

## **BACKGROUND**

### **General Compliance**

The following rules have been established for employers adopting electronic data interchange (EDI) for the transmission of enrollment data to health plans and should be incorporated into contracts between employers and health plans. Generally, employers will make every effort to be in compliance with the following rules at least 95% of the time. Non-compliant cases, up to 5%, will be negotiated between the employer and health plan. In cases where a contract between an employer and the health plan contains more stringent expectations than those represented by the rules below, the contract will take precedence.

### **Specific Compliance**

All employers will attempt in good faith to comply with these rules. In some cases, due to procedural, regulatory, or cultural circumstances, compliance to a specific rule by an employer may be delayed, or impossible. In this instance, the employer will negotiate an alternative and distinct rule with its health plans.

### **Regulatory Exceptions**

These rules are not intended to supercede any regulatory requirements. Specifically, COBRA and MEDICARE processes are exempt from these rules where contradictory.

## **CONTENT**

Both the data content and standard for data transmission follow the ASC X12 ANSI 834 Implementation Guide. This is consistent with the Administration Simplification Provision of the Health Insurance Portability and Accountability Act (HIPAA). A technical supplement published by PBGH is available for further clarification, illustration of agreed upon “work arounds,” and applications of the standard.

## **FREQUENCY**

### **Open Enrollment**

- Employers will provide standardized enrollment data at least 15 calendar days prior to the coverage effective date.
- Plans are expected to process enrollment data on or before the coverage effective date.
- Plans will accept data in either a full file or replacement file format.

### **New Enrollment (not Open Enrollment)**

- Employers will submit standardized enrollment data to health plans no later

## **ENROLLMENT RULES OF EXCHANGE (cont.)**

than 45 calendar days after a subscriber's or his/her dependent's effective date of coverage. Employers will be responsible for premium payment from the first effective date of coverage except in those cases when both the employer and the health plan have agreed to otherwise.

- Health plans will process data no later than 15 working days of receiving data.

### **Termination**

- Employers will submit disenrollment data to health plans no more than 60 calendar days after the termination date. Employers are encouraged to set a goal of reducing this time to 45 calendar days.

*Note:* Because disenrollment notification is expected to occur within 60 days of the termination date, health plans will only be expected to credit premiums for up to 60 days. If notification of termination is made more than 60 days after the termination date, then premium paid for terminated coverage over 60 days will be the responsibility of employers.

### **Other**

- Health plans will take responsibility for sending “reminder” letters to subscribers who have just had a baby. The letters will remind parents that the baby only has 30 days of coverage and should be enrolled in a plan within 30 days of birth.
- In coordination with employers, health plans will contact subscribers with children who become “over age” to request the appropriate submission of documentation verifying student status, disability, etc.

## **ACCURACY AND COMPLETENESS**

- Recognizing that the integrity of enrollment data has an effect on all data flows within the healthcare system, employers will strive to supply data that is 95% accurate.
- A health plan will notify an employer within 30 calendar days about a discrepancy between the enrollment record and the premium record.
- The employer will respond to the health plan's notification with an adjustment or explanation within 30 days.

## **APPROPRIATE USE**

Both employers and health plans will employ appropriate and judicious data practices when handling enrollment data. These data may contain sensitive elements, e.g. social security numbers, addresses, and health plan selections. Business processes will be adopted to minimize any occurrence of erroneous enrollment data transmission to incorrect health plans.

Refer to the PBGH Enrollment EDI Users' Guide for more information about the business processes of standardized enrollment transmission.