

# NCFLEX

STATE INSURANCE PLANS

NCFLEX.ORG

**Health Care Flexible Spending Account**  
**Dependent Day Care Flexible Spending Account**  
**Accident**  
**Cancer and Specified Disease**  
**Critical Illness**  
**Dental**  
**Vision**  
**Group Term Life**  
**Core Accidental Death and Dismemberment**  
**Voluntary Accidental Death and Dismemberment**  
**Voluntary Disability Plan**  
**TRICARE Supplement**

President James K. Polk Historic Site

NCFLEX STATE INSURANCE PLANS

## HBR Administration Manual

REVISED: March 2026

The NCFlex Program is administered by  
North Carolina Office of State Human Resources



## Table of Contents

---

	Page
<b>ABOUT NCFLEX .....</b>	<b>4</b>
<b>ABOUT THIS MANUAL.....</b>	<b>4</b>
<b>ELIGIBILITY .....</b>	<b>5</b>
Employee	5
Dependent(s)	5
Important Considerations	6
Disabled Dependent Child(ren)	7
New Hires	7
Rehires/Transfer	7
Newly Eligible for Benefits	8
9 or 10 Month Employees	8
<b>ENROLLMENT PROCEDURES .....</b>	<b>9</b>
Vendor Notification	10
Change of Name or Address	10
Changing a Beneficiary	10
Exception Process	10
<b>ENROLLMENT AND ELIGIBILITY CONTACTS .....</b>	<b>10</b>
Enrollment   Eligibility   Life Event Changes   Customer Service	9
Vendor Contact Listing—Contact Vendors for Benefits or Claims Questions	11
State of North Carolina Contacts	13
<b>LEAVE OF ABSENCE.....</b>	<b>14</b>
Paid Leave of Absence	14
Disability	14
Unpaid Leave of Absence	15
Payment Options for Unpaid Leave of Absence	15
Instructions for Paying Vendors while on Unpaid Leave of Absence	16
Return from Unpaid Leave of Absence	19
UNC System Unpaid Leave of Absence Guidelines	20
<b>COVERAGE TERMINATION.....</b>	<b>22</b>
Termination or Separation of Employment, Death and Other Losses of Eligibility	22
Death of Employee	22

Retirement	22
Coverage Continuation Options At Termination	23
<b>QUALIFYING LIFE EVENT (FAMILY STATUS CHANGE).....</b>	<b>25</b>
Set Election Rule	25
Notification Period	25
“Consistent With” Rule	25
Effective Date	26
QLE Noted Items	26
Qualifying Life Event Chart	26
Qualifying Life Events for Dependent Day Care FSA	31
<b>ANNUAL ENROLLMENT .....</b>	<b>32</b>
Employees on Unpaid Leave during Annual Enrollment	32
New Hires during Annual Enrollment and 4 <sup>th</sup> Quarter	32
Evidence of Insurability (EOI)	32
<b>HIPAA (HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996) PRIVACY ISSUES.....</b>	<b>33</b>
HIPAA Applies To:	33
HIPAA Does Not Apply To:	33
HBR Responsibilities	33
HIPAA Tips	34
Where to Send the HIPAA Privacy Authorization Form	34
<b>ADDITIONAL PLAN INFORMATION .....</b>	<b>35</b>
Flexible Spending Accounts (FSA)	35
Accident Plan	35
Cancer & Specified Disease Insurance	36
Critical Illness	37
Dental Plan	37
Vision Care Plan	38
Term Life	38
Core Accidental Death and Dismemberment	39
Voluntary Accidental Death and Dismemberment	39
TRICARE Supplement	40

## IMPORTANT

Individual Benefit Plan specifications and costs are described in more detail on the NCFlex website: [www.ncflex.org](http://www.ncflex.org).

## About NCFlex

---

On December 5, 1994, the North Carolina Governor signed Executive Order #66 creating the NCFlex Benefits Program under the North Carolina Office of State Human Resources. The first NCFlex offering of multiple plans was on January 1, 1996.

The NCFlex Benefits Program (“NCFlex” or “the program”) remains an established cafeteria plan under the Internal Revenue Code, Section 125. Under the NCFlex Benefits Program is an offering of insurance plans on a pre-tax basis that allows eligible employees to voluntarily purchase so that they may meet their needs and/or the needs of their families.

Effective January 1, 2025, the following plans are offered:

- Health Care Flexible Spending Account (HCFSA) – [P&A Group](#)
- Dependent Day Care Flexible Spending Account (DDCFSA) – [P&A Group](#)
- Accident - [Voya](#)
- Cancer and Specified Disease - [Allstate](#)
- Critical Illness - [Voya](#)
- Dental - [MetLife](#)
- Vision – [EyeMed](#)
- TRICARE Supplement (*for retired military*) – [Selman and Co.](#)
- Group Term Life\* – [Voya](#)
- Voluntary Accidental Death and Dismemberment (Vol AD&D)\* – [Voya](#)
- Core Accidental Death and Dismemberment (Core AD&D)\* – [Voya](#)
- Voluntary Disability Plan\* – [The Standard](#)

*\*University system employees are not eligible for these plans.*

## About this manual

---

This NCFlex Benefits Program – Health Benefits Representative Administration Manual (HBR Admin Manual) was created and is maintained by the NCFlex team of Benefits Consultants in the North Carolina Office of State Human Resources.

The purpose of this HBR Admin Manual is to provide ongoing assistance and support for HBRs and other Human Resource positions in the administration of the program.

This manual is a living document and updated as IRS regulations, State law, plans, and benefits change. For the most up-to-date copy please visit the Health Benefit Representative’s page on our website at [www.ncflex.org](http://www.ncflex.org).

## Eligibility

---

### Employee

An employee is eligible to participate in the NCFlex benefits if they are an employee of a state agency, University, participating community college, or participating charter school in a permanent, probationary, or time-limited position working 20 hour or more per week. For the NCFlex Voluntary Disability Plan, an employee must be in one of the above-mentioned positions working 30 or more hours per week, University employees are not eligible for this plan. As of January 1, 2023, the Group Term Life and AD&D (Voluntary and Core) plans are no longer offered to employees of the University System of NC.

To find a list of participating employers in the NCFlex benefits, visit [https://oshr.nc.gov/employers\\_with\\_ncflex](https://oshr.nc.gov/employers_with_ncflex).

Employees must also be actively at work or on a paid leave of absence to enroll or make changes to coverage under the NCFlex plans. Actively at work is defined as the employee being physically present at his or her customary place of employment with the intent and ability of working the scheduled hours and doing the normal duties of his or her job on that day.

For the NCFlex TRICARE Supplement plan, employees must meet the above eligibility criteria AND be a military retiree, qualified National Guard member, or a Reserve member, AND under age 65, AND enrolled in a TRICARE Health Insurance plan with the Department of Defense. Because the enrollment platform cannot restrict enrollment based on these criteria a Pre-Qualification Survey must be completed when enrolling in this plan. The survey is built into the enrollment platform, and every enrolling employee will be prompted and must answer YES or NO before moving on to enroll in the TRICARE Supplement plan. If an ineligible employee enrolls and it is discovered later, instead of waiting to make the change at the next annual enrollment period, the plan shall be dropped, and premiums may only be refunded up to 3 months retroactively and cannot cross plan years.

### Dependent(s)

Coverage for eligible dependent(s) is available for most NCFlex benefits (see the specific benefit section in the NCFlex Enrollment or Benefits Guide for details).

For most plans, eligible dependents are defined as the employee's:

- Legally married spouse.
- Any child, including natural, stepchild, foster child or adopted child, until the end of the month in which the child turns 26, including:
  - The employee's child who is dependent on him/her for support and maintenance. The child does not need to be claimed as a dependent on the employee's federal income tax return.
  - A child for whom the employee has legal obligation for purposes of adoption.
  - Any child, including natural, stepchild, foster child or adopted child, of any age who is unable to make a living because of a mental or physical handicap. \*

*\* Dependent child coverage may be extended beyond the 26th birthday under the following condition: The dependent is physically or mentally incapacitated to the extent that they are incapable of earning a living and such handicap developed or began to develop before the dependent's 26th birthday and if the dependent was continuously covered by the NCFlex plan for which the subscriber wants to continue coverage.*

For the Accident, Critical Illness, Group Term Life\*, and Voluntary AD&D\* plans, dependents also must meet the following requirements to be covered:

- The employee's unmarried child that is less than 26 years of age. This includes the employee's natural, stepchild, foster child, or adopted child who is dependent on the employee for support and maintenance. The child does not need to be claimed as a dependent on the employee's federal income tax return.
- The term "dependent" does not include:
  - A spouse or child living outside the United States

- A spouse or child eligible for Employee's Insurance under the Group Policy
- A spouse or child on active military duty
- A parent of the employee or their spouse

**\*University system employees are not eligible for these plans.**

For the Health Care Flexible Spending Account, the employee may submit eligible expenses for a qualifying relative, which includes:

- Any individual who is not the tax dependent of another taxpayer, has the same principal residence as the employee, and for whom the employee provided more than half of the support for the calendar year.

For the Dependent Day Care Flexible Spending Account, the employee may submit claims for reimbursement on a qualified dependent if:

- The employee's "qualifying child" (including a stepchild, foster child, child placed for adoption, or younger brother or sister) under age 13 who has the same principal residence as the employee for more than one-half of the year and does not provide more than one-half of his or her own support during the calendar year.
- The employee's qualifying child (as defined above) of any age, the employee's spouse, or other qualified dependent who receives over one-half of his or her support from the employee (e.g., a disabled elderly parent), who is physically or mentally incapable of caring for himself or herself and has the same principal place of residence as the employee for more than one-half of the year.
- To be reimbursed for day care received outside of the home, the disabled dependent must spend at least eight hours per day in the employee's home.
- NOTE: Special rules apply for divorced or separated parents with dependent children.

For the NCFlex TRICARE Supplement plan, dependents may be covered that meet the following requirements:

- Dependents must be enrolled in the Defense Enrollment Eligibility Reporting System (DEERS).
- Dependent children are eligible to be covered up to age 21 (age 23 if a full-time student), or age 26 if enrolled in the TRICARE Young Adult (TYA) program. The TYA program is not administered by the enrollment platform vendor or NCFlex.
- Disabled children may be covered after age 21 if enrolled in the plan prior to their 21st birthday.
- The enrollment platform will follow standard dependent child age rules and will not restrict enrollment. The vendor will confirm eligibility and notify the enrollment platform vendor of any ineligible dependents.

### **Important Considerations:**

- An employee must be enrolled in a plan for their eligible dependent(s) to participate.
- An employee cannot be covered as both an employee and a dependent Spouse or Child.
- Children cannot be enrolled under both parents who are participating in NCFlex.
- For the Voluntary AD&D and the Group Term Life plans, if a person is eligible to participate as an employee, they must choose to be covered as an employee, not as a dependent.
- Employees should consult with their tax advisor if they have questions as to whether someone qualifies as an income tax dependent.

### **Disabled Dependent Child(ren)**

Dependent children are automatically removed from NCFlex plans on the enrollment platform at the end of the month in which the child turns 26. The enrollment vendor sends out notification to the employee of this change.

If the child is disabled and the employee wishes to keep the child on their NCFlex plans, please submit an exception to NCFlex via the exception process. Provide supporting medical documentation and if necessary, NCFlex will contact the vendor for approval. As stated in the enrollment and benefits guides, for a disabled dependent to remain on an employee's plan, the dependent must have been on the plan prior to turning age 26.

Each vendor has a notification period requirement which is shown in the chart below.

NCFlex	Days to notify vendor prior to child aging out
Accident	31
Cancer	60
Critical Illness	31
Dental	31
Group Term Life*	31
Vision	N/A
Volunteer AD&D*	31
Disability*	This plan does not cover dependents.
TRICARE Supplement	Special rules apply for dependent children, see information on the previous page under TRICARE Supplement.

