

## Administrative Guide for Employers

Rocky Mountain Health Plans (RMHP) offers high-touch service to our valued Employer Group Members. You can contact us with questions you have on enrollment and billing, basic health plan administration or policy questions. While we are available via email and directly by phone or live chat, we know some questions can be answered with a quick review. We have put together this list of Frequently Asked Questions to assist with some of those questions.

### What is Open Enrollment?

Once a year, all eligible employees and their eligible dependents have the opportunity to enroll in your group health plan. This enrollment generally takes place during the month preceding your anniversary date. In order for coverage to start on the anniversary date, Enrollment or Change Forms must be received by RMHP by the last business day of your anniversary month. In the event that RMHP does not receive Enrollment or Change Forms by the last business day of your anniversary month, enrollment will not be considered until the next open enrollment period unless there is a qualifying event.

During the annual group open enrollment period, employees may add dependents who were not covered previously, change health plans if more than one plan is offered, or add/change specialty coverage. Employees may not change coverage outside the group open enrollment period for any reason except when there is a qualifying event.

#### **Below are the forms frequently used during Open Enrollment:**

[Uniform employee application \(small employer, 1-100 employees\)](#)

[Employee enrollment form \(large employer, 101+ employees\)](#)

[Disenrollment form](#)

[Change form](#)

[Delta Dental enrollment form](#)

[VSP Member enrollment form](#)

### What are the Requirements around Employer Eligibility Criteria?

You can specify how many hours per week an employee must work to be eligible, however eligible employees must have a regular work week of at least 24 hours per week. If you are an Applicable Large Employer (ALE) (50 or more full-time employees including full-time equivalents), you may be subject to penalties if you do not offer group health coverage to employees working 30 hours or more per week. Refer to this [ALE overview](#) for more information.

### Must I Offer Health Coverage to my Employee's Dependents?

No. Employer groups determine who is eligible for their employer sponsored RMHP health plan.

Changes to your eligibility criteria can be made on your anniversary date. You can work with your broker or your RMHP Account Manager to make changes. If you are an Applicable Large Employer (ALE) (50 or more full-time employees including full-time equivalents), you may be subject to penalties if you do not offer group health coverage to dependent children. Refer to this [ALE overview](#) for more information.

## What are the Requirements for Enrolling a New Eligible Employee?

You can establish your eligibility waiting period for enrolling in your group health plan. The longest waiting period available is first of the month following 60 days from date of hire. An employer can introduce an orientation/training period in addition to the waiting period. In this case, RMHP will allow a waiting period of first of the month following three months from date of hire. The enrollment form to add an employee (and their dependents) must be received by RMHP within 30 days of the eligibility date.

### Common Forms

[Uniform Employee Application \(small employer, 1-100 employees\)](#)

[Employee Enrollment Form \(large employer, 101+ employees\)](#)

## Enrolling a New Eligible Employee/Dependent - How is the rate determined?

### ACA-Compliant Small Group Plans

There are two rating methods from which an employer can select.

- **Age Rating** - Premium rates for a new employee or dependent are based on the age of the employee/dependent at the time of the group's anniversary date.
- **Composite Rating** - Premiums are based on the ages of all enrollees and calculated annually at your renewal. The age of a new enrollee is not considered if your plans are rated with composite rating methodology.

### Large Group Plans (*Grandfathered and Non-Grandfathered*)

- **Composite Rating** - Premiums are based on the ages of all enrollees in combination with other rating factors calculated annually at your renewal.

### Grandfathered Plans (Small Employer)

*Methodology* - Premium rates are based on the employee's age and will change throughout the year.

- **Age Band Rating** - A new employee rate is calculated based on the age of the employee at the time of enrollment. Dependent rates are calculated based on the age of the enrolled employee.
- **Composite Rating** - Premiums are based on the ages of all enrolled employees and calculated annually at your renewal. The age of a new enrollee is not considered if your plans are rated with composite rating methodology.

## How do I Disenroll an employee?

Complete and submit a Disenrollment notice even if you cannot obtain the employee's signature.

Disenrollment will take effect on the last day of the month following the termination date. RMHP requires notification from you no later than 5:00 p.m. Mountain Time on the first business day of the month following the disenrollment effective date.

If disenrollment notification is received after the first day of the month, coverage will continue for the employee until the end of the next month and premium will be due.

A Disenrollment Form is required for all employee terminations. You can also disenroll an employee online at [www.rmhp.org](http://www.rmhp.org).

