9. Cafeteria Qualifying Event

Throughout the year and during the enrollment process, you may need to make changes to employees "Current Year" benefits. Once a plan is in effect, any changes to an employee's current benefit must be done as a "Cafeteria Qualifying Event" within 30 days of the actual event itself.

The IRS will only allow a change to the original election for certain qualifying events. They are:

- Change in the Employee's legal marital status
- Change in the number of dependents
- Change in employment status that affects benefit eligibility
- Dependent satisfies or ceases to satisfy dependent eligibility requirements
- A change in residence that affects the Employee's eligibility for coverage
- Commencement or termination of adoption proceedings
- HIPPA Special Enrollment Rights
- Judgments, Decrees or Orders
- COBRA Events
- Entitlement to Medicare or Medicaid
- Significant changes in cost
- Significant curtailment of coverage
- Significant changes in coverage under the plan of the Employer of a spouse or dependent
- Addition or elimination of a benefit package option
- Separation from service
- FMLA Leave

When a member has a change of status that is qualified under your cafeteria plan, the administrator can capture this information by clicking on the link labeled 'New Cafeteria Qualifying Event' found at the bottom of the screen on the "Current Benefits" link.

This will take you to a screen labeled "New Qualifying Event for xxxxxxxxx" (xxxxxxxxx = the employees name).You must fill in a brief description of the qualifying event (Think of it as the 'Subject' line in an e-mail). Then check the appropriate change reason & the date the change occurred. (Not the date you are entering the event into the system). In the Additional information field, enter as much information to explain the reason for the change, in case there are questions later. The click the "Save" button to save your entry.

See the steps on the next few pages to follow along

1. Once you've selected the employee in question (in this case Mark F. Benoit), you need to click on the 'Current Benefits' link.

2. With the employees 'Current Benefits' selected, scroll to the bottom of the screen to find the 'New Cafeteria Qualifying Event' link and click on it.

3. This will take you to a blank 'Cafeteria Qualifying Event' form (see figure 9.2)

Current Benefits Summary for Mark F Benoit

Print Applications

Benefits History

Accepted Benefits

Benefit name		Coverage	Benefit	Current Deduction	Sheltered	Actions
AIG - IRS-ActiveCare		L	AC1	$187.06	Y	Show Drop

Benefits Not Yet Taken

Benefit name		Admin Actions
Disability Insurance	View More Info	Enroll for Anthem Disability
Term Life Insurance	View More Info	Enroll for BDS Life
Cancer Insurance	View More Info	Enroll for AIG C40000
Heart Stroke Insurance	View More Info	Enroll for AIG C30614
Accident Plan	View More Info	Enroll for Humana Accident Plus Enroll for Humana Accident
Dental Plan	View More Info	Enroll for LifeGp Dental
Other Life Insurance	View More Info	Enroll for Leaders Life
Vision Plan	View More Info	Enroll for CompBenefits VisionCare
Dependent Child Care Reimbursement	View More Info	Enroll for Child Care Reimbursement
Medical Expense Reimbursement	View More Info	Enroll for Medical Reimbursement
Notice of Universal Availability	View More Info	Enroll for Notice of Universal Availability
Underwriting of Supplemental Insurance Notice	View More Info	Enroll for Underwriting of Supplemental Insurance Notice
Miscellaneous Benefits	View More Info	Enroll for Leaders Life - Permanent Ins Enroll for United Way Enroll for Smart Teachers Credit Union Enroll for Leaders Life - Term to 100 Life Enroll for YMCA Enroll for Smart Recreation Wellness Ctr Enroll for Smart Hospital Indemnity/Scholarship Enroll for Smart ISD Foundation

Cafeteria Qualifying Events

Event Description	Effective Date	Admin Actions
New Cafeteria Qualifying Event		

COBRA Events

Event Description	Effective Date	Admin Actions
New COBRA Event		

Switch Association To: [_____] ▼   Switch

Figure 9.1 – Starting a Qualifying Event for an employee.

Notice the 1ˢᵗ paragraph of the form: *"I have experienced the following change in status (must be within the last 30 days) and wish to change/revoke my existing cafeteria plan election and make a new election for the remainder of the current plan year."*

You must complete this form within 30 days of the event!

Figure 9.2 – Blank Cafeteria Qualifying Event form.

Please notice in the example below, the two fields with the arrows pointing at then. You must complete both fields, in addition to selecting the 'Change Reason', and the date the change occurred. You cannot future date a Qualifying Event more than 30 days form the date you are entering it in BeneBridge. Nor can you make a Qualifying Event entry 30 days after the event has taken place.   **Remember, this **not** the date you are entering the change.**

Figure 9.3 – Required fields on the Cafeteria Qualifying Event form.