\*University system employees are not eligible for these plans.

## New Hires

New hires are employees who are newly hired into a benefits-eligible group. Employees must enroll within 30 days of their date of hire. The elected benefits will begin the first of the month following the employee's date of hire. For the Voluntary Disability plan, benefits will begin the first of the month after the employee enrolls in the plan, unless the employee enrolls in the plan on the first day of the month, the effective date is that day.

## Rehires/Transfer

When an employee transfers between an NCFlex participating state agency, university, community college, or charter school they are considered either a rehire or a transfer.

Employees will be classified into one of the two categories if there is a break in service:

- **Rehires** — An employee who is separated and rehired **more than 30 days** from their date of separation. This includes transfers or employees who separate from one Employing Unit and are hired by another Employing Unit **more than 30 days** from their date of separation. These employees are treated as new hires and benefits must be elected through the benefits enrollment platform. Benefit elections will be effective the first day of the month following their rehire date.
- **Transfers** — An employee who is separated and rehired **within 30 days** from their date of separation. These **employees MUST be re-enrolled with the same NCFlex coverage elections they had with the previous Employing Unit.**
  - o If the employee is transferring within the same platform (Benefitfocus to Benefitfocus or Emyrean to Emyrean), the receiving Health Benefits Representative (HBR) or University Benefits Administrator (UBA) may notify the enrollment platform vendor to enter the employee's elections, enter the employee's elections from the previous Employing Unit into the enrollment platform, or reach out to NCFlex ([ncflex@nc.gov](mailto:ncflex@nc.gov)) for assistance.
  - o If an employee is transferring between two different enrollment platforms (Benefitfocus to Emyrean or vice versa), please reach out to [ncflex@nc.gov](mailto:ncflex@nc.gov) for assistance in having the benefits transferred.
  - o Coverage is effective the first day of the month coinciding with or after the transfer date.
  - o If an employee's transfer is effective on the 1<sup>st</sup> of the month at the new employer, benefits will begin the 1<sup>st</sup> of that month.
  - o Transferred employees are not eligible to enroll in NCFlex benefits previously declined, unless the employee was enrolled in a state sponsored post-tax plan at their previous Employing Unit. If this is the case, the transferring employee may use the "Loss of Other

- Coverage” qualifying life event (QLE) to elect the same type of NCFLEX benefit plan(s), this would follow standard QLE effective date rules detailed further in this manual.
- o If an employee transfers from one employer to another and becomes eligible for benefits not previously offered, they are newly eligible for those benefits and can enroll. For instance, if an employee transfers from a university to a non-university employer, they become newly eligible for the Group Term Life, AD&D, and Disability plans through NCFlex.
  - o There should be no gap in benefits. If based on the date of separation from one employing unit and hire date with another employing unit, there would normally be a gap, but if the period is within 30 days Benefitfocus should bridge the gap. The receiving employing unit is responsible for deducting premiums for the gap.
    - **Example:** An employee leaves one employing unit on July 23<sup>rd</sup> causing a benefits termination of July 31<sup>st</sup>. This same employee begins with the next employing unit on August 5<sup>th</sup> causing benefits on the enrollment platform to begin September 1<sup>st</sup>. In this case, the enrollment platform vendor will bridge the one-month gap directly with the vendors, making the benefit effective August 1<sup>st</sup> with the receiving employing unit. The new employing unit should then deduct August’s premiums, and all months of applicable coverage going forward, from the employee’s payroll.

### Newly Eligible for Benefits

Employees who previously worked in a permanent position less than 20 hours per week and begin working 20 hours or more per week in a permanent position become newly eligible for NCFlex Benefits. These employees will have 30 days from the effective date of the change to complete their benefit elections, which will be effective the first of the month following the date of hours change. For the Voluntary Disability plan, this scenario would be for an employee going from under 30 hours to over 30 hours.

This event requires the HBR/UBA to submit an exception to NCFlex for the employee to be enrolled in their benefits elections. The “newly eligible” change reason on the enrollment platform is no longer active for HBR use.

### Nine (9) or Ten (10) Month Employees

For nine- or ten-month employees, the Employing Unit payroll department should ensure that per pay period deductions are calculated to cover the premiums due for the entire plan year, so that the employee pays for a total of 12-month premiums over the nine or ten-month period they are actively at work. If the Employing Unit fails to adjust deductions for the nine or ten-month employee, the employee will continue to owe premiums for the period they are not working. In this case, the HBR/UBA is responsible for collecting any missed premiums during the period they are not working and communicating to the vendor the months the premiums submitted cover.

## Enrollment Procedures

NCFlex benefits enrollments are processed through a benefits enrollment platform. Benefitfocus (eBenefits) is the enrollment platform for non-university employees and UNC Empyrean (COMPASS) is the enrollment platform for NCFlex benefits for university employees. Employee enrollment eligibility or status change information is based on data passed from Employing Unit HRIS (payroll) to the platform or data hand keyed in the platform by the HBR.

Enrollment is open to employees who meet the eligibility requirements during Annual Enrollment and other event enrollment windows during the year, such as New Hire, Rehire, and Qualifying Life Events (QLE). Refer to the information in this section and QLE section of this document for details on the allowable changes for each event.

When employees have an enrollment opportunity, they have two options:

- 1) **Web:** Employees enroll, make enrollment changes, and view other enrollment tools and resources online through the benefits enrollment platform.
- 2) **Telephonic:** Employees can call the Eligibility and Enrollment Call Center or (*universities only*) the Empyrean University Benefits Service Center and have a Customer Service Representative (CSR) walk them through the enrollment process and complete the enrollment on their behalf over the phone in the enrollment platform. If a CSR completes enrollment on behalf of the member, the member is given a case number associated with the enrollment call and a postal confirmation will be generated and mailed, regardless of the member's notification delivery preference.

Benefitfocus (eBenefits)
<b>Eligibility and Enrollment Call Center</b> Monday through Friday 8:00 a.m. to 5:00 p.m. EST 855-859-0966

UNC Empyrean (COMPASS)
<b>Empyrean University Benefits Service Center</b> Monday through Friday 8:00 a.m. to 5:00 p.m. EST 833-862-1490

### Benefits Effective Date

NCFlex	Effective Date		
Coverage	New Hires	Terminations	Changes*
All Benefits	30 days to elect. Effective first of the month following the date of hire. **	Coverage is lost at the end of the month of termination or loss of eligibility, or retro back to the end of the last period that premium was payroll deducted.	30 days to elect. Effective first of the month following the date of the life event. **

**Important:** Termination of coverage may occur earlier if the employee's payroll deductions are not adequate to cover the NCFlex benefit costs. For employees leaving before the end of the month and receive a partial paycheck, the Employing Unit Human Resources and Employing Unit Payroll Department make the determination what benefits come out of the last check. Regardless of any additional payments the employee may receive from the Employing Unit, the termination date of coverage cannot extend past the end of the month in which the employee was terminated.

\* For birth, adoption or placement for adoption, the effective date is date of the event. For FSA, if a change is requested towards the end of the plan year, the Employing Unit Human Resources and Employing Unit payroll processing rules and deadlines will determine which month and plan year the change will take effect.

\*\* Voluntary Disability plan: for new hires, the effective date is the first of the month following their enrollment (if an employee enrolls in the plan on the first day of the month, the effective date will be that day). For life events, the effective date is the first of the month following their enrollment (if an employee enrolls in the plan on the first day of the month, the effective date will be that day), unless the employee has returned from leave of absence within 90 days, then it is effective the first of the month following their leave of absence (retro premiums should be collected).

#### NOTE

If Evidence of Insurability (EOI) is required, it must be processed and approved by the benefit vendor before the coverage takes effect. EOI is defined as documentation of good
--

health to be approved for insurance coverage. If the coverage is approved, the employee will receive a letter from the benefit vendor with the effective date of coverage and the benefit vendor will notify the enrollment vendor to update the coverage.

### **Vendor Notification**

The vendors are notified of terminations or changes in status due to reduction in hours, loss of eligibility, termination, or death, through weekly electronic files from the enrollment platform. The enrollment platform will automatically terminate dependents reaching age 26 at the end of the month of their 26<sup>th</sup> birthday. The enrollment platform will report COBRA qualifying events to applicable vendors on outbound data files, so COBRA notifications can be mailed.

### **Change of Name or Address**

Employees must make name and address changes through their HRIS system or in the enrollment platform for hand keyed Employing Units.

### **Changing a Beneficiary**

To change the Cancer, Critical Illness, Core and Voluntary AD&D, and/or Term Life primary or contingent beneficiary designation, the employee completes the information through the applicable enrollment platform. Beneficiaries may be changed at any time during the year.

### **Exception Process**

Requests to change elections to the NCFlex Plans due to an administrative error, missed QLE, or enrollment or system error, must be submitted by the HBR/UBA on the Exception Request Form located on the [www.ncflex.org](http://www.ncflex.org) website. Provide as much information and detail as possible (complete the online form in full) about the reason for the exception, including dates, benefits affected, if the benefits have been utilized and the intended outcome, incomplete information will delay review. Please do not include any information that is protected under HIPAA.

Once submitted, NCFlex will review the exceptions, which are considered on a case-by-case basis, including the reason for the request, if the request is submitted within a reasonable amount of time and whether it will conflict with the rules of the program. If an exception is granted, any and all retro payments will be required to re-instate or start a plan.

### **Premium Deductions**

Premium deductions for NCFlex premiums are taken from a participant's payroll in the month the coverage is for. For instance, premiums taken out in March pay for March coverage.

# Enrollment and Eligibility Contacts

## Enrollment | Eligibility | Life Event Changes | Customer Service

Enrollment questions should be directed to the Employing Unit's dedicated benefits enrollment platform Account Manager. Benefits and claims questions should be directed to the appropriate NCFlex benefit vendor.

### Vendor Contact Listing—Contact Vendors for Benefits or Claims Questions

NCFlex Plan	Vendor Contact for HBR	Secondary Contact	Claims Customer Service
FSA	Cindy Brooks 919.414.5387 <a href="mailto:brooksc@padmin.com">brooksc@padmin.com</a>	Steve Brostko 800.688.2611 ex 5411 716.362.5411 <a href="mailto:brostkos@padmin.com">brostkos@padmin.com</a>	866.916.3475 M – F: 8 a.m. to 10 p.m. ET  <b>WEBSITE</b> <a href="http://ncflex.padmin.com">ncflex.padmin.com</a>
Accident, Critical Illness, Group Term Life*, and Accidental Death & Dismemberment*	Rachel Kissinger 877.464.5111 Fax: 530.223.7712 <a href="mailto:ncflex@lifehelp.com">ncflex@lifehelp.com</a>		877.464.5111 Fax: 530.223.7712 M – F: 9 a.m. to 6 p.m.  <a href="mailto:ncflex@lifehelp.com">ncflex@lifehelp.com</a>
Cancer	Madeline Osterman and Tiffany Dance <a href="mailto:NCFlex@Allstate.com">NCFlex@Allstate.com</a> 904.992.5979, 904.992.3513, 904.992.2844		Customer Care Center 866.232.1517 M – F: 8 a.m. to 8 p.m. ET  <b>WEBSITE (Allstate)</b> <a href="http://www.allstatebenefits.com">www.allstatebenefits.com</a> <a href="http://www.allstatebenefits.com/mybenefits">www.allstatebenefits.com/mybenefits</a>
Dental	Jackie Martis Client Services Consultant 919.995.1360 <a href="mailto:ncflex@metlife.com">ncflex@metlife.com</a> (Mary and her team have access to this e-mail)	Contact for billing & reconciliation: Kim Moore Sr. Financial Consultant 770.407.2445 <a href="mailto:kmoore2@metlife.com">kmoore2@metlife.com</a>	Customer Service for Members: 855.676.9441 8:00 am – 11:00 am ET  Claims Address: MetLife Dental Claims PO Box 981282 El Paso, TX 79998-1282 Fax: 1.859.389.6505  <b>WEBSITE (MetLife)</b> <a href="http://www.metlife.com/mybenefits">www.metlife.com/mybenefits</a>