## Common Forms

[Disenrollment Form](#)

### How do I Disenroll an Employee's Dependent?

Submit a Change Form completed and signed by the employee. Disenrollment will take effect on the last day of the month following the termination date. RMHP requires disenrollment notification no later than 5:00 p.m. Mountain Time on the first business day of the month following the disenrollment effective date.

If disenrollment notification is received after the first day of the month, coverage will continue for the employee until the end of the next month and premium will be due.

## Common Forms

[Change Form](#)

### What Coverage is Available to Employees living outside of Colorado?

An employee who resides outside of Colorado has access to a nationwide network through United Healthcare's Options PPO national network. Nationwide in-network benefits are available for routine, preventive, urgent, and emergency care to employer groups with employees who live outside of Colorado.

Up to 50% of enrolled employees can reside outside of Colorado.

### What Coverage is Available to Employee's Dependents living outside of Colorado?

Enrolled eligible dependents who reside outside of Colorado have access to a nationwide network through United Healthcare's Options PPO national network. Nationwide in-network access is available for routine, preventive, urgent, and emergency care to dependents who temporarily reside outside of Colorado.

## Qualifying Events

### How do I enroll an Employee's new Spouse or Partner?

If an enrolled employee adds a new spouse or partner to the plan, coverage will begin the first of the month following the date of marriage. The change form to add a spouse or partner must be received by RMHP within 30 days of the qualifying event.

#### Additional Documentation Requirements:

- Common law spouse - Request for Enrollment of Common Law Spouse form and the RMHP change form.
- Same Sex Domestic Partner - Affidavit of Domestic Partnership and the RMHP change form.
- Designated Beneficiary - Request for Enrollment of Designated Beneficiary form and the RMHP change form.
- Marriage and Civil Union - RMHP change form.

## Common Forms

[Change Form](#)

[Request for Enrollment of Common-Law Spouse](#)

[Affidavit for Domestic Partnership](#)

[Request for Enrollment of Designated Beneficiary](#)

## How do I Enroll a New Child, Newly Adopted Child or New Foster Care Dependent?

A newborn is covered for the first 31 days of life. A completed change form must be sent to RMHP prior to the expiration of the 31-day period to continue coverage beyond the first 31 days of life.

Premium collection policies for Employer Group are outlined below.

- When a newborn is enrolled on a group plan, RMHP will bill for the appropriate premium from the date of birth and continue coverage for the newborn.
- If a newborn is not enrolled on a group plan within the first 31 days of life, RMHP will stop coverage for the baby on the 32nd day. No premium will be due.

Adopted child, or new foster care dependent will be enrolled under the Subscriber's existing RMHP health plan and the effective date of coverage will be the date of the adoption or placement for adoption, or the date of placement in foster care.

- A legally adopted child will be eligible when such child is placed for adoption with the Subscriber or Dependent Spouse by the state or an adoption agency and the Subscriber or Dependent Spouse assumes or retains a legal obligation to partially or fully support a child in anticipation of the child's adoption.
- An enrolled employee may add the new child by completing the RMHP change form. A copy of the adoption documentation is required for adding an adopted child.
- A copy of the foster care placement paperwork is required for adding a new dependent in foster care.
- RMHP must receive the enrollment request for an adopted or foster care dependent within 30 days of the qualifying event.
- If a specific premium is required to provide coverage, upon receipt of the enrollment form, RMHP will pro-rate premium back to the qualifying event.

### Common Forms

[Change Form](#)

## How do I handle a Court-Order for Coverage of an Employee's dependent?

If an employee or enrolled spouse is subject to a newly issued court or administrative order to provide health care coverage for a dependent child, and the employee is eligible for family health care coverage through his/her employer, RMHP will permit the Subscriber to add the dependent child to be effective on the date of the court or administrative order.

- A completed change form along a copy of the court or administrative order is required for adding the dependent.
- If a specific premium is required to provide coverage, upon receipt of the change form, RMHP will pro-rate premium back to the qualifying event.
- RMHP must receive the enrollment request within 30 days of the qualifying event.

### Common Forms

[Change Form](#)

## How do I enroll an Employee or Dependent who recently lost other coverage?

Enrollment is allowed for eligible employees (and their dependents) when loss of coverage occurs under the following conditions:

The employee (and their dependents) were covered by other creditable coverage under another carrier or RMHP plan at the time of the initial enrollment period and stated on the RMHP Waiver Form\* that coverage under another plan was

the reason for declining enrollment. Enrollment is allowed when there is a loss of coverage on the other health plan for the following reasons:

- Loss of coverage under the other Creditable Coverage as a result of termination of employment or eligibility, including Medicare, Medicaid, Group, Individual, or other federal or state public health plan coverage
- Loss of eligibility due to reduction in hours
- Divorce or legal separation
- Death of a spouse
- Termination of employer contributions toward such Creditable Coverage

A request to add an employee (and their dependents) must be received by RMHP within 30 days of the qualifying event. If loss of coverage is effective other than the end of the month, RMHP will enroll the employee/dependent on the date following loss of coverage and pro-rate the premium due. Loss of Medicaid or Child Health Plan coverage allows up to 90 days from the loss of coverage.

