in effect for the coverage being provided. If the employer is an applicable Large Employer under the Affordable Care Act (ACA), then the employer will be responsible for ensuring that the coverage is deemed "affordable" as defined in the ACA. The agency is responsible for collecting and remitting the monthly premium with their agency group billing. The agency is responsible for providing notification to NDPERS through Employer Self Service (ESS) that the individual is a part-time or temporary employee, the effective date of employment, the employee's name, address and social security number.

If the employee **does not pay** the employer for any applicable portion of premium that the employee is responsible for, the employer can cancel the employee's coverage but only on a prospective basis. The authorized agent should send an email to the NDPERS info account at ndpers-info@nd.gov. If the reason for the cancellation is due to non-payment of premium, then the authorized agent needs to provide the name of the employee, PERSLink ID number, effective date of cancellation (prospective only), and the reason for the cancellation as NDPERS needs this information to determine COBRA eligibility.

If the employer used the monthly eligibility determination and the employee **is no longer eligible** for health insurance, the employer can cancel the employee's coverage but only on a prospective basis. The authorized agent should send an email to the NDPERS info account at ndpers-info@nd.gov. If the reason for the cancellation is due to a change in eligibility status, then the authorized agent needs to provide the name of the employee, ID number, effective date of cancellation (prospective only), and the reason for the cancellation as NDPERS needs this information to determine COBRA eligibility.

The agency is also responsible for updating the employee's status on Employer Self Service (ESS) and sending the completed **Continuation of Group Insurance Coverage-SFN 14120** to NDPERS when the employee terminates. An employee who elects not to enroll themselves or their eligible dependent(s) must complete an **Acknowledgement of or Decline Offer of Health Insurance Coverage-SFN 60711**.

MEMBERS OF BOARDS, COMMISSIONS, OR ASSOCIATIONS

To be eligible to participate, members of State and political subdivision boards, commissions, or associations must be paid, which means receiving a per diem for each meeting.

They will have 31 days from the date they assume office in which to enroll in the group health insurance plan with coverage effective the first day of the month following the date they assume office. If application is not made within the first 31 days, the provisions of the Special Enrollment Periods will apply.

Eligible board members of the State may participate at their own expense. Political Subdivisions may pay a contribution, which is less than or equal to, but does not exceed, the premium contributions paid for eligible full-time employees.

ENROLLMENT PERIODS

The Health Insurance Portability and Accountability Act (HIPAA) is intended to ensure portability of health coverage for those individuals who must move from one plan to another as a result of loss of coverage under any other health insurance plan. The Act also specifies that plans allow special enrollment

opportunities for employees and prohibits using health status (medical underwriting) as a basis for group health insurance eligibility. The special enrollment periods allow an individual to enroll (application required) in the plan without any restrictions and are defined as follows:

- Within 31 days of date of hire for eligible new and seasonal employees, part-time/temporary employees, and within 31 days of assuming office for members of boards, commissions, or associations. Coverage is effective the first of the month following the date of hire.
- Within 31 days of permanent employment start date (when transferring from temporary to permanent). Coverage is effective first of month following permanent employment start date. **Members should use “Employment Status Change” when enrolling on Member Self Service (MSS).**
- Add a spouse and/or any eligible dependent children of the member that were not previously covered within 31 days of marriage. An employee who previously waived coverage is eligible to enroll in the plan at the same time that the employee’s spouse and/or eligible dependent children are enrolled. The stepchildren of the spouse may also be added. Coverage is effective the first of the month following the date of marriage.
- Add a dependent within 31 days of birth, adoption, placement for adoption or receiving legal guardianship, or court order to provide health coverage. An employee and other dependents that previously waived coverage are also eligible to enroll in the plan at the same time that the employee’s dependent is enrolled.
 - If the qualifying event is birth, adoption, or placement for adoption, coverage for the newborn (and any newly added dependents) is effective the first of the month in which the birth, adoption, or placement occurred. Proof of the adoption or placement will be required.
 - If the qualifying event is legal guardianship or court order, the coverage effective date is the first of the month following the legal guardianship or court orders. Proof of the legal guardianship or court order will be required.
- Within 31 days of loss of coverage under any other health insurance plan due to death, divorce, or loss of spouse employer sponsored coverage. The employee must make application to obtain coverage within 31 days of loss of coverage. **NOTE:** The employee can only enroll themselves and dependents for coverage if the employee and/or their dependents lost coverage due to the life change event. Coverage is effective the first of the month following the loss of coverage date. A Certificate of Coverage (COC) showing the last date of coverage will be required from the previous carrier.