*Do not give vendor contact information listed in this manual to employees. This is only for HBR use. Employees should direct their questions to the customer service numbers found in the enrollment materials, on applicable ID cards or on the website, [www.ncflex.org](http://www.ncflex.org)*

*\*University system employees are not eligible for these plans.*

NCFlex Plan	Vendor Contact for HBR	Secondary Contact	Claims Customer Service
Vision	Joani Fontaine Strategic Account Executive 513.535.2943 <a href="mailto:jfontain@eyemed.com">jfontain@eyemed.com</a>	Persina Conner Account Coordinator <a href="mailto:pconner@eyemed.com">pconner@eyemed.com</a>  Billing questions, urgent member adds/updates, enrollment reports	Customer Service for Members: 866.248.1939 M-Sat 7:30am – 11pm (ET) Sunday 11am – 8pm (ET)  Claims Address: 4000 Luxottica Place Mason, OH 45040  <b>WEBSITE</b> for employees to register and/or find providers <a href="http://www.eyemedvisioncare.com/ncflex">www.eyemedvisioncare.com/ncflex</a>
Disability*	Mark Trovato 971.321.4985 <a href="mailto:ncflex@standard.com">ncflex@standard.com</a>	Billing contact: Shanitra Sims 971.321.0345 <a href="mailto:shanitra.sims@standard.com">shanitra.sims@standard.com</a>	Phone: 833.878.8858 Fax: 800.378.6053 <a href="mailto:ncflex@standard.com">ncflex@standard.com</a>  Claims Address: P.O. Box 2800 Portland, OR 97208
TRICARE Supplement	Twanna Tilghman Client Relations Specialist Phone: 800.638.2610 ext. 246 <a href="mailto:ttilghman@selmanco.com">ttilghman@selmanco.com</a>	Yolonda Roulette Client Manager Phone: 440.527.6265 <a href="mailto:yroulette@selmanco.com">yroulette@selmanco.com</a>	Customer Service Call Center 800.638.2610 option 1  Claims Address P.O. Box 21611 Eagan, MD 55121  M – F: 9 a.m. to 7 p.m.  <b>WEBSITE</b> (Selman) <a href="http://www.selmantricareresource.com">www.selmantricareresource.com</a>



*Do not give vendor contact information listed in this manual to employees. This is only for HBR use. Employees should direct their questions to the customer service numbers found in the enrollment materials, on applicable ID cards or on the website, [www.ncflex.org](http://www.ncflex.org)*

**\*University system employees are not eligible for these plans.**

## State of North Carolina Contacts

### **NCFlex State Insurance Plan**

Office of State Human Resources  
1331 Mail Service Center  
Raleigh, NC 27699-1331

Courier 51-01-03

OSHR Main # 984.236.0800

Email: [ncflex@nc.gov](mailto:ncflex@nc.gov)

### **MAIN CONTACTS**

Linda Forsberg (Benefits Manager)  
984.236.0830  
[linda.forsberg@nc.gov](mailto:linda.forsberg@nc.gov)

Dianne Griffiths (Admin Specialist)  
984.236.0831  
[dianne.griffiths@nc.gov](mailto:dianne.griffiths@nc.gov)

Cindy McNeil (Benefits Consultant)  
984.236.0835  
[cindy.mcneil@nc.gov](mailto:cindy.mcneil@nc.gov)

Amy Tyndall (Benefits Consultant)  
984.236.0886  
[amy.tyndall@nc.gov](mailto:amy.tyndall@nc.gov)

### **Office of State Controller**

Employer FICA &  
FSA Flex Spending account premiums

**Primary OSC contact:** Dawn Staley

[oscncflex@osc.nc.gov](mailto:oscncflex@osc.nc.gov)

1410 Mail Service Center

Raleigh, NC 27699-1410

Courier 56-50-10

Phone Number: 919.707.0614

**Secondary OSC contact:** Alisha Moore

[oscncflex@osc.nc.gov](mailto:oscncflex@osc.nc.gov)

919.707.0668

### **UNC University System Contacts**

Ronnan D. Collins (University Benefits  
Officer)

919.843.5186

[rdcollins@northcarolina.edu](mailto:rdcollins@northcarolina.edu)



*Do not give vendor contact information listed in this manual to employees. This is only for HBR use. Employees should direct their questions to the customer service numbers found in the enrollment materials, on applicable ID cards or on the website, [www.ncflex.org](http://www.ncflex.org).*

## Leave of Absence

*\*UNC Institutions and Affiliates: Skip to the University System Leave of Absence Guidelines at the end of this section.*

**NOTE:** The Employing Unit determines the paid or unpaid leave status of their employees.

### Paid Leave of Absence

Some Employing Units do not distinguish employees on Paid Leave of Absence from active employees. Therefore, the enrollment platform does not restrict enrollment and/or changes to coverage under the Actively at Work provision. The Employing Units and/or carrier will administer actively at work provisions for paid leave.

### Disability

#### Short-Term Disability as a participant of Teachers' and State Employees' Retirement System and Optional Retirement System

NCFlex benefit premiums may be deducted from short-term disability pay, depending on the policy of the Employing Units payroll center. Otherwise, employees should pay premiums as they would on any other LOA.

#### Extended Short-Term Disability or Long-Term Disability as a participant in the Teachers' and State Employees' Retirement System and Optional Retirement System

When short-term disability benefits end after 12 months and extended short-term disability benefits or long-term benefits begin, all NCFlex benefits should be terminated in the applicable enrollment platform(s). These terminated employees will either have continuation of coverage options through COBRA, conversion, or portability rights for the NCFlex benefits which were in force during the short-term disability period, provided the premium(s) was paid during the short-term disability period through the date of the termination of benefit coverage.

#### Waiver of Premium

Cancer, Critical Illness, Term Life, Voluntary AD&D, and Voluntary Disability offer a waiver of premium due to disability provided the employee satisfies certain conditions. Please have the employee review online information and contact the vendor for more information and applicable forms. Time limits may apply, best practice is to remind employees to apply as soon as they go out on a leave of absence.

Waiver of Premium		
Plan Type	Waiting period	Allowed time to make application
Flexible Spending Accounts/ Accident/ Dental/ Vision/ Core AD&D/ TRICARE Supplement	N/A	N/A
Cancer	90 days – waiver of premium applies to benefits after this period	Allstate would prefer as close to the 90-day mark as possible but will consider applications submitted after this period has passed
Critical Illness	No	Application must be filed within 1 year from the date total disability begins. Total disability must begin before employee's 60 <sup>th</sup> birthday

Term Life*	No	Application must be filed within 1 year from the date total disability begins. Total disability must begin before employee's 60 <sup>th</sup> birthday
Voluntary AD&D*	No	Application must be filed within 1 year from the date total disability begins. Total disability must begin before employee's 60 <sup>th</sup> birthday
Voluntary Disability*	Only applies to LTD – No waiting period once approved for LTD.	Should be automatic if approved for LTD.

\*University system employees are not eligible for these plans.

### Unpaid Leave of Absence

NCFlex coverage is terminated when an Employing Unit reports an employee on an unpaid leave of absence within the enrollment platform. Coverage is terminated at the end of the month in which the unpaid leave of absence was effective. Employees may contact the vendor's customer service to continue coverage while on an unpaid leave and arrange to make premium payments directly to the vendor. Exception: Federal Services Military Leave results in a termination of coverage. COBRA is offered if applicable.

Employees must decide whether or not to continue their benefits during the leave period. The HBR should review with the employee benefit options they will have available to them while out on leave of absence. An employee may decide to stop coverage during an unpaid leave of absence and cannot use the benefits if they decide to stop their coverage. To avoid misunderstandings, HBRs should provide employees with a letter explaining their benefit options while on leave. If you need an example of a letter that could be provided, reach out to the NCFlex team at [ncflex@nc.gov](mailto:ncflex@nc.gov).

Employees who take an unpaid personal leave covered under the Family Medical Leave (FML) or Military Leave (not Federal active duty)\* will be allowed to continue eligible benefits and pay premiums directly as described in Payment Options and Payment Instructions below.

\*Military Leave: After 30 days of Federal active duty, NCFlex plans should be termed in the enrollment platform with reason "Military Leave". Refer to the "Military Leave Policy" on the [oshr.nc.gov](http://oshr.nc.gov) for more information.

### Payment Options for Unpaid Leave of Absence

All payments must be accompanied by identifying information as to what the payment is for and personal contact information in the event the vendor must contact the individual.

#### Prepay

An employee may arrange with their HBR or benefits department to pay for NCFlex benefits before the unpaid leave begins. Payments would be made directly to the vendor (FSA payments are sent to the Office of State Controller) \*. Contributions are paid on an **after-tax** basis by personal check or money order payable to the vendor.

#### Pay-as-you-go

An employee may decide to pay for NCFlex benefits during the unpaid leave by sending in their contributions monthly directly to the vendor (FSA payments are sent to the Office of State Controller)\*. Contributions are paid on an **after-tax** basis by personal check or money order. Payments must be received **no** later than the end of each coverage month, or coverage will be terminated.

It is the responsibility of the employee to make timely monthly payments to avoid termination of coverage.  
 \*See instructions in the chart below.

### Instructions for Paying Vendors while on Unpaid Leave of Absence

**Important:** Please ask the employee to include their contact information with each payment as vendors may need to contact them with questions. Please reference chart below for more information on the length of time benefits can be continued under the group plan while on leave of absence.

NCFlex Benefits	Remit To:		Additional details by benefit
Flexible Spending Accounts (Health Care and Dependent Day Care)	<p>Office of State Controller-NCFlex            1410 Mail Service Center            Raleigh, NC 27699-1410            (Inter-Office Courier #56-50-10)</p> <p>Phone Number: 919-981-5406            Email Address:</p> <p>Note: N.C. Office of State Controller (OSC) will notify P&amp;A Group when contributions are received by check</p>		<p>Make check payable to:  <b>State of North Carolina</b></p> <p>Employees on unpaid leave can only continue their FSA contributions until the end of the current plan year. Employees are encouraged to continue their Health Care Flexible Spending Account contributions during the leave period if they are expecting to incur eligible expenses. If they do not make contributions during the leave period, any expenses incurred during the leave cannot be reimbursed. For the Dependent Day Care Flexible Spending Account, expenses incurred during either a paid or unpaid leave period cannot be reimbursed under this plan.</p>
Accident, Critical Illness, Group Term Life*, Voluntary AD&D*	<p>LifeHelp            Attention: NCFlex            2990 Innsbruck Dr            Redding, CA 96003</p> <p>Phone Number: 877-464-5111            Fax Number: 530.223.7712            Email Address: NCFlex@lifehelp.com</p>		<p>Make check payable to:  <b>ReliaStar</b></p> <p>For details on how long after a leave of absence begins that an employee can continue their coverage, see chart below. Core AD&amp;D coverage is terminated while on unpaid leave. Employees can re-enroll within 30 days of reinstating from leave. Critical Illness, AD&amp;D and Term Life are eligible for disability waiver of premium, see Disability section in this manual.</p>

\*University system employees are not eligible for these plans.

