

Chapter 39. Group Health and Life Insurance.

2 AAC 39 is amended by adding a new article to read:

Article 7. Waiver of Coverage (2 AAC 39.950 - 2 AAC 39.990)

Section

950. Exemption from group health benefit plan coverage upon waiver of coverage

960. Election to waive coverage

970. Date of election of waiver

980. Open enrollment period

990. Definitions

2 AAC 39.950. Exemption from group health benefit plan coverage upon waiver of coverage. An eligible state employee may be exempted from coverage under a group health benefit plan for state employees, in whole or in part, if the employee elects to voluntarily waive the medical, dental, or vision coverage for the eligible state employee in the format provided by the plan administrator. An eligible state employee's election to waive medical, dental or vision coverage also waives that coverage for the eligible state employee's spouse and dependents. An eligible state employee may elect to waive the medical, dental or vision coverage for the employee's spouse and dependents while maintaining the eligible state employee's individual coverage. (Eff. (____/____/____, Register _____)

Authority: AS 39.30.090 AS 39.30.091

2 AAC 39.960. Election to waive coverage. (a) An eligible state employee who elects to waive coverage under the medical, dental, or vision benefit plan must signify election to waive

each benefit in a format provided by the plan administrator. Except as provided in this section, an employee electing to waive coverage must elect waiver for each component of the group health benefit plan coverage being waived and do so each benefit year during the annual open enrollment period as set forth in 2 AAC 39.980. A waiver of coverage made during an annual open enrollment period is effective on the first day of the benefit year immediately following the open enrollment.

(b) An eligible state employee may elect to waive coverage during the 30-day period after the eligible state employee initially becomes eligible for coverage and before the date on which coverage becomes effective under the group health benefit plan. Such waiver shall be effective as of the 31st consecutive day after the eligible state employee begins employment in a position eligible for coverage.

(c) An eligible state employee who changes positions from a position in a bargaining unit exempted from coverage under 2 AAC 39.900 to a position covered by the group health benefit plan may elect to waive coverage within 30 days of the effective date of the change. Such waiver shall be effective on the first day of the month following the change of position. If the change of position occurs on the first day of a month, the waiver shall be effective on such first day of the month.

(d) During the term of a benefit year, an eligible state employee may elect to:

(1) waive coverage previously elected for the benefit year; or

(2) enroll in coverage that was previously waived for the benefit year pursuant to

(b) or (c) of this section,

based upon qualified changes in status or other applicable events that are allowed by 26 Code of Federal Regulations § 1.125-4 and that are set forth by the plan administrator in the plan document governing the applicable coverage. Elections under this subsection may be made on behalf of the eligible state employee, a spouse and dependents consistent with the change in status or other applicable event; provided that spouses and dependents may not be covered under any component of the group health benefit plan if eligible state employee is not also covered. Such elections shall be made no later than 30 days after the date of the change in status or other applicable event, unless federal law requires a lengthier election period, and shall be effective as of the date of the change in status or other applicable event. Elections shall be subject to reasonable administrative procedures as determined by the plan administrator. (Eff. (___/___/___, Register ____))

Authority: AS 39.30.090 AS 39.30.091

2 AAC 39.970. Date of election of waiver. The date a state employee signifies election to waive coverage is the date of postmark of the written notification of the election or the date it is received by the plan administrator, whichever is earlier. If a postmark is illegible or undated, the postmark day is presumed to be five working days before receipt by the division. (Eff. (___/___/___, Register ____))

Authority: AS 39.30.090 AS 39.30.091

2 AAC 39.980. Open enrollment period. During the open enrollment period of each benefit year, an eligible state employee wishing to waive coverage under the medical, dental, or

vision plan must signify election to waive each component of the group health benefit plan coverage being waived. An eligible state employee’s failure to timely submit the written election to waive coverage during open enrollment period will result in automatic enrollment in the default health plans selected by the plan administrator. A waiver of coverage elected during open enrollment is effective on the first day of the benefit year immediately following the open enrollment. (Eff. (___/___/___, Register ____)

Authority: AS 39.30.090 AS 39.30.091

2 AAC 39.990. Definitions. In 2 AAC 39.950 - 2 AAC 39.990, unless the context otherwise requires:

(1) “eligible state employee” means an employee of the State of Alaska who is eligible to be covered by the group health benefit plan and is not exempted from coverage pursuant to 2 AAC 39.900 - 2 AAC 39.925;

(2) “group health benefit plan” means the medical plan, dental plan, and vision plan offered to eligible state employees;

(3) “plan administrator” means the Commissioner of the Department of Administration or his or her designee; and

(4) “postmark” means the official cancellation stamp used by the United States Post Office that records the date and place of mailing. (Eff. (___/___/___, Register ____)

Authority: AS 39.30.090 AS 39.30.091 AS 39.30.095