The following enrollment criteria will apply to individuals who enroll outside the special enrollment periods (late enrollees) previously listed:

- Late enrollees may enroll during the annual open enrollment period. Coverage will be effective January 1.

If the Eligible Employee is a state employee, then they as a permanent employee can elect participation or discontinue participation in the High Deductible Health Plan during one of the above applicable Enrollment Periods.

HEALTH INSURANCE PARTICIPATION GUIDELINES

In the case of two married state employees, there can only be one family plan (not two singles) to insure all eligible dependents. The individual who has worked for their current employer the longest must be the carrier of the insurance for the family plan.

If the married employees are not both employed by the state (one state employee and one political subdivision employee or two political subdivision employees), both individuals can enroll in coverage but may not be dependents on each other's plan (children can only be listed under one or the other, but not both).

If one PERS-covered employee and one non-PERS-covered employee, then both can cover their spouse/children (double-coverage) if the non-PERS-covered employee's insurance is with another plan.

I.D. CARDS AND CERTIFICATE OF INSURANCE, & SERVICES

I.D. Cards are provided to the member from the carrier upon enrollment. The Certificate of Insurance can be viewed and/or printed from the NDPERS website under Active Members, Insurance Plans menu option, then clicking on the applicable health insurance plan.

CONDITIONS UNDER WHICH HEALTH COVERAGE MAY BE CONTINUED

Please refer to the [Leave of Absence Employer Guide](#) for guidance on a member's insurance options when going on a **Leave of Absence (USERRA, FMLA, or any other type of leave of absence)** or for seasonal employees.

CHANGES/ADDITIONS

Add Dependents: An employee must complete and file a new form within 31 days of marriage or the birth/adoption/legal guardianship of a child (NDPERS requires a copy of adoption placement or legal guardianship papers). If application is not made within 31 days, dependents may be added during a designated annual enrollment season.

Delete Dependents: An employee must complete and file a new form with NDPERS by the end of the month prior to the 1st of the month in which the change in coverage is to take place. Dependents must be removed due to divorce, death, or when a dependent child is no longer eligible.

Cancellation of Coverage: An employee must complete and file a new form with NDPERS by the end of the month prior to the 1st of the month in which the coverage is to be cancelled. **NOTE:** If the employee is having the health insurance premiums pre-taxed through payroll deduction, the employee is not allowed to cancel their coverage until the end of the plan year (election can be made during designated annual enrollment season).

EMPLOYMENT STATUS CHANGES

An employee must be off payroll of all NDPERS covered employers for 31 days to be considered terminated for benefit purposes. If a 31 day break does not occur, then the employee will be processed as an employment status change/transfer. Refer to the following situations for examples of employment status changes:

Situation 1: Permanent employee covered on the health plan changes employment status to temporary employee. The temporary employee expected to meet the ACA definition of temporary employee. The employee wishes to continue participation as a temporary employee.

Outcome: Upon completion of required application, employee will be changed to temporary employee rate the first of the month following the final date of permanent employment within the same agency.

If employee is transferring from one agency to another along with the employment status change, the new employer is responsible for premium effective the first of the month following employment (NDAC 71-03-04-01).

Example: Permanent employment ends May 20 and temporary employment begins May 27. Upon completion of application, temporary employee rate will begin effective June 1.

Example: Permanent employment ends May 31 and temporary employment begins June 1. Upon completion of application, temporary employee rate will begin effective June 1.

Situation 2: Permanent employee covered on the health plan changes employment status to temporary employee. The temporary employee status will meet the ACA definition of temporary employee. The employee does NOT wish to continue participation as a temporary employee.

Outcome: Coverage will be suspended effective the first of the month following the month permanent employment ends.

Example: Permanent employment ends May 20 and temporary employment begins May 27. Coverage will be suspended June 1.

Example: Permanent employment ends May 31 and temporary employment begins June 1. Coverage will be suspended June 1.

Situation 3: Permanent employee covered on the health plan changes employment status to temporary employee. The temporary employee is NOT expected to meet the ACA definition of temporary employee.