NCFlex Benefits	Remit To:		Additional details by benefit
Cancer	Allstate Benefits PO Box 4331 Carol Stream, IL 60197-4331	Make check payable to: <b>Allstate Benefits</b> Include certificate/policy number on your payment	Employees can continue coverage provided they pay premiums as required. If the employee is not back to work within the required time frame and has not qualified for waiver of premium under the policy, the coverage automatically terminates, and they will have to satisfy EOI to restart the coverage. Coverage can continue through portability provision. Employees returning to work from active-duty military leave within 26 months, pre-existing condition limitations and waiting periods will not be imposed, except for cancer incurred or aggravated during active-duty military service.
Dental Plan	Interactive Medical Systems PO Box 1349 Wake Forest, NC 27588  Phone Number: 800-426-8739 x 5054	Make check payable to: <b>Interactive Medical Systems</b>	
Vision Plan	If vision benefits are termed in the enrollment platform due to LOA, no premiums are due to the vendor until the employee reinstates. Benefit coverage continues during this time. Otherwise, premiums should be remitted as if the employee was active.		This is a manual process for non-university employees. If your employee contacts you that they do not have vision benefits while on LOA or they are a university employee, email <a href="mailto:ncflex@nc.gov">ncflex@nc.gov</a> to help have the benefit reinstated.
Disability Plan*	This plan cannot be continued unless the employee has been approved to receive or is receiving a benefit from the plan. If EE is approved and receives LTD benefits, premiums are waived at that time.	N/A	If EE is out less than 90 days, when reinstated, benefits are reinstated retro back and retro premiums should be taken from payroll. If EE is out more than 90 days, there is a gap in coverage. As long as EE re-enrolls within 30-day window, in either scenario, no EOI is required to reinstate coverage.
TRICARE Supplement	Selman & Company Attention: TRICARE Premium Billing 6110 Parkland Blvd. Cleveland, OH 44124  Phone Number: 800.638.2610 option 1	Make check payable to: <b>Selman &amp; Company</b>	

\*University system employees are not eligible for these plans.

## Continuation Periods of Coverage While on Leave of Absence

Some plans have important rules around how long an employee can continue under the NCFlex group plan when they are on leave (paid OR unpaid). Please refer to the chart below for a brief description of these rules. The certificate of coverage contains additional information.

Plan type	How long can employee stay under group plan once actual LOA (paid or unpaid) begins	Type of continuation after moving out of group plan	Process to move out of group plan
Accident	<p>Medical LOA – Continuation for up to 12 months from last day actively at work.</p> <p>Non-Medical LOA – Continuation for up to 1 month from last day actively at work.</p>	<p>Portability must be elected prior to age 70; Portability must be applied for, and first premium paid within 31 days of the coverage terminating (Medical LOA – after the 12-month continuation period; Non-Medical – before the end of the 1-month continuation period)</p>	<p>Employees must reach out to LifeHelp to receive a portability package; HBRs should make sure the plan is canceled/termed in the benefits platform 1. Timely and 2. At the end of the applicable continuation period in the benefits platform.</p>
Cancer	<p>If deductions are being submitted via the employer payroll center to the vendor, employees can keep their group coverage. Policies will only need to be ported once an employee's benefits are cancelled on the enrollment platform due to unpaid leave of absence.</p>	<p>Portability</p>	<p>Allstate will send a portability letter to an employee once they are notified of their benefits being termed.</p>
Critical Illness	<p>Employees may continue the plan for a time due to their LOA – For Employee's own Medical LOA – Continuation for up to 12 months from last day actively at work.</p> <p><b>All other</b> Non-Medical LOA – Continuation for up to 1 month from last day actively at work.</p>	<p>Portability prior to age 70; Portability must be applied for and first premium paid within 31 days of the coverage terminating (Medical LOA – after the 12-month continuation period; Non-Medical – before the end of the 1-month continuation period)</p>	<p>Employees must reach out to LifeHelp to receive a <b>continuation</b> package; HBR's should make sure the plan is canceled/termed in the benefits platform 1. Timely and 2. At the end of the applicable continuation period in the benefits platform.</p>
Dental	<p>Employees may continue the Dental plans for up to 24 months (26 months for active-duty military leave) under the group plan provided premiums are paid directly to the vendor. If payments are received beyond 24 months, the dental plan will return payment 25 (27 if actively duty military) and send COBRA notification to the employee to extend coverage.</p>	<p>COBRA – length of time depends on situation – see COBRA chart at the back of the NCFlex Benefits Guide. Usually, it is 18 months but can continue up to 36 months.</p>	<p>The COBRA vendor will send an offer to the employee once they are notified of a COBRA qualifying event such as termination from employment.</p>

Plan type	How long can employee stay under group plan once actual LOA (paid or unpaid) begins	Type of continuation after moving out of group plan	Process to move out of group plan
Vision	Employees may continue the Vision Care plans for up to 24 months (26 months for active-duty military leave) under the group plan.	COBRA – length of time depends on situation – see COBRA chart at the back of the NCFlex Benefits Guide. Usually, it is 18 months but can continue up to 36 months.	The COBRA vendor will send an offer to the employee once they are notified of a COBRA qualifying event such as termination from employment.
Term Life*	Employees may continue the Term Life plans for a time due to their LOA – For Employee's own Medical LOA – Continuation for up to 12 months from last day actively at work. All other Non-Medical LOA – Continuation for up to 1 month from last day actively at work.	Portability or Conversion prior to age 70 and conversion only age 70 and after. Either must be applied for and first premium paid within 31 days of your coverage terminating (Medical LOA – after the 12-month continuation period; Non-Medical – before the end of the 1-month continuation period)	Employees must reach out to LifeHelp to receive a continuation package; HBRs should make sure the plan is canceled/termed in the benefits platform 1. Timely and 2. At the end of the applicable continuation period in the benefits platform.
Voluntary AD&D*	Employees may continue the plan for a time due to their LOA – For Employee's own Medical LOA – Continuation for up to 12 months from last day actively at work. All other Non-Medical LOA – Continuation for up to 1 month from last day actively at work.	Portability must be applied for and first premium paid within 31 days of the coverage terminating (Medical LOA – after the 12-month continuation period; Non-Medical – before the end of the 1-month continuation period)	Employees must reach out to LifeHelp to receive a continuation package; HBR's should make sure the plan is canceled/termed in the benefits platform 1. Timely and 2. At the end of the applicable continuation period in the benefits platform.

\*University system employees are not eligible for these plans.

## Return from Unpaid Leave of Absence

(For all NCFlex plans EXCEPT for the Health Care Flexible Spending Account)

Upon return to work from an unpaid Leave of Absence, employees may choose to re-enroll or to not re-enroll in any plans they were enrolled in prior to the leave. Employees must choose the same coverage option and dependent level in place prior to the unpaid Leave of Absence unless there was a status change or if a new plan year has begun. Employees must complete their enrollment within 30 days of returning to work otherwise they will have to wait until the next annual enrollment to participate and waiting periods, pre-existing conditions, and EOI may apply. Re-enrollment through the enrollment platform is required to continue benefits even if the employee has been making premium payments directly to vendors. **Additional rules apply to Health Care FSA and Group Term Life Plans, which can be found on the next page.**

### NOTE

HBR must manually update employment status for hand keyed Employing Units.

## Health Care Flexible Spending Account Election (HCFSA)

Upon returning from unpaid leave, employees **must** re-enroll in the HCFSA if within the same plan year.

- If HCFSA coverage continues during the LOA by the employee making post-tax contributions, they must re-enroll for the same annual election that was in place prior to the unpaid leave or request a change based on a QLE.
- If HCFSA coverage was terminated during the LOA, the employee has two options:
  - Prorate: Resume coverage at the same monthly election, which results in a reduced annual maximum. If this option is chosen, HBR should reach out to NCFlex ([ncflex@nc.gov](mailto:ncflex@nc.gov)) or P&A (Cindy Brooks) to make sure the employee has not requested reimbursements beyond the new annual contribution.
  - Reinstated: Reinstated coverage at the original annual election which will adjust an employee's monthly contributions. For BEACON locations, this is the automated option.

**Example:** Employee elects \$1,200 annual HCFSA and contributes \$100 per month. On April 1<sup>st</sup>, the employee goes out on a three-month LOA and does not continue HCFSA coverage. Upon return, the employee can choose:

- Prorate: Employee updates annual contribution to reflect a new amount of \$900 (\$1,200 minus \$300 in missed contributions) and monthly contributions remain at \$100.
- Reinstated: Employee reinstates annual contribution of \$1,200 with \$150 monthly contributions (\$100 original contribution plus \$50 to account for \$300 in missed contributions (\$300 divided by the six remaining months (July – December) equals \$50).

## Group Term Life\*

Upon returning from an unpaid LOA:

- For coverage continued under FMLA (12 weeks), the continuation provision (own sickness/injury up to 12 months), or for coverage ported – AND – they continued to pay premiums; they must elect what they had prior to and during the LOA.
  - No EOI will be required for employee coverage up to 200k and/or spouse coverage up to 50k.
  - EOI is required for employee coverage amounts over 200k and/or spouse coverage amounts over 50k.
- For coverage NOT continued under FMLA, the continuation provision, or ported – AND – the LOA is more than 31 days – AND – premiums are NOT paid while on an LOA; they are treated as a new hire when they return. New Hire GI amounts apply:
  - No EOI will be required for employee coverage up to 200k and/or spouse coverage up to 50k.
  - EOI is required for employee coverage amounts over 200k and/or spouse coverage amounts over 50k.
- For coverage NOT continued under FMLA, the continuation provision, or ported – AND – the LOA is less than 31 days – AND – premiums are NOT paid while out; they must elect what they had prior to the LOA. No EOI is required on any amounts.

\*University system employees are not eligible for these plans.

## UNC System Leave of Absence Guidelines

Benefits continuation during periods of unpaid and partial paid leaves of absence is managed in accordance with the NCFlex plan rules, vendor benefits continuation rules, the UNC System Leave of Absence Guidelines, and the UNC (Empyrean) enrollment platform.

Each institution is responsible for tracking the continuation of benefits and premium collection for approved unpaid or partial paid leave of absence which include Family Medical and Military Leaves, Workers' Compensation, and other approved leaves administered by the Office of State Human Resources and the UNC System.

University Benefits Administrators (UBA) must provide a letter to employees detailing the employee's benefits continuation options, premium payment due date, instructions on how to change their benefits, and what occurs when benefits are canceled due to non-payment. A sample template letter can be found in the UNC System Guidelines for Managing LOA.

UBAs must also address re-enrollment rules, applicable waiting periods, statement of health requirements for voluntary coverage cancellations, or benefits cancellations due to non-payment. Managing leave of absence events occurs in the UNC (Empyrean) benefits enrollment platform. Refer to the UBA Managing Event Guide for instructions to process Leave of Absence Events.

### NOTE

The University Guidelines for Managing LOA and other resources to assist with managing unpaid leave of absence and vendor payments are available on the UNC System Benefits Network Intranet site.

### Benefits Continuation, Cancellation, and Reinstatement

- The timeframe for employees to continue most benefits is limited while on Leave of Absence. UBAs must track when benefits should end and process the appropriate EVENT status within Empyrean. Refer to pages 18 and 19 of this guide for additional information concerning benefits continuation timeframes.
- Benefits not continued or ineligible for continuation should be canceled per the NCFlex plan rules for an unpaid leave of absence outlined in this guide. The EVENT must be consistent with the benefit enrollment change or cancellation and align with plan rules.
- When the employee returns to work, benefits may be reinstated according to NCFlex plan rules addressed on page 19.

### NOTE

**TIMING MATTERS:** It is important to cancel coverage for nonpayment or reinstate coverage upon the return to work within the allowed 30-day window to avoid eligibility and enrollment errors or premium discrepancies.

### Payment Options and Premium Collection

- The preferred option to collect benefit premiums is on a pay-as-you-go basis (see pg.15).
- Leave of absence payment options are determined by the individual institution's Benefits Office leave desk procedures, what is administratively feasible for the institution's payroll cycles, and the employee's period of leave.