Coverage is effective the first day after the loss of coverage.

*Please note: Increases to individual health plan coverage is considered a Qualifying Event. Individuals will be allowed to enroll in an employer's group health plan outside of the employer's Open Enrollment Period following Qualifying Event Timelines.*

*\*Waiver forms are not required for Large Employers.*

### Common Forms

[Uniform Employee Application \(small employer, 1-100 employees\)](#)

[Employee Enrollment Form \(large employer, 101+ employees\)](#)

[Change Form](#)

## How do I Enroll an Employee who has been re-hired?

Employees who are laid off or who voluntarily terminate their employment and who are then rehired within 90 days of termination may enroll first of the month following their rehire date. After 90 days, the employee would be eligible to enroll upon meeting the eligibility waiting period.

The enrollment form to request to add an employee (and their dependents) must be received by RMHP within 30 days of qualifying event.

*Please list at the top of the application "Rehire" and date of rehire.*

### Common Forms

[Uniform Employee Application \(small employer, 1-100 employees\)](#)

[Employee Enrollment Form \(large employer, 101+ employees\)](#)

## Need to make a premium payment?

As a prepaid health plan, RMHP sends premium billings on or about the 15th of the month prior to the month for which coverage is in effect. **Premium payments are due on the 1st of the month for which coverage is effective.**

**RMHP offers the following methods of payment:**

- **On-Line bill pay.** Easily make a monthly premium payment [here](#).

- **EFT payments** can be automatically deducted when RMHP receives bank-draft information by completing the [Electronic Fund Transfer Form](#).
- **Check payments sent by mail should be mailed to:**

**Rocky Mountain Health Plans**  
**P O Box 173756**  
**Denver, CO 80217-3756**
- **Pay-by Phone** - You can call to make a phone payment at 970-243-7050 or 1-800-346-4643.

## Reconciling Your Billing Statement

It is important to review your monthly RMHP Billing Statement to ensure we are accurately reflecting your employee's health coverage elections. If you see discrepancies in the itemized detail, please call your Group Management Team or Account Manager to facilitate a change or correction for your next premium billing. RMHP will promptly correct the statement and either credit or add premium as appropriate. Please pay the "Total Amount Due" regardless of any needed adjustments.

## What Services are Available to Administer Colorado Continuation of Coverage (CCOC)?

The Colorado Continuation of Coverage Law affects all Colorado employers with less than 20 employees offering group health plan coverage. In certain circumstances, Colorado state law requires employers to offer continued coverage (Colorado Continuation of Coverage, or CCOC) for a specified period for employees and/or eligible dependents who have terminated employment or who are no longer eligible for coverage.

CCOC benefits are available when the employee has been covered by the employer's group health plan for six months or longer prior to the Qualifying Event.

A Qualifying Event for continued coverage under the Colorado Continuation of Coverage Law occurs if:

- An employee's eligibility to receive group health coverage has ended due to voluntary/involuntary termination of their employment. Under CCOC, a reduction in hours is not a qualifying event.
- A dependent's eligibility to receive group health coverage has ended due to the death of an employee or change in marital status of an employee.

In addition, the following requirements must be met:

- Premiums or contributions required from or on behalf of an employee must have been paid to the termination of employment date.

The continuation of coverage period under the Colorado Continuation of Coverage Law extends for 18 months following loss of coverage or until the employee or dependent becomes eligible for other group coverage, whichever occurs first.

The premium payable by the covered employee under the Colorado Continuation of Coverage Law equals 100% of the applicable group premium rate, which includes the employee portion plus any portion that had been payable by the employer and any applicable fees.

## RMHP Services

If you elect to have RMHP provide administrative assistance with your compliance with the law, RMHP will send the Notice of Right to Elect Colorado Continuation and Election form once the disenrollment form (for the terminated employee) or the Change Form (when a dependent is longer eligible) has been submitted.

RMHP will directly bill eligible individuals who elect continuation of coverage. RMHP will monitor the length of the continuation of coverage and provide a monthly listing to you of anyone who has elected continuation. **There is no charge for this service.**

This information is a brief summary. If you have any questions about this information, you should read the applicable statutes and regulations and contact your legal counsel or your RMHP group representative.