Outcome: Coverage will be suspended effective the first of the month following the month permanent employment ends. The employee should be sent a COBRA notice and offered COBRA coverage.

Example: Permanent employment ends May 20 and temporary employment begins May 27. Coverage will be suspended June 1. If employee elects COBRA, it will be effective June 1.

Example: Permanent employment ends May 31 and temporary employment begins June 1. Coverage will be suspended June 1. If employee elects COBRA, it will be effective June 1.

Situation 4: Temporary employee covered on the health plan changes employment status to permanent employee within the same agency.

Outcome: Employee will be changed to permanent employee rate the first of the month following the final date of temporary employment. Employee should complete [Health Insurance Application or Change-SFN 60036](#) or submit application on MSS within 31 days of status change if the employee wants to change level of coverage. If using MSS, employee should use "Employment Status Change" for the change reason. Any coverage changes will be effective the same date as the permanent rate effective date.

If no application is received, the coverage currently in place will remain until a special enrollment opportunity or annual enrollment occurs.

If employee is transferring from one agency to another along with the employment status change, the new employer is responsible for premium effective the first of the month following employment (NDAC 71-03-04-01). Permanent rate only takes effect with the new employer's billing.

Example: Temporary employment ends May 20 and permanent employment begins May 27. Upon completion of application, permanent employee rate and updated coverage level will begin effective June 1.

Example: Temporary employment ends May 31 and permanent employment begins June 1. Upon completion of application, permanent employee rate and updated coverage level will begin effective June 1.

Situation 5: Temporary employee not covered on the health plan changes employment status to permanent employee.

Outcome: Employee should complete Health Insurance Application or Change-SFN 60036 or submit application on MSS within 31 days of status change. If using MSS, employee should use "Employment Status Change" for the change reason. If no application is received, the employee will not be able to enroll until a special enrollment opportunity or annual enrollment occurs.

Example: Temporary employment ends May 20 and permanent employment begins May 27. Upon completion of application, permanent employee coverage will begin effective June 1.

Example: Temporary employment ends May 31 and permanent employment begins June 1. Upon completion of application, permanent employee coverage will begin effective July 1.

FILING PROCEDURE: Original to NDPERS –Please make photocopy for your records.

**ACKNOWLEDGEMENT OF OR DECLINE OFFER OF HEALTH INSURANCE COVERAGE
SFN 60711**

The Health Insurance Portability and Accountability Act (HIPAA) (Federal Law) requires this form to be completed at the time of initial eligibility by all eligible employees (includes permanent and part-time, temporary or seasonal) if they elect not to enroll themselves or their eligible dependent(s) in the Group Health Insurance Plan.

This form should be used if the employee meets the definition of a “full-time” employee as defined by the Affordable Care Act (ACA). The definition of a “full-time” employee under the ACA is one who is reasonably expected to work at least 30 hours/week or 130 hours/month.

*State employees covered under NDPERS through their spouse or parent should complete this form to acknowledge that they are covered.

The employee must complete requested information and sign and date the form.

FILING PROCEDURE: Employer can either retain form in personnel files or send to NDPERS. If sending to NDPERS, please retain a photocopy for your records.

WAIVER OF INSURANCE COVERAGE
SFN 58819

The Health Insurance Portability and Accountability Act (HIPAA) (Federal Law) requires this form to be completed at the time of initial eligibility by all eligible employees (includes permanent and part-time, temporary or seasonal) if they elect not to enroll themselves or their eligible dependent(s) in the Group Health Insurance Plan.

This form should be used only if the employee does not meet the definition of a full-time employee under the Affordable Care Act (ACA).

The employee must complete all requested information and sign and date the form.

FILING PROCEDURE: Original to NDPERS – Please retain a photocopy for your records.

**NOTICE OF CHANGE-MEMBER DATA RECORD
SFN 10766**

For permanent employees who are employed with the State and Higher Ed and are on the PeopleSoft system, the name, address, marital status and phone number changes must be updated through PeopleSoft. NDPERS will receive the updated information through a daily file.