## Coverage Termination

### Termination or Separation of Employment, Death, and Other Losses of Eligibility

An employee will lose eligibility to participate in NCFlex if the employee no longer satisfies the eligibility requirements of being a state agency, university, participating community college or participating charter school employee working 20 or more hours per week\* in a permanent, probationary, or time-limited position. For example, if an employee reduces their regularly scheduled work hours from 40 to 15 hours per week, eligibility under NCFlex will terminate. Another example would be an employee moving from a non-university to a university and losing eligibility for the NCFlex Term Life, AD&D, and/or Disability plans.

\*For the Voluntary Disability plan, eligibility requirements include employees working 30 or more hours per week and University employees are not eligible for this plan.

#### Termination Date

Coverage will end on the last day of the month an employee separates or loses eligibility, or retro to the end of the last period that premium was payroll deducted. See the Enrollment Procedures section for more information.

#### Notification Procedures

The vendors are notified of the loss of eligibility through the enrollment platform's weekly outbound eligibility files. It is the employee's responsibility to provide notification of their employment ending or loss of eligibility within 30 days.

#### NOTE

Hand Keyed Employing Units are responsible for updating the enrollment platform when an employee loses coverage under NCFlex. It is important to update the employee's record in the enrollment platform as soon as possible, so plan vendors can be advised of terminations and COBRA information can be sent.

#### Employer's Risk under the Health Care Flexible Spending Account

If an employee participating in the Health Care Flexible Spending Account (HCFSA) has a negative account balance (meaning the employee has been reimbursed more than they have contributed through payroll deduction) on the date coverage ends, NCFlex will experience a loss. The employee is not responsible for repaying the loss.

#### Employee's Risk under the Health Care Flexible Spending Account

If coverage ends for an employee participating in the HCFSA, they forfeit any remaining funds past the end date of their benefit. Also, see the Additional Plan Information section for more details on the FSA Plan Forfeitures Rule.

### Death of Employee

In the case of the employee's death, eligible covered dependent family members may continue the HCFSA, Accident (portable under certain conditions up to age 70), Dental, Vision, and AD&D as mentioned in the following chart under coverage continuation. The Critical Illness and Cancer plans can also be continued by contacting the vendor directly. DDCFSA cannot be continued, however, claims can continue to be filed for eligible expenses up to the available account balance through the end of the plan year. Term Life can be continued by eligible dependents through conversion only.

### Retirement

When an employee participating in NCFlex retires, this is considered a termination of active benefits. Retirees may continue their NCFlex benefits, which were in force on the last day of employment by electing COBRA, conversion, or portability coverage if available (based on payroll deductions). Since there are certain deadlines, employees should review the enrollment materials and insurance certificates for detailed information. The DDCFSA and Core AD&D cannot be continued. The Voluntary Disability plan cannot be continued; however, if the employee has been approved to receive or is receiving a benefit, the plan will continue.

## Coverage Continuation Options at Termination

When NCFlex coverage is lost due to separation from employment or other losses of eligibility, employees may continue certain benefits. The following chart lists the continuation options. Information is also in the NCFlex Enrollment Guide or employees may contact the vendor's customer service center:

NCFlex Coverage	Option	Remarks
Health Care Flexible Spending Account	COBRA	After receiving the termination notice, P&A will send COBRA enrollment materials to the employee's last known address. Cost is 102% of the employee's monthly premium. Payments are made by sending <u>after-tax</u> checks to P&A. Checks should be made payable to P&A and are due by the first day of each month. Can only be continued through the end of the current plan year.
Dependent Day Care Flexible Spending Account	None	Cannot be continued. However, services incurred after the termination date will be reimbursed up to the balance available in the account.  Example: Employee separates 4/30/21 but has \$1200 of contributions left in their DDCFSA account. This balance can be used for claims on services dated past 4/30/21 up through the end of the plan period.
Accident	Portability	Portability is available to employees under age 70. The employee will need to contact Voya/LifeHelp by calling 877-464-5111, cost would be 100% of the employee's monthly premium while they were active.
Cancer	Portability	Employees may exercise the Portability option which allows them to continue coverage by paying premiums directly to Allstate Benefits. Allstate Benefits send a portability letter to the employee upon receipt of the termination of employment. A response and payment of the first premium for the portability coverage must be received within 30 days of the employee's termination date. Employees may contact Allstate Benefits at 866-232-1517 for additional information.
Critical Illness	Portability	Portability is available to employees under age 70. The employee will need to contact Voya/LifeHelp by calling 877-464-5111, cost would be 100% of the employee's monthly premium while they were active.
Dental	COBRA	Once an employee is separated in the enrollment platform, Benefitfocus COBRA Administration will send COBRA enrollment materials to the employee's address listed in the enrollment platform. The cost is 100% of the contracted premium rate (employer and employee cost). Instructions on where and when to send the premiums will be included in the COBRA materials. Direct contact information for COBRA Administration through iTEDIUM is: (877)679-6272.
Vision Care	COBRA	Once an employee is separated in the enrollment platform, Benefitfocus COBRA Administration will send COBRA enrollment materials to the employee's address listed in the enrollment platform. The cost is 100% of the contracted premium rate (employer and employee cost). Instructions on where and when to send the premiums will be included in the COBRA materials. Direct contact information for COBRA Administration through iTEDIUM is: (877)679-6272.
Term Life*	Continuation	The employee will need to contact Voya/LifeHelp by calling 877-464-5111 to discuss continuation to options. If the employee is under age 70, the employee has the option to port or convert. If the employee is age 70 or above, the employee can only convert the benefit to an individual policy. The employee must apply and pay the premium within 31 days after the insurance terminates.

NCFlex Coverage	Option	Remarks
Core Accidental Death and Dismemberment (AD&D)*	None	Cannot be continued
Voluntary Accidental Death and Dismemberment (AD&D)*	Portability	The employee will need to contact Voya/LifeHelp by calling 877-464-5111, cost would be 100% of the employee's monthly premium while they were active.
Voluntary Disability Plan*	None	Cannot be continued unless the employee has been approved to receive or is receiving a benefit from the plan.
TRICARE Supplement	Portability	Employees who terminate employment may continue coverage by paying their monthly premiums directly to Selman & Company. A continuation of coverage letter will be mailed to the terminating employee within five business days of receipt of the termination. Premium payments will be offered at the same rates as offered through their employer, there are no separate administrative fees. Continuation of coverage does not apply to an employee, spouse or dependent child who no longer meets the TRICARE Supplement eligibility requirements, e.g., an employee or spouse who attains age 65 and has Medicare as primary coverage or a dependent child who reaches age 21/23 and has not enrolled in the TRICARE (TYA) program.

\*University system employees are not eligible for these plans.

**Important:** You should not attempt to explain the COBRA rules to an employee who is losing coverage unless you are knowledgeable about the COBRA regulations. The 'Remarks' column in the chart above does not attempt to go into the necessary detail that an employee should know concerning his COBRA rights. For more details, the employee should carefully review the COBRA materials that will be sent to the employee from the vendors. The COBRA election notices will have contact information that the employee can call to ask any COBRA questions.

Also, be very careful about responding to Portability and/or Conversion questions. It is better for employees to review the NCFlex Enrollment Guide, certificate of insurance or certificate of coverage available at [www.ncflex.org](http://www.ncflex.org) and to contact the appropriate vendor with any questions. All choices contain time limits in applying for coverage, so employees should be encouraged not to delay in contacting the appropriate vendor.

## Qualifying Life Event (Family Status Change)

All NCFlex changes should be created on the applicable enrollment platform by the employee, the Eligibility and Enrollment Call Center (eBenefits), or (*universities only*) University Empyrean Benefits Service Center.

### Processing QLE Status Changes

- Employee enters status change in the enrollment platform or contacts the Eligibility and Enrollment Call Center or (*universities only*) University Empyrean Benefits Service Center.
- The HBR will collect required documentation and upload onto the enrollment platform for the employee or view uploaded documentation in the enrollment platform based on the status change and approve or deny the request.
  - As of January 1, 2022, NCFlex requires documentation to verify life events. NCFlex maintains a document which can be found on the HBR portion of the NCFlex website or on the [QLE page](#) of the NCFlex website.
  - At this time, employees are NOT required to provide documentation of a dependent's eligibility when added to an NCFlex plan. However, if documentation is provided that verifies a dependent in accordance with the State Health Plan requirements, the HBR may verify that dependent in the enrollment system.
  - The NC State Health Plan also maintains a document with a list of acceptable documentation which can be found on their website.
- Approved changes are sent to the vendors/carrier and deductions are adjusted in accordance with the change.

### Set Election Rule

Under IRS Section 125, once an employee makes an election as a new hire or during annual enrollment, that election is set for the entire calendar year of January 1 – December 31, unless the employee experiences a QLE.

### Notification Period

Employees must enter the QLE in the system within 30 days of the event.

Exceptions:

- A 60-day notification is permitted if the QLE is Change in Medicaid or CHIP status.
- Ineligible Dependent due to Death: A covered dependent who is deceased will be terminated the end of the month of the death regardless of when it is reported (as if the notification had been timely). **An exception for changes past the 30-day window for this event is not required.** In most cases, employees can log into the enrollment platform at any time and use the life event, death of dependent, to remove the dependent from all plans. In addition, employees may also call the eligibility and enrollment center or the HBR can reach directly out to the enrollment vendor to make the change. If too much time has passed and the enrollment system will not accept the change, reach directly out to [ncflex@nc.gov](mailto:ncflex@nc.gov) to help with the change (the enrollment system will usually allow the change if it's made within the same plan year as the date of death).
- For Qualified Medical Child Support Orders (QMCSO), the member (or receiving entity, such as the employer payroll) must contact the employer HBR to initiate the event.

### “Consistent with” Rule

The regulations also require that the requested change be “consistent with” the QLE. To satisfy this requirement, an election change is only permitted if:

- (1) The QLE affects the **eligibility** for coverage of the employee, spouse or the dependent under an employer's plan (employee's or dependent's employer); and
- (2) The election change corresponds with that gain or loss of coverage.

### Effective Date

The effective date of the election change due to the QLE is the first day of the month following the date of the event\*. However, for birth, adoption or placement for adoption, the effective date is date of the event provided the request was made within 30 days of the event. For FSA, if a change is requested towards the

end of the plan year, the benefits and payroll processing deadlines will determine which month and plan year the change will take effect.

\*For the Voluntary Disability plan, the effective date is the first of the month following their enrollment (if the employee enrolls in the plan on the first day of the month, the effective date will be that day), unless the employee has returned from leave of absence within 90 days, then it is effective the first of the month following their leave of absence (retro premiums should be collected).

### QLE Noted Items

All Flexible Spending Account election increases or decreases are still subject to the plan year maximums and minimums as mentioned in the employee Enrollment Guide.

NCFlex does not allow a change in dental, vision, or cancer plan options because of a Status Change event (for example, low option to high option). **A QLE will not enable an employee to enroll in or cancel the Core AD&D benefit.** Refer to the Addendum for Core AD&D administration.

Core Vision: If the employee is enrolled in the Core Vision and their spouse and/or dependent loses vision coverage at another employer, the employee may move to a different plan (Basic or Enhanced Coverage) to cover the family. This change requires an exception to be submitted to the NCFlex team and once approved, instructions will be sent directly to the enrollment vendor to make the change and the HBR will be copied.

NOTE
Some status changes are limited based on access to the enrollment platform as noted in the QLE Chart. Only HBRs with enrollment platform access can see all options, which include Agency HBRs, University HBRs/UBAs, Community College HBRs, Charter School HBRs and BEST Shared Services.

