

HR Hints

Making changes to health enrollment mid-year Qualifying events

The health insurance premiums for the Archdiocese are payroll deductions that are set up on a pre-tax basis. Having pre-tax deductions is part of the IRS governed plan called Section 125. Section 125 essentially states that the elections an employee makes as a new hire or during open enrollment, must remain as-is throughout the entire plan year. The only allowable exception for a mid-year change would be for a qualifying event. A qualifying event includes but is not limited to birth, marriage, death, divorce, adoption, involuntary loss of previous coverage or significant change in prior coverage's cost or benefit structure. **Any qualifying event must have an effective date within the last 30 days.** If the effective date has been more than 30 days ago, the employee will have to wait until open enrollment to make the change. See below for examples.

Important: This rule applies to all enrollment options – regardless of whether the change is to join/come on or drop/go off the plan.

Examples of qualifying event and acceptable documentation (document must list the name and effective dates of the employee and all dependents):

Qualifying Event	Documentation needed
1. Change in legal marital status (e.g., marriage, divorce, legal separation or annulment)	Official document such as marriage license or divorce decree
2. Change in number of dependents (e.g., birth, adoption, placement for adoption)	Birth certificate or final adoption documentation
3. Involuntary loss of other coverage	Letter from insurance or employer w/exact effective date
4. Significant cost change - going on or off our plan is a significant cost savings	Letter from insurance or employer w/exact effective date
5. An addition or significant improvement of a benefit package option	Letter from insurance or employer w/exact effective date
6. On account of orders, such as qualified medical child support orders (QMCSOs)	Official document such as court order
7. Enrollment into Medicare	Medicare ID card so long as it shows effective date
8. Death	Death certificate

To make sure that all mid-year health plan changes are in compliance with IRS regulations, we require supporting documentation of qualifying events, as shown above. By requesting this documentation, we are protecting the ability to provide pre-tax payroll deductions for health insure premiums in our Section 125 plan.

To request a change in coverage, the employee must complete a life event request in their web benefits portal of Enterprise Web Benefits in Paylocity.