

# Enrollment Rights FAQ

## Special Enrollment Rights

Under HIPAA, certain qualifying life events that happen to employees or their dependents trigger a right to “special enroll” in an employer-sponsored group health plan. Special enrollment allows individuals who previously declined health coverage to enroll in coverage **outside of a plan's open enrollment period**. Group health plans must make all employees eligible to enroll in the employer's group health plan aware of their special enrollment rights at or before the time an employee is initially offered the opportunity to enroll in the plan by distributing a Notice of Special Enrollment Rights.

### What Triggers Special Enrollment Rights?

The following events trigger special enrollment rights in a group health plan:

- Loss of eligibility for other coverage
- Termination of employer contributions toward health coverage
- Life events: marriage/divorce, birth, adoption, or placement for adoption, etc.
- Loss of coverage under a state Children's Health Insurance Program (CHIP) or Medicaid
- Determination of eligibility for premium assistance under CHIP or Medicaid.

### Loss of Eligibility for Other Health Coverage

Employees and dependents that decline coverage due to other health coverage and then lose eligibility or employer contributions toward that other coverage have special enrollment rights. For example, an employee who turns down health benefits for herself and her family because the family already has coverage through her spouse's plan can request special enrollment for her family in her own company's plan.

### Requirements for Special Enrollment Resulting from Loss of Other Health Coverage:

- The employee or dependent must have had other health coverage when he or she previously declined coverage under the group health plan.
- If the other coverage was COBRA continuation coverage, special enrollment can be requested only after the COBRA continuation coverage is exhausted.
- If the other coverage was not COBRA continuation coverage, special enrollment can be requested when the individual **loses eligibility** for the other coverage. Loss of eligibility does not include a loss due to the failure of the employee or dependent to pay premiums on a timely basis or termination of coverage for cause (such as making a fraudulent claim or an intentional misrepresentation of a material fact in connection with the plan).

If claiming special enrollment rights because of a loss of eligibility for other coverage, the employee must be provided at least 30 days for the employee or dependent to request coverage after the loss of eligibility for other coverage.

### Termination of Employer Contributions Toward Health Coverage

Employees and dependents that decline coverage due to other health coverage and then lose employer contributions toward that coverage have special enrollment rights. For example, an employee who turns down health benefits for herself and her family because the family already has coverage through her spouse's plan can request special enrollment for her family in her own company's plan.

If claiming special enrollment rights as a result of a termination of employer contributions toward health coverage, the employee must be provided **at least 30 days** for the employee or dependent to request coverage after the termination of employer contributions.

### Life Events

Employees, spouses, and new dependents are permitted to special enroll in a group health plan because of the following life events:

- Marriage
- Birth

- Adoption
- Placement for adoption.

A plan or issuer must allow an individual **at least 30 days** after the triggering life event to request special enrollment based on that event.

### Loss of Coverage Under CHIP or Medicaid

A special enrollment right arises for employees and their dependents that lose coverage under a state Children's Health Insurance Program (CHIP) or Medicaid. The employee or dependent must request enrollment **within 60 days** of the loss of this coverage.

### Determination of Eligibility for Premium Assistance under CHIP or Medicaid

A special enrollment right arises for employees and their dependents that become eligible to receive premium assistance under a state Children's Health Insurance Program (CHIP) or Medicaid. The employee must request enrollment **within 60 days** of the determination of eligibility for premium assistance.

### Notice of Special Enrollment Rights Requirement

A notice of special enrollment rights must be provided to employees at the time or before they are offered the opportunity to enroll in the group health plan. This notice may be provided in the summary plan description (SPD) if the SPD is provided to the employee at the time or before the employee is initially offered the opportunity to enroll in the plan. If the SPD is provided later, the notice should be provided separately (for example, as part of the application for coverage).