1. Enter a brief description of the qualifying event in the first field.
   (In this example, Mark is changing his status to a Part-Time employee.)

2. Check the appropriate box matching the reason for the change.
   (In this case Mark has a 'Job Status' change to Part-Time.)

3. Enter in the date the Qualifying Event began.
   (In this case Mark will become a Part-Time employee on 9/18/2010.)

4. In the 'Additional Information' field, fill in as much detail as possible, to justify the change. This will avoid the need to go back to you later for an explanation or justify the change)

Figure 9.4 – Example of a properly completed Cafeteria Qualifying Event form.

5. When finished, click on the "Save" button at the bottom of the screen.

Save

You will be taken back to the 'Current Benefits' for the employee. Scroll down to the bottom of the page and you will notice a new link has appeared in the 'Cafeteria Qualifying Event' section, labeled 'Change Benefit Elections'.
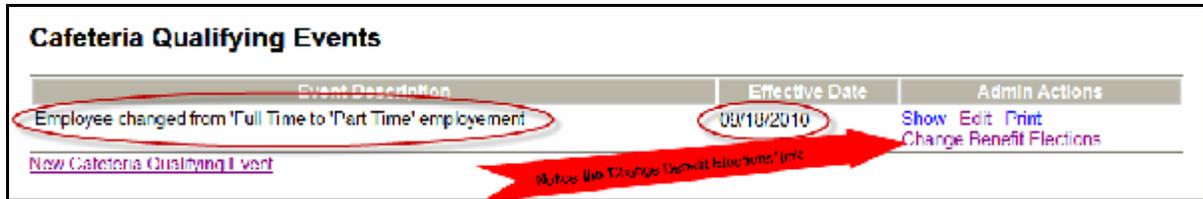
Figure 9.5 – Example of the 'Change Benefit Elections' link on the Cafeteria Qualifying Event form.

Now you are ready to make changes to the employee's benefits. For the moment, the employees' enrollment mode has changed to 'Cafeteria Plan Qualifying Event Enrollment'. Simply put, this means, you will do a special Enrollment for the employee, just as you would during a regular Open Enrollment.

All the sections must be completed in order to save your changes. Even if you are only changing one (1) benefit, you must complete the entire 'Qualifying Event Enrollment' before you can finalize the change(s). Otherwise the change(s) are incomplete and will remain in a 'Pending' status.

1. Click on the 'Change Benefit Elections' link.

   Notice the Enrollment Mode toward the top of the page (see figure 9.6 below). Although you are in a 'Cafeteria Plan Qualifying Event Enrollment' mode, this is the Standard enrollment screen. Complete sections 1, 2, 3 & 4 (if necessary). Even if certain benefits will not be changed, you still must complete all sections.

Figure 9.6 – Example of the 'Cafeteria Plan Qualifying Event Enrollment' form.

For this example, we will be dropping his Health Insurance since he will only be working part-time. Because of his employment status change, we will need to also update his personal information to reflect his new salary & remove him from 'Full Time' status.

2. Click on the '<u>Review Personal Info</u>' link, under Step 1.

Figure 9.7 – Example of the 'Review Personal Info' form.

3. Click the 'Update Member Info' link.
   a. We will need to remove the check mark for 'Full Time?' Status.
   b. We will need to update the 'Annual Income' amount.

Figure 9.8 – Example of the 'Update Member Info' form.

4. Click the checkbox for Full Time?' to remove the checkmark from the checkbox
   Change the Salary to reflect the Part-Time rate

Figure 9.9 – Changes applied to the 'Update Member Info' form.

Notice the check mark has been removed from the 'Full Time?' checkbox and the Salary has been reduced as well. Now you need to save your changes.

5. Click on the 'Save' button.

You will be taken back to the 'Review Member Info' page.

Figure 9.10 – Finishing changes to the 'Update Member Info' form.

6. Review the information for accuracy & click the 'Finished' button.

This will take you back to the Enrollment screen for the 'Cafeteria Plan Qualifying Event Enrollment'. Notice the status has changed for Step 1 – Review/Update Personal Information, to 'Complete'.

Figure 9.11 – Example of the 'Review/Update Personal Information' update.

Now we need to drop the current Health Insurance benefit for the employee.

7. Click the 'Drop' link under Step 2 for the Health Benefit.

Figure 9.12 – Example of the 'Review/Update Current Benefits' update.

The status has changed to 'Complete' and the Enrollment Result has changed to Dropped.

Figure 9.13 – Example of the 'Review/Update Current Benefits' update.

Even though the employee has no more benefits he needs to change, you still need to finish Step 3 (View Other Available Benefit Info then Enroll For or Decline Benefit) by declining the remaining benefits. You have a choice of either declining each benefit one-at-a-time, or declining them all in one entry. Since declining all the remaining benefits at one time is easier, we will use this method.