### Qualifying Life Event Chart

Events and Coverage	Actions and Comments
<b>Marriage</b>	
Accident/Dental/Vision/Cancer/Critical Illness/TRICARE Supplement	Add self, spouse, and all children, drop coverage or remove dependents
Flexible Spending Accounts	Health: Add or increase, drop or decrease (not below what has been contributed or reimbursed) Dependent Day Care: Add or increase, drop or decrease
Voluntary AD&D*	Add or increase coverage; add family coverage, drop or decrease
Term Life*	Add or increase coverage subject to EOI, drop or decrease
Voluntary Disability*	Add coverage, drop coverage
<b>Death of Dependent</b>	
Dental/Vision	Drop dependent
Accident/Cancer/Critical Illness/TRICARE Supplement	Add or increase, drop or decrease, remove dependent(s)
Flexible Spending Accounts	Health: Decrease (not below what has been reimbursed by the plan) Dependent Day Care: Drop or decrease
Voluntary AD&D*	Add or increase, drop or decrease
Term Life*	Spouse or Child coverage: Drop coverage Employee coverage: Add or increase, Drop or decrease  EOI may be required for adds or increases
Voluntary Disability*	Add or drop coverage

Events and Coverage	Actions and Comments
<b>Divorce/Legal Separation</b>	
Dental/Vision	Drop spouse Add self and child(ren)
Accident/Cancer/Critical Illness/TRICARE Supplement	Add or drop entire plan, remove dependents, or add child(ren)
Flexible Spending Accounts	Health: Decrease, add or increase Dependent Day Care: Decrease, add or increase
Voluntary AD&D*	Change tier, drop, decrease coverage, add, or increase coverage
Term Life*	Drop dependents, drop entire plan, decrease coverage, add entire plan, or increase coverage  EOI may be required for adds or increases
Voluntary Disability*	Add or drop coverage
<b>Birth, Adoption, Legal Custody or Guardianship</b>	
Dental/Vision	Add self, spouse, child(ren)
Accident/Cancer/Critical Illness/TRICARE Supplement	Add or add family members, drop or drop family member
Flexible Spending Accounts	Health: Add or increase; Dependent Day Care: Add or increase;
Voluntary AD&D*	Add or increase coverage; add family coverage. Drop or reduce amount; remove family coverage.
Term Life*	Add or increase coverage subject to EOI. Drop or decrease.  EOI may be required for adds or increases
Voluntary Disability *	Add coverage. Drop coverage.
<b>Loss of Other Coverage</b> (the coverage being added must be the same coverage that was lost, based on supporting documentation the employee uploads to the enrollment system)	
Accident/Dental/Vision/Cancer/Critical Illness/TRICARE Supplement	Add self, spouse, and/or child(ren)
Flexible Spending Accounts	Health: Add or increase Dependent Day Care: Add or increase.
Voluntary AD&D*	Add or increase coverage; add family coverage
Term Life*	Add or increase coverage, subject to EOI
Voluntary Disability*	Add coverage when transferring from one employing unit to another and losing eligibility for a similar plan or when your spouse terminates from employment or begins employment.
<b>Loss of Other Coverage (Spouse)</b> – this life event is intended for when a spouse loses an employer sponsored Term Life plan. The life event notifies the vendor that an add or increase in the spouse’s term life plan should allow up to the Guaranteed Issue amount with no EOI.	
Accident/Dental/Vision/Cancer/Critical Illness/TRICARE Supplement	See “Loss of Other Coverage” life event above
Flexible Spending Accounts	See “Loss of Other Coverage” life event above
Voluntary AD&D*	See “Loss of Other Coverage” life event above
Term Life*	Add or increase coverage up to the Guaranteed Issue amount with no EOI required.
Voluntary Disability*	See “Loss of Other Coverage” life event above

Events and Coverage	Actions and Comments
<b>Loss of Medicaid or CHIP status</b>	
Vision/Dental/Healthcare FSA	Add self, spouse, and/or child(ren) For HCFSAs – Add or increase coverage
All other benefits	No change
<b>Gain of Medicaid or CHIP status</b>	
Dental/Vision/TRICARE Supplement	Drop child or spouse
Healthcare FSA	Lower or stop contributions (not below what has already been contributed and/or reimbursed)
All other benefits	No changes
<b>Now Eligible for other Coverage/Gain of Other Coverage (Other than a state sponsored post tax plan)</b>	
Accident/Dental/Vision/Cancer/Critical Illness/TRICARE Supplement	Drop Plan or drop dependents
Flexible Spending Accounts	Health: No changes allowed Dependent Day Care: Drop or decrease
Voluntary AD&D*	Drop or decrease
Term Life*	Drop or decrease
Voluntary Disability*	Drop
<b>Reduction of Hours (Only HBR with access to the enrollment platform can see this option)</b>	
Dental/Vision	Dropping below 20 hours, coverage terminates If dropping below 30, can drop or remove dependents
Accident/Cancer/Critical Illness/TRICARE Supplement	Dropping below 20 hours, coverage terminates Any other reduction, no change
Flexible Spending Accounts	Dropping below 20 hours, coverage terminates Any other reduction, no change
Voluntary AD&D*	Dropping below 20 hours, coverage terminates Any other reduction, no change
Term Life*	Dropping below 20 hours, coverage terminates Any other reduction, no change
Voluntary Disability*	Dropping below 30 hours, coverage terminates Any other reduction, no change
<b>Increase in Hours</b>	
Dental/Vision/Accident/Cancer/Critical Illness/TRICARE Supplement/Flexible Spending Accounts/Voluntary AD&D*/Term Life*	If an employee is moving from under 20 to over 20, this is considered Newly Eligible, but must be done via an exception through NCFlex. Any other increases, no change Term life may require EOI.
Voluntary Disability*	If an employee is moving from under 30 to over 30, this is considered Newly Eligible, but must be done via an exception through NCFlex. Any other increases, no change
<b>Unpaid Leave of Absence (Only HBR with access to the enrollment platform can see this option - FML or Non-FML). Please note, that "Unpaid Leave of Absence" terminology refers to the QLE used in the enrollment platform and should be used when an employee either has no premiums coming out of their payroll and/or not paying HR directly for their premiums to be sent to the vendors (UBAs see UNC System LOA Guidelines).</b>	
Accident/Dental/Vision/Cancer/ Critical Illness/ TRICARE Supplement	Coverage terminates – see Unpaid Leave of Absence section (Cancer may require EOI to restart benefit.)

Events and Coverage	Actions and Comments
Flexible Spending Accounts	Health: Coverage terminates – see Unpaid Leave of Absence section Dependent Day Care: Coverage terminates
Voluntary AD&D*	Coverage terminates – see Unpaid Leave of Absence section
Term Life*	Coverage terminates – see Unpaid Leave of Absence section (May require EOI to restart benefit.)
Voluntary Disability*	Coverage terminates – see Unpaid Leave of Absence section. (May require EOI to restart benefit if LOA is greater than 90 days.)
<b>Leave of Absence (paid)</b>	
All benefits	Drop
<b>Return from Leave of Absence</b> (Below references when an employee is returning during the same plan year in which they went out on Leave of Absence and benefits were termed in the enrollment system. If the employee returns in a different plan year than when they went out, they are treated as newly eligible and do not have to re-enroll in the same benefits as when they went out.)	
Accident/Dental/Vision/Cancer/ Critical Illness/ TRICARE Supplement/ Voluntary AD&D*	Re-enroll with same election if coverage dropped while on leave – see Unpaid Leave of Absence section.
Flexible Spending Accounts	Health: Re-enroll using Prorate or Reinstatement method – see Unpaid Leave of Absence section. Dependent Day Care: Re-enroll with same election if coverage dropped while on leave – see Unpaid Leave of Absence section.
Term Life*	Re-enroll – If coverage was continued directly with vendor while out on LOA, re-enroll with same election as before LOA began. If coverage was not continued while on LOA, employee can re-enroll up to the guaranteed issue amount with no EOI required – see Unpaid Leave of Absence section.
Voluntary Disability*	Re-enroll – If returning within 90 days from LOA, coverage retros back to when employee went out on LOA. If returning outside of 90 days, EOI will be required. (See Unpaid Leave of Absence section for more details.)
<b>Court Order (follow court order for available eligible benefits)— Only HBR with access to the enrollment platform can see this option</b>	
Dental/Vision	Add or remove child(ren). Add entire benefit for self if not enrolled in plan that child(ren) is/are required to be enrolled in
Flexible Spending Accounts	Health: Add or increase to provide coverage for a child Dependent Day Care: No change
Accident/Cancer/Critical Illness/TRICARE Supplement/ Voluntary AD&D*/Term Life*/Voluntary Disability*	No change
<b>Military Leave/Reinstatement</b>	
(Below are references when an employee is returning during the same plan year in which they went out on Leave of Absence. If the employee returns in a different plan year than when they went out, they are treated as newly eligible and do not have to re-enroll in the same benefits as when they went out.)	
Accident/Dental/Vision/Cancer/Critical Illness/TRICARE Supplement	Military Leave Begins: Drop coverage if EE is on leave. See Unpaid Leave of Absence section. Drop employee and/or dependent(s) if dependent is on leave. Reinstatement: Re-enroll with same election if coverage dropped while on leave – see Unpaid Leave of Absence section (Cancer may require EOI to restart benefit)
Flexible Spending Accounts	Health-Military Leave Begins: Drop coverage if EE is on leave. See Unpaid Leave of Absence section. Drop or decrease if dependent is on leave

Events and Coverage	Actions and Comments
	<p>Health-Reinstatement: Re-enroll using Prorate or Reinstatement method – see Unpaid Leave of Absence section.</p> <p>Dependent Day Care-Military Leave Begins: Coverage terminates</p> <p>Dependent Day Care-Reinstatement: Re-enroll with same election if coverage dropped while on leave – see Unpaid Leave of Absence section.</p>
Voluntary AD&D*	<p>Military Leave Begins: Drop coverage if EE is on leave. See Unpaid Leave of Absence section. Drop employee and/or dependent(s) if dependent is on leave</p> <p>Reinstatement: Re-enroll with same election if coverage dropped while on leave – see Unpaid Leave of Absence section.</p>
Term Life*	<p>Military Leave Begins: Drop coverage if EE is on leave. See Unpaid Leave of Absence section. Drop employee and/or dependent(s) if dependent is on leave</p> <p>Reinstatement: Re-enroll – If coverage was continued directly with vendor while out on LOA, re-enroll with same election as before LOA began. If coverage was not continued while on LOA, employee can re-enroll up to the guaranteed issue amount with no EOI required – see Unpaid Leave of Absence section.</p>
Voluntary Disability*	<p>Military Leave Begins: Drop coverage if EE is on leave. See Unpaid Leave of Absence section.</p> <p>Reinstatement: Re-enroll with no EOI</p> <p>See Unpaid Leave of Absence section for more details.</p>
<b>FMLA Subscriber non-pay (Employee) (Only HBR with access to the enrollment platform may see this)</b>	
Accident/Dental/Vision/Cancer/Critical Illness/TRICARE Supplement	Drop
Flexible Spending Accounts	Health: Drop Dependent Day Care: Drop
Voluntary AD&D*/Term Life*	Drop
<b>Transferring Employing Unit or Re-hire with less than 31 days break in service.</b>	
Accident/Dental/Vision/Cancer/Critical Illness/TRICARE Supplement	No change
Flexible Spending Accounts	Health: No Change Dependent Day Care: No Change
Voluntary AD&D*/Term Life*	No Change

\*University system employees are not eligible for these plans.

**NOTE**

Changing medical options under the State Health Plan is NOT considered a status change event per IRS Regulations. A QLE will not enable an employee to enroll or cancel the Core AD&D benefit. Refer to the Addendum for Core AD&D administration.

## Qualifying Life Events for Dependent Day Care FSA

In the enrollment platform, there is one life event reason listed for Dependent Day Care FSA changes which is “Day care change”. This reason can be used for any of the scenarios below.

In the event an employee stops DDCFSA and starts it back later in the same plan year, the amount they elect in the enrollment platform should reflect the amount they want to have contributed for the entire year. The enrollment platform will not show the correct monthly (or semi-monthly) deduction amount. However, payroll should be adjusted based on what has already been contributed into the system.