This form is to be completed for all other members to notify NDPERS of:

- Name change
- Address change
- Marital Status change
- Telephone Number change
- E-mail Address change
- Contact change

In lieu of completing the Notice of Change-Member Data Record SFN 10766, members may also update this information directly by logging into Member Self Service (MSS):

<https://www.ndpers.nd.gov/member-self-service-mss>. State and Higher Ed permanent employees will be directed to update PeopleSoft if logging into MSS.

Whenever the Notice of Change-Member Data Record-SFN 10766 is completed and sent to NDPERS, the accuracy of the information must be certified by the authorized agent or the member and the form must be dated. If someone other than the authorized agent or member signs the form, it will be returned for the proper signature.

For **FURTHER** instructions on completing the form, please refer to the back of the form.

1. Complete a marital status change whether there is a name change or not.
2. In cases of marital status change, the member must complete a new Designation of Beneficiary for the Group Retirement Plan-SFN 2560 and Life Insurance Designation of Beneficiary-SFN 53855.
3. Name changes should match the name the member has filed with Social Security.
4. The authorized agent or the member **must** sign Part F for this form to be valid.

FILING PROCEDURE: Original to NDPERS – Please retain a photocopy for your records.

MEMBER TRANSFERS

All instructions, terms and conditions are in the NDPERS Notice of Transfer Guide.

If the employee will begin employment with a new participating agency within 31 days from the date of employee's last regular paycheck with your agency, both the employee and the authorized agent must review a Notice of Transfer Guide and Forms.

Administrative Code Chapter 71-02-01-01(24): "Termination of employment" means a severance of employment by not being on the payroll of a covered employer for a minimum of one month. Approved leave of absence does not constitute termination of employment.

Often employees will terminate their position with an employer participating in NDPERS and take a job with another employer who is also participating in NDPERS.

- **When an employee transfers from one participating employer to another, the new employer is responsible for submitting the premium for the first of the month following the month of employment.**

If employee transfers employment from one participating employer to another participating employer without termination of employment, the former employer should provide termination notification to NDPERS just as any other employee who is leaving employment. New employer should provide notice of new hire just as any other new hire.

The Benefit Enrollment Specialists will transfer over the health enrollment from the former employer to the new employer if that same benefit is available under the new employer. No change in coverage or dependents will be allowed unless there is an IRS qualified change in status or a newly available health plan option (example: High Deductible Health Plan is an option for State and Higher Ed employees as an alternative to the Dakota PPO/Basic Plan; political subdivisions participating in the NDPERS health plan only have one option selected by the employer group).

With the new employment, the employee may be newly eligible for insurance benefits that were not available with the previous employer. New employer must offer these newly eligible benefits to the employee. Employee must make application within 31 days of new hire/transfer date if enrolling.

Employers are not required to complete the Notice of Transfer SFN 53706 as the employment updates should be provided to NDPERS similar to all other terminations and hires. The Notice of Transfer form is for the benefit of the new employer to review enrolled benefits with the former employer to determine what NDPERS benefits need to be offered to the employee as a New Hire.

Former and new employers must complete **Transfer of Unused Sick Leave Verification – SFN 53404** if it is known that the employee is transferring.

- **If the employee experiences an employment status change (temporary to permanent or vice versa) along with the transfer of employment, refer to [Employment Status Changes](#) section for details on premium effective dates.**

FILING PROCEDURE: Original to NDPERS – Please retain a photocopy for your records.

EMPLOYMENT UPDATES THROUGH EMPLOYER SELF SERVICE

Use to notify NDPERS of:

- Employee leave of absence/leave without pay
- Extending leave of absence/leave without pay
- Employee's return from leave of absence
- Employee's classification change within agency
- Employment type change
- Employee's reduction in hours/change from permanent to part time/temporary
- Employee's termination of employment

EMPLOYMENT STATUS CHANGES:

LEAVE OF ABSENCE

1. NDPERS must be notified whenever an employee is taking a leave without pay and the reason for the leave.
2. A leave of absence cannot exceed one year without being recertified. If an employee is taking an unpaid leave in excess of two years, the employee's membership in NDPERS should be terminated unless the leave is due to an interruption of covered employment due to military activation. However, since the employee has not separated employment with the employer, the employee is not entitled to a distribution of their retirement benefits.
3. NDPERS must be notified of a return from leave prior to the employer resuming retirement contributions for the employee.