8. Click the 'Decline Remaining Benefits' link at the bottom of Step 3.

Figure 9.14 – Using the Declining Remaining Benefits' link.

You will notice that status of each remaining benefit in Step 3 has been changed to 'Complete', and the Enrollment Results have all been change to 'Declined'. (This was faster than declining each benefit one-at-a-time.)

Figure 9.15 – Example of Declining Remaining Benefits'.

This employee has to also complete 'Step 4 - Complete Acknowledgements and Statements' in order to finish the 'Cafeteria Plan Qualified Event Enrollment'. Once this is done, the 'Finish Enrolling' button will appear allowing you to complete the changes.

Figure 9.16 – Complete Acknowledgements and Statements.

You will need to click the 'Enrollment Actions' link for each item to complete this step.

9. Click the first link under 'Enrollment Actions'
   (in this case: 'Complete Notice of Universal Availability').
   a. Choose the appropriate Radio button (if available).
   b. Enter the Employees PIN number in the agreement field
10. Click on the 'Save' button

Figure 9.17 – Example of completing an Acknowledgements and Statements form.

This employee has an additional acknowledgement to complete before the 'Cafeteria Plan Qualified Event Enrollment' is completed.

11. Click the 'Complete Underwriting of Supplemental Insurance Notice' link.

This screen just requires the employees PIN number to indicate agreement, and that they have read this screen.

12. Enter the Employees PIN number in the agreement field
13. Click on the 'Save' button.

Figure 9.18 – Example of completing an additional Acknowledgements and Statements form.

Because you have completed the entire enrollment form, there are no more Acknowledgements and/or Statements to complete & Step 5 shows the acknowledgements from step 4 that are now completed. Additionally, the 'Finished Enrolling' button has appeared, along with the 'Salary Reduction Agreement' link is now available.

It is suggested that you print a new copy of the employees 'Salary Reduction Agreement so that the employee may file it with their records. Now finish the enrollment!

14. Click on 'Finished Enrolling' button

Figure 9.19 – Example of completed 'Cafeteria Plan Qualified Event Enrollment' form.

This will take you to a screen that indicates you have successfully completed your cafeteria plan qualified event enrollment for current benefits. If there is a valid e-mail address entered in their 'Personal Information' the employee will receive a link to their updated Salary Reduction Agreement in their InBox.
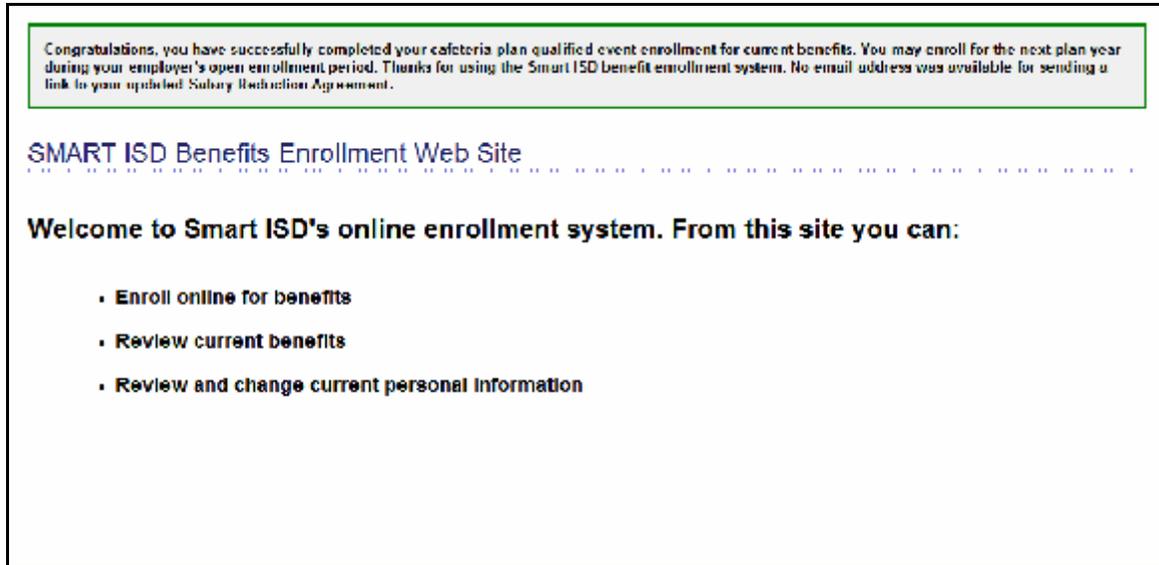

Figure 9.20 – Example of completing an Acknowledgements and Statements form.

You have successfully completed a 'Cafeteria Plan Qualified Event for the employee!

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