For example: An employee elects \$5,000 of DDCFSA for 2021 and then stops the plan effective 3/31/2021 – so far, they have contributed \$1250 (approximately). They then start the plan again 8/1/2021 and only need \$1000 for the remainder of the year. The amount they should enter in the enrollment platform is \$2,250 (what they have contributed already and what they want to contribute going forward). The enrollment platform will reflect a deduction amount (if monthly) of \$450/month because it does not contain a history of previous deductions/contributions. The payroll system will need to adjust the monthly payments to \$200/month since the employee has contributed previously in the year.

Events Specific to Dependent Day Care Spending Account	Actions and Comments
Dependent Child Becomes Ineligible at Age 13	Employees can drop or decrease election.
Dependent Child Begins Kindergarten or First Grade	Employees can drop or decrease election.
Day Care Provider Change Rates	If provider is a Relative – no change allowed. Other providers: <ul style="list-style-type: none"> <li>• Rates increase – increase election.</li> <li>• Rates decrease – decrease election.</li> </ul>
Day Care Provider Significantly Changes Coverage	Employee can change election consistent with coverage change
Employees Change Day Care Providers or Terminates Day Care Services	Employee can change election consistent with coverage change.

The word “**Add**” as used in the above charts means an employee does not currently have the benefit and wishes to enroll due to a QLE.

## Annual Enrollment

---

Each year employees must be given an opportunity to enroll and re-enroll in the NCFlex benefits. The annual enrollment period generally begins in October. Employees are permitted to change existing elections or enroll for the first time in the program. Annual Enrollment elections are effective for the following plan year beginning January 1 through December 31. If EOI is required for any elections during this time, the plan(s) or increase(s) will not be effective until EOI is completed and approved by the applicable vendor.

Elections by employees in the Accident, Cancer, Critical Illness, Dental, Vision Care, Core Wellness Vision, Term Life Plans, Core and Voluntary AD&D, TRICARE Supplement, and Voluntary Disability automatically continue each plan year. No additional enrollment is needed; unless employees wish to change their elections (increase, decrease or cancel coverage). The Flexible Spending Accounts (DDCFSA and HCFSA) must be enrolled in each year to continue contributions.

### Employees on Unpaid Leave during Annual Enrollment

Employees designated as on unpaid LOA in the enrollment platform (which terms their benefits) during annual enrollment must call the vendors directly to make any changes for the upcoming plan year (excluding FSA accounts). This only applies if the employee is actively paying the vendors while on unpaid LOA to keep their benefits active. Certain elections may be subject to EOI requirements and pre-existing condition limitations. Once an employee returns from unpaid LOA, a Family/Employment Status Change will need to be created by the employee in the enrollment platform within 30 days from return in order to re-enroll in benefits. If a new plan year has begun when the employee returns, new elections can be made as if they were a new hire. The election changes will be effective the first of the month following the date of the Family/Employment Status Change event\* (the return from an approved leave) and EOI (if applicable) is reviewed for possible approval by the insurance vendor. Please refer to the Eligibility and Qualifying Life Event sections of the manual for more details.

\*For the Voluntary Disability plan, the effective date is the first of the month following their enrollment, unless the employee has returned from leave of absence within 90 days, then it is effective the first of the month following their leave of absence (retro premiums should be collected).

### New Hires during Annual Enrollment and 4<sup>th</sup> Quarter

For a new hire during the September – November timeframe:

- Current Plan Year - An employee should elect current year benefits FIRST.
- Next Plan Year – An employee should elect Annual Enrollment for future benefits after completing current plan year benefits (remember must enroll in FSA each plan year to continue contributions).

#### NOTE

Term Life: If an employee does not elect for the current plan and only elects for the Next Plan Year – they are considered a Late Entrant and EOI will be required on any amounts over 20k for employee and/or spouse coverage.

### Evidence of Insurability (EOI)

#### Approval Process

An EOI form is required for late applicants (applicants who did not enroll during their first 30 days of eligibility) enrolling for Cancer, Term Life (see enrollment materials for amounts that will pend) and Voluntary Disability benefits, and for current employees who wish to increase the amount of their cancer or life coverage. (Special offers waiving EOI may be made for certain products and plans for marketing purposes during the annual enrollment period. Special offers will be noted in the enrollment materials.) Employees will be mailed an EOI form from the carrier (for Term Life and Cancer) or may have the option to complete the EOI through the enrollment platform (for Voluntary Disability). Coverage amounts greater than the guaranteed issue amount will pend until EOI approval. EOI's must be approved or denied within 90 days or the system will cancel the pending coverage amount.

When the EOI has been approved, the new coverage level goes into effect as of the first of the month following the date of approval. If the enrollment is made during Annual Enrollment and the approval is effective prior to January 1 of the upcoming plan year, the new coverage level goes into effect as of January 1. If the approval date is effective after 1/1, the new coverage goes into effect the first of the month following the approval date as noted in the approval letter sent to the employee.

## **HIPAA\* Privacy Issues**

(\*Health Insurance Portability and Accountability Act of 1996)

---

Under federal law, NCFlex cannot use or disclose individually identifiable health information (also called “protected health information” or PHI) without authorization by the individual or as authorized by the regulations.

The privacy standards protect medical records and other confidential health information that identifies (or could reasonably be used to identify) an individual and relates to a past, present or future physical or mental condition of the individual or the payment of health care for that individual. This individually identifiable PHI can be in any form (including electronic, written, or oral) that is created or received by an HBR. Examples of receiving the information electronically include but are not limited to facsimile (fax) machines, telephones, and attachments to electronic mail (e-mails).

### **HIPAA Applies to:**

- Health Care Flexible Spending Account
- Accident Plan
- Cancer Plan
- Critical Illness Plan
- Dental Plan
- Vision Care Plan
- Voluntary Disability Plan
- TRICARE Supplement

### **HIPAA Does Not Apply to:**

- Dependent Day Care Spending Account
- Group Term Life (HIPAA privacy form is required if medical records are needed to process a claim.)
- Accidental Death and Dismemberment (HIPAA privacy form is required if medical records are needed to process a claim.)

### **HBR Responsibilities**

HBR's are responsible for answering or finding answers to enrollment, eligibility, coverage, and specific claim questions concerning NCFlex when asked by one of their employees. (Employees may also contact the vendor customer service centers.)

If you must identify a specific employee by name and/or Social Security number to resolve a claim problem, a HIPAA Privacy Authorization Form from the vendor must be completed and signed/dated by the employee. The Authorization Form must indicate the entity authorized to disclose the health information (Health Care Flexible Spending Account, Accident Plan, Cancer Plan, Critical Illness Plan, Dental Plan, Vision Care Plan, Voluntary Disability Plan, and TRICARE Supplement) and the person(s) or organization(s) authorized to receive the information (State HBR, NCFlex Department, enrollment vendor, and other persons, such as spouse).

In addition, the Authorization Form must include a description of the health information to be disclosed and an expiration date (which can be when the issue/question has been resolved). The Authorization Form must

be sent securely from the entity named on the form to whoever is authorized to investigate and disclose the health information.

**Important:** Please remember that at the top of the Authorization Form, the “Individual’s Name” is the person (employee, spouse, or child 18 years and older) who has the specific health claim or issue which needs to be researched. This means only that individual can receive the answer from the carrier (and not the spouse or HBR asking on behalf of the employee) without an Authorization Form.

### HIPAA Tips

Whenever possible, do not mention the employee’s name, Social Security number or other identifier when asking a general benefit or coverage question. Instead, refer to the person as an employee or dependent. For example, instead of saying “John Smith is an employee that needs a root canal. What would his benefits be?” say “I have an employee under the High Option Dental Plan who needs a root canal. What will the Dental Plan pay?” By not identifying a specific employee or dependent, you just saved time in not having to complete the Authorization Form.

- The employee or spouse who has a claim issue or question should be encouraged to first call the customer service number of their NCFlex vendor directly to resolve the problem. This does not require an Authorization Form.
- If you do have to research a claim problem or issue for an individual, an Authorization Form is not required if you make a joint call by having the individual in your office or on the same conference call with you.
- An Authorization Form is not required if you contact the vendor to explain the claim issue for the individual and the vendor then directly contacts the individual with the answer. The vendor can only let you know that the problem has been resolved and you can then seek details from that individual.
- The following are not subject to the HIPAA privacy regulations since protected health information is not being shared:
  - Enrollment questions
  - Eligibility questions
  - Coverage questions
- When handling and protecting employees’ personal health information, please continue to follow established internal policies.
- Please remember that a completed written Authorization Form from the vendor, signed and dated by the individual with the claim issue/question, is absolutely required when someone other than that individual receives PHI.

### Where to Send the HIPAA Privacy Authorization Form

The address can be found on the Vendor’s form.

## Additional Plan Information

---

This section of the Administration Manual includes information from NCFlex vendors. Please refer to the enrollment materials for benefit details and cost. Enrollment materials, benefit certificates, forms and other helpful tools can be found on the NCFlex website at [www.ncflex.org](http://www.ncflex.org).

### Flexible Spending Accounts (FSA)

#### Administered by P&A Group

P&A sends an FSA claims kit to all participants each January which is also located at [www.ncflex.org](http://www.ncflex.org) in the FSA section.

#### Direct Deposit for Flexible Spending Accounts

For Health Care Flexible Spending Account (HCFSA) and Dependent Day Care Flexible Spending Account (DDCFSA) employees will automatically receive their reimbursement by direct deposit. It will be deposited into the same account where their state pay is being deposited (For the OSC Integrated HR-Payroll System (formerly BEACON) it will be in the same bank account where their salary is deposited.). Please note, for some charter schools and community colleges, a direct deposit form will need to be completed by the employee to designate the account they would like their reimbursement deposited. Check with the FSA vendor when unsure of the process for a particular Employing Unit.

#### Changing Banking Accounts under the Spending Accounts

It is the sole responsibility of the Spending Account participants to report changes in their banking account that would cause a direct deposit payment to fail.

To report changes in banking accounts, employees must provide the new banking information to their HBR or benefits department/payroll department (not to the vendor). This is typically done electronically through the Employing Unit HRIS system. The information should then be fed to the enrollment system and in turn to the FSA vendor. For some charter schools and community colleges who manually provide account information to the vendor for employees' reimbursements, the vendor will need to be notified directly when there is a change.

#### Limitation Affecting Increases to Spending Account Election

If an FSA employee uses an approved family/employment status change event to increase their election amount, reimbursement of expenses incurred prior to the change date will be limited to their original account maximum and not to the new higher maximum. For example, if an employee elects \$1,200 for the plan year, and then increases his plan year maximum to \$2,400 on July 1st, the employee cannot be reimbursed more than \$1,200 for expenses incurred prior to July 1st.

#### Plan Year Election

FSA pre-tax elections are effective only for one plan year (January 1 - December 31). If employees wish to participate again in the new plan year, they must elect coverage during the annual fall enrollment period. The HCFSA includes a roll-over feature of \$25 to 20% of the current year max contribution amount (i.e. if plan year max is \$3,300, the rollover is \$660) into the next plan year (employee is not required to re-enroll for the next plan year to use this feature). Otherwise, all claims for the HCFSA account must be incurred by December 31<sup>st</sup> of the current plan year and submitted for reimbursement by March 31<sup>st</sup> of the following plan year. The DDCFSA still runs on a 2.5-month extension with no roll-over feature and the deadline to submit claims for reimbursement is March 31<sup>st</sup> of the following plan year.

#### Online Claim and Account Information

Employees can easily access information concerning their current FSA account balance, status of claim, and other account information by linking to the FSA vendor at the NCFlex website.

#### Single Sign On from the enrollment platform

If an employee is enrolled in the NCFlex Flexible Spending Accounts (either HCFSA or DDCFSA or both), they have the option to sign directly into their P&A Group account through the enrollment platform. The link can be found on the left-hand side on the first screen of the enrollment platform after logging in.