Please refer to the [Leave of Absence Employer Guide](#) for guidance on a member's insurance options when going on a Leave of Absence (USERRA, FMLA, or any other type of leave of absence) or for seasonal employees.

EMPLOYMENT CHANGES

1. Job Class (This may affect their eligibility for benefits, as well as, how the employee is reported to NDPERS).
2. Employment Type (example: Temporary to Permanent)
3. Participation Status (example: Contributing to Non-Contributing)
4. Hourly or Seasonal Status

REDUCTION IN HOURS OR PERMANENT TO PART-TIME/TEMPORARY

If notifying NDPERS of an employee's change from permanent to temporary service, existing enrollment in the health plan would be suspended at the end of the month in which the permanent employment has ended. If employee meets eligibility as a temporary employee and elects to enroll, employee and employer should complete Health Insurance Application or Change-SFN 60036.

If employee meets eligibility as a part-time/temporary employee but does not want to enroll, employee should complete Agreement/Waiver of Participation for Optional Defined Benefit Retirement Plan-SFN 17627.

SEPARATION OF EMPLOYMENT

A NDPERS separation of employment guide and forms include all necessary information for the employee to review and complete.

The employer or employee may obtain the following guides and forms from the NDPERS website:

- Refund/Rollover Guide – member wants to refund or rollover entire account balance
- Deferred Retirement Guide – member wants to defer (leave intact) account
- Disability Retirement Guide – member wants to apply for disability retirement
- Retirement Guide – member wants to apply for retirement
- Transfer Guide – member is transferring from one PERS employer to another PERS employer within 31 days

It is recommended that employers only print the guides and forms from our website as they are needed to ensure they are providing the most current version to employees.

If an employee leaves after the effective date of insurance, but not been employed a full month, the coverage would still continue for the month following the month of termination.

NDPERS would like to remind employer's that participate in the group health plan of the Administrative Rules pertaining to final payment of the health insurance premium for terminating employees. Administrative Code section 71-03-04-01 pertaining to state agencies and section 71-03-07-01 pertaining to political subdivisions clarify that an employee's coverage must end the month following the month after termination of employment. This means the employer must remit premium payment for insurance coverage for the month following the month of termination in order to comply with this requirement. In addition, when an employee transfers from one participating employer to another, the new employer is responsible for submitting the premium for the first of the month following the month of employment transfer.

CONTINUATION OF GROUP INSURANCE COVERAGE (COBRA)
SFN 14120

FEDERAL COBRA LAW

The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) requires that employers provide employees and their dependents that lose their eligibility to participate in the Group Health Plan an opportunity to continue comparable coverage at their own expense.

1. **PERSONS AFFECTED:** The right to COBRA continuation coverage applies to all employees and must be offered to:
 - A. Employees who terminate either voluntarily or involuntarily. Termination as a result of gross misconduct may disqualify the employee to elect COBRA;
 - B. An employee's divorced or widowed spouse;
 - C. Spouses and dependent(s) losing coverage due to a terminated employee's eligibility for Medicare;
 - D. Dependents who lose eligibility.

Employees no longer eligible for participation in the Group Health Plan may be eligible for COBRA coverage for a period of up to 18 months. Dependents (including spouses) no longer eligible for participation in the Group Health Plan may be eligible for COBRA coverage for a period of up to 36 months (divorce, death, aging off the plan, etc.). NDPERS will send COBRA notice(s) to the employees and dependents as applicable.

Employees and/or eligible dependents may be eligible for extension on their COBRA due to disability, which can extend COBRA coverage for up to 29 months. Employees should contact NDPERS on how to request this extension.

1. **COVERAGE WILL NOT BE PROVIDED IF:**
 - A. The individual enrolls in another Group Health Plan or they (or any dependent) become eligible for Medicare while on COBRA continuation.
 - B. The premium is not paid in a timely manner;
 - C. The employer ceases to provide the Group Health Plan to any employees;
 - D. The (ex) spouse enrolls in another Group Health Plan (including a new spouse's Group Health Plan if they re-marry). (Ex) spouse must submit cancellation request in order to end COBRA coverage.
 - E. The dependent enrolls in another Group Health Plan (excluding CHAMPUS). Dependent must submit cancellation request in order to end COBRA coverage.

FILING PROCEDURE: Original to NDPERS – Please retain a photocopy for your records.