Here is a sample of the notice RMHP will send to qualified individuals if you elect administrative assistance. [RMHP sample CCOC letter](#)

## What Services are Available to Administer COBRA?

Federal law requires employers with 20 or more employees to offer continuing coverage under a group health plan for a specified period of time when, as a result of a change in the covered employee's eligibility status, or the covered employee and/or his or her dependents are no longer eligible for coverage.

COBRA affects private employers who maintain group health plans (other than church plans) and have 20 or more employees on more than 50% of the working days during the previous calendar year. State and local governments are also subject to COBRA, under the Public Health Service Act.

The Plan Administrator is the person (or entity) designated by the terms of the employee benefit plan. If a Plan Administrator is not designated, the employer is generally the Plan Administrator of an employee benefit plan established or maintained by a single employer. **RMHP is not the Plan Administrator for COBRA purposes.**

People eligible for continued coverage under COBRA are known as Qualified Beneficiaries. With respect to a covered employee under a group health plan, a Qualified Beneficiary is generally an individual who on the day before a Qualifying Event affecting the covered employee was a beneficiary under the group health plan. A Qualified Beneficiary can be the covered employee, the spouse of the covered employee, the dependent child of the covered employee, or a child born to or placed for adoption with the covered employee during a period of COBRA continuation coverage. Eligibility for COBRA continuation coverage cannot be conditioned upon evidence of the Qualified Beneficiary's insurability.

The continuation of coverage period under COBRA extends for the time period noted below following loss of coverage or until the employee or dependent becomes eligible for other group coverage, whichever occurs first.

- **Termination or Reduction of Hours:** the period of coverage for the employee, spouse, and dependent child is 18 months.
- **Employee Becomes Eligible for Medicare, Divorces/Files for Legal Separation, or Dies:** the period of coverage for his or her spouse and dependent child is 36 months.
- **Employee's Child Loses "Dependent Child" Status:** The dependent child is covered by COBRA for 36 months.

Qualified Beneficiaries may be required to pay a premium for continuation coverage equal to 102% of the monthly group rate premium received during the period noted above and any applicable fees. Qualified Beneficiaries who receive extended continuation coverage through the Disability Extension may be required to pay a premium equal to 150% of the group rate premium for any month of coverage received after the 18th month and any applicable fees.

### RMHP Services

If you have elected to have RMHP provide administrative assistance with your compliance with the law, RMHP will send the COBRA Continuation of Coverage Election form once the disenrollment form for the terminated employee or the change form when a dependent is longer eligible for coverage has been submitted. RMHP will directly bill eligible

individuals who elect continuation of coverage. RMHP will monitor the length of the continuation of coverage and provide a monthly listing to you of anyone who has elected continuation. **There is no charge for this service.**

**Please Note:** RMHP does not provide the initial COBRA notice of rights that is required of employers or the notice that continuation of coverage is not available to beneficiaries who do not meet COBRA requirements. Here is a sample of the model notice to distribute to new hires: [COBRA model notice](#)

Here is a sample of the notice RMHP will send to qualified individuals if you elect administrative assistance. [RMHP sample COBRA letter](#)

This information is a brief summary. If you have any questions about this information, please reference the applicable statutes and regulations and contact your legal counsel or your RMHP group representative.

## Are there Carry-Over Credits for Deductibles Met This Year?

Yes. On January 1, any amount the employee has paid toward deductible in the months of October, November, or December will be credited to the next calendar year's deductible on non-HSA eligible health plans. There is no deductible credit for the fourth quarter on HSA-eligible health plans.

## Are there Carry-Over Credits for Deductibles with a Plan Change?

Yes. If your anniversary is in a month other than January and you change health plans, any amounts employees and dependents have paid toward the **calendar year** deductible and out of pocket will be automatically credited to the new plan. If you offer more than one plan to your employees and no one is enrolled on a specific plan at renewal, RMHP will not send a renewal for that plan. You can add as many plans as you choose on your anniversary.

## What is the definition of a Small Employer?

Effective January 1, 2016, a Small Employer is defined as an Employer with 1 to 100 full-time employees, including any full-time equivalents.

## How do I determine how many employees we have?

Full-time employees are employees working 30 hours or more per week (or 130 hours of service in a calendar month). Part-time employees (including seasonal) are employees working less than 30 hours per week and are counted as Full-Time Equivalents (FTEs). FTEs are determined by calculating the aggregate number of hours of service performed by all employees who were not full-time each month and dividing by 120.

Calculate the number of full-time employees + number of fulltime equivalents (FTEs) for each month in the preceding calendar year divided by 12.