#### FSA Plan Forfeitures Rule

Under IRS regulations, employees will lose money remaining in their account after the deadline to submit eligible claims. Under the rollover of the HCFSA, employees may roll over \$25 to 20% of the current year

contribution max (i.e. if plan year max is \$3,300, the rollover is \$660). Any amounts above this must be used by December 31 of the plan year. Amounts under \$25 at the end of the calendar year will be forfeited.

Employees should be encouraged to use the worksheet available in the enrollment materials to plan for expenses for themselves and their dependents and keep in mind the normal fluctuations in dependent care expenses during a school year. The eligible/ineligible expenses and other rules are detailed on the NCFlex website at [www.ncflex.org](http://www.ncflex.org).

Note: Employees should consider the following eligibility rules in their DDCFSA planning process:

- Children must be under age 13, unless physically or mentally handicapped;
- Both the employee and spouse must be employed, or the spouse may be a full-time student or looking for work; and
- Special rules apply if the employee is divorced or legally separated.

## Accident Plan

**Administered by Voya Financial and underwritten by ReliaStar Life Insurance Company**

**Group Name: State of North Carolina**

**Group Policy #: 68077- 0**

This plan became effective 1/1/2018. Wellness benefits, additional riders and a high option tier were added 1/1/2023.

### Claim Processing Information

Accident and Wellness claims should be submitted online at the Voya Claims Center: <https://claimscenter.voya.com>.

Additional forms, checklists and videos are available via the claims center as well as [www.ncflex.org](http://www.ncflex.org)

### Tax Information

Per IRS regulations - total benefits paid under this plan more than \$599 for a given tax year are considered income and are taxable. 1099-MISC forms are mailed on or before January 31<sup>st</sup> each year to the home address on file of the qualifying employees- for the previous tax year. Employees should consult with a tax advisor regarding questions related to receipt of benefits, 1099-MISC forms or any other tax-related questions.

## Cancer & Specified Disease Plan

**Underwritten by American Heritage Life Insurance Company, a subsidiary of The Allstate Corporation; using the marketing name of Allstate Benefits.**

**Group Policy #83126**

### Beneficiary Designation

Beneficiary designation is not required for the Cancer Plan. If the employee chooses to designate a beneficiary, elections can be made on the enrollment platform. If the employee were to become deceased and did not have a designated beneficiary, Allstate Benefits would pay out the claim based on the standard facility of payment clause.

### Evidence of Insurability Requirement (EOI)

EOI is not required for new hires but may be required during annual enrollment or a qualifying life event. EOI will be required if there is a break in coverage, such as missed premiums while out on LOA.

### Pre-Existing Conditions Limitation

Once an employee and eligible dependents are approved for coverage, a pre-existing condition may not be covered if it was diagnosed prior to the effective date of coverage. (See NCFlex enrollment materials or insurance certificate on the website for more details).

## Critical Illness

**Administered by Voya Financial and underwritten by ReliaStar Life Insurance Company, a member of the Voya family of companies.**

**Group Name: State of North Carolina**

**Group Policy #: 68077- 0**

Please Note: Prior to 1/1/23, this plan was administered by Allstate. For claims dated prior to 1/1/23, employees should contact Allstate Benefits.

### Claim Processing Information

Critical Illness and CI Wellness claims should be submitted online at the Voya Claims Center:

<https://claimscenter.voya.com>.

Additional forms, checklists and videos are available via the claims center as well as [www.ncflex.org](http://www.ncflex.org)

### Tax Information

Per IRS regulations - total benefits paid under this plan in excess of \$599 for a given tax year are considered income and are taxable. 1099-MISC forms are mailed on or before January 31<sup>st</sup> each year to the home address on file of the qualifying employees- for the previous tax year. Employees should consult with a tax advisor regarding any questions related to the receipt of benefits, 1099-MISC forms or any other tax-related questions.

### Beneficiary Designation

Beneficiary designation is not required for the Critical Illness Plan. If the employee chooses to designate a beneficiary, elections can be made on the enrollment platform. In the event a beneficiary is not designated, any benefits payable at the employee's death will be paid to the first survivor(s) who is/are living on the date of death as listed in the certificate of coverage. The certificate can be found at [www.ncflex.org](http://www.ncflex.org).

## Dental Plan

**Administered and underwritten by MetLife (effective 1/1/2017)**

**Group Policy # 165756**

Customer Service Information and online tools

Employees can access forms and information from the NCFlex website, [www.ncflex.org](http://www.ncflex.org) or on MetLife's MyBenefits website at [www.metlife.com/mybenefits](http://www.metlife.com/mybenefits). On the MyBenefits website, type in "NCFlex" for the Company Name. ID cards are distributed by MetLife for new hires, if someone changes their plan, or if someone changes employers. Cards distributed by MetLife include a unique ID. Cards are only re-issued when an employee transfers employing units or changes plans during annual enrollment. Generic cards without the unique ID can also be found here:

1. NCFlex's website in the dental section - where they can print a generic Dental ID Card, or
2. MetLife's website - after registering on the MetLife website employees can print an ID card, which includes the employees name on the card.

ID cards are not necessary to file claims.

MetLife also provides customer service options by phone. The customer service number for NCFlex is 855-676-9441 and allows members to access the automated system, 24/7, or talk to a representative 8 a.m. to 11 p.m. Monday – Friday.

### Claim Processing Information

For a dental claim to be eligible for payment, claims must be filed and received by the dental plan within 365 days from the date of service. Claims should be submitted using your social security number. It is recommended that a predetermination of benefits be submitted if the estimated charges for a procedure are expected to be \$300 or more. Employees can refer to the NCFlex Enrollment Guide for instructions on how to obtain estimated charges.

#### **Single Sign On from the enrollment platform**

If an employee is enrolled in the NCFlex dental plan, they have the option to sign directly into their MetLife account through the enrollment platform. The link can be found on the left-hand side on the first screen of the enrollment platform after logging in.

## **Vision Care Plan**

**Administered by EyeMed Vision Care and underwritten by Fidelity Security Life Insurance (as of 1/1/18)**

#### **Group Policy #1012270**

There are three plans available for employees to choose from (Core, Basic, Enhanced) and details of these plans can be found in the NCFlex Enrollment Guide and online at [www.ncflex.org](http://www.ncflex.org). ID cards are mailed to all new members but can also be obtained online at [www.eyemed.com/ncflex](http://www.eyemed.com/ncflex) after registering. Members can also view claim details, find special offers, locate a provider (even without registration), and get other plan details on site.

Effective 1-1-2018 the two-year lockout is no longer in effect.

The Core Wellness benefit is paid for in full by the State of North Carolina. Enrollment is required. Employees do not contribute towards the cost of this benefit. The Core Wellness Vision Plan benefit is one of the three options available. This is Employee Only coverage.

#### **Single Sign On from the enrollment platform**

If an employee is enrolled in the NCFlex vision plan, they have the option to sign directly into their EyeMed account through the enrollment platform. The link can be found on the left-hand side on the first screen of the enrollment platform after logging in.

## **Term Life\***

**Administered by Voya Financial and underwritten by ReliaStar life insurance company, a member of the Voya family of companies.**

**Group Name: State of North Carolina**

**Group Policy #: 68077- 0**

#### **Claims Processing Information**

Life claims can be submitted online at the Voya Claims Center: <https://claimscenter.voya.com>. If additional assistance or information is needed claimants should contact Lifehelp at 877-464-5111. Beneficiary Designation

It is important that a primary beneficiary or beneficiaries be named during the enrollment process. The same is true for the contingent beneficiary or beneficiaries who will receive the life amount if the primary beneficiary or beneficiaries are not living at the time of the employee's death.

Remind employees to review and update their beneficiaries annually and/or when they have a family status change (e.g., marriage, birth, divorce). The employee is the automatic beneficiary on spouse and /child coverage.

## **Tax Information**

Because the Term Life premiums are being deducted on a pre-tax basis, the IRS requires taxes to be paid on life amounts over \$50,000. The NCFlex enrollment materials and the NCFlex website have specific information about these tax calculations and the amounts, called imputed income, that will automatically be included in a employee's pay check. Employees can use the income calculator on the NCFlex website to calculate their imputed income amount.

## **Core Accidental Death and Dismemberment\***

**Administered by Voya Financial and underwritten by ReliaStar life insurance company, a member of the Voya family of companies.**

**Group Name: State of North Carolina**

**Group Policy #: 68077- 0**

Premiums for this benefit are paid for in full by The State of North Carolina. Employees must enroll to be covered under this plan. This plan only covers the eligible employee.

Employees also have access to Voya Travel Assistance which is included with the AD&D coverage and provided through Voya by Europe Assistance USA. Information on this additional benefit can be found in the AD&D section of [www.ncflex.org](http://www.ncflex.org).

### **Claims Processing Information**

Claims can be submitted online at the Voya Claims Center: <https://claimscenter.voya.com>. If additional assistance or information is needed, claimants should contact Lifehelp at 877-464-5111.

### **Beneficiary Designation**

It is important that a primary beneficiary or beneficiaries be named during the enrollment process. The same is true for the contingent beneficiary or beneficiaries who will receive the life amount if the primary beneficiary or beneficiaries are not living at the time of the employee's death.

Remind employees to review and update their beneficiaries annually and/or when they have a family status change (e.g., marriage, birth, divorce). The employee is the automatic beneficiary on spouse and /child coverage.

## **Voluntary Accidental Death and Dismemberment\***

**Administered by Voya Financial and underwritten by ReliaStar life insurance company, a member of the Voya family of companies.**

**Group Name: State of North Carolina**

**Group Policy #: 68077- 0**

Employees also have access to Voya Travel Assistance which is included with the AD&D coverage and provided through Voya by Europe Assistance USA. Information on this additional benefit can be found in the AD&D section of [www.ncflex.org](http://www.ncflex.org).

### **Claims Processing Information**

Claims can be submitted online at the Voya Claims Center: <https://claimscenter.voya.com>. If additional assistance or information is needed, claimants should contact Lifehelp at 877-464-5111.

### **Beneficiary Designation**

It is important that a primary beneficiary or beneficiaries be named during the enrollment process. The same is true for the contingent beneficiary or beneficiaries who will receive the life amount if the primary beneficiary or beneficiaries are not living at the time of the employee's death.

Remind employees to review and update their beneficiaries annually and/or when they have a family status change (e.g., marriage, birth, divorce). The employee is the automatic beneficiary on spouse and /child coverage.

## **Voluntary Disability Plan (combined short and long-term plan) \***

**Administered by Standard Insurance Company (The Standard)– this plan started 1/1/2020.**

**STD Policy # 758162-B**

**LTD Policy # 758162-A**

### **Evidence of Insurability Requirement (EOI)**

EOI is not required for new hires but may be required during annual enrollment or a qualifying life event. EOI will be required if there is a break in coverage, such as missed premiums while out on LOA (if the LOA is less than 90 days, the coverage will be reinstated retro back to when the LOA began and missed premiums should be collected).

### **Pre-Existing Conditions Limitation**

Once an employee is approved for coverage, a pre-existing condition may not be covered if it was diagnosed prior to the effective date of coverage. (See NCFlex enrollment materials or insurance certificate on the website for more details).

## **TRICARE Supplement**

**Administered by Selman & Company and underwritten by Hartford Life and Accident Insurance Company**

### **Policyholder**

The American Military Insurance Trust is the policyholder for the TRICARE Supplement plan. Participants of the plan can download the Certificate of Insurance from the NCFlex website at [www.ncflex.org](http://www.ncflex.org).

### **Customer Service**

Selman & Company provides customer service by phone at 1-800-638-2610 option 1 Monday-Friday 9:00 a.m. – 7:00 p.m. or by email at [memberservices@selmanco.com](mailto:memberservices@selmanco.com).

**\*University system employees are not eligible for these plans.**