



AR Benefits

Benefits Administration Manual
State Agency
Health Insurance Representatives

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Contacts

Benefit	Website/Email	Phone Number
EBD Office	www.ARBenefits.org AskEBD@dfa.arkansas.gov	1-877-815-1017 x1 501-682-9656
New Directions Behavioral Health (EAP)	www.ndbh.com Company Code: ARBenefits	1-877-300-9103
Health Advantage	www.healthadvantage-hmo.com	1-800-482-8416 501-378-2364
ConnectYourCare (FSA/HSA)	www.connectyourcare.com/ ARbenefits	1-833-229-4431
Securian (Minnesota Life)	www.securian.com	1-888-826-2734
Arkansas Diamond Plan		501-301-9900 1-866-271-3327
ARSEBA	www.handhebs.com admin@handhebs.com	1-888-224-5233 501-224-5234
ARBenefits Summary Plan Description	www.ARBenefits.org	

EBD Office

The EBD office is open
Monday-Friday
8 a.m. - 4:30 p.m. CST



Check out ARBenefits on Facebook at www.Facebook.com/ARBenefits.
Our Facebook page is a public page; please do not post or send any personal health information.

Welcome to the BAM

This manual is designed to assist you with your everyday responsibilities as a Health Insurance Representative with your district or agency. In order to best serve our members, it is important that you have knowledge of the plans that ARBenefits offers, the requirements to be eligible for coverage, the forms needed when making changes to the plan, as well as administrative procedures. While this guide is designed to be a reference for you, all plan information can be found at www.ARBenefits.org, and in our Summary Plan Document (SPD).

As a Health Insurance Representative, you are expected to distribute plan information to the employees in your group, as well as keep them up to date with any changes. You are also expected to keep up with your invoices received from EBD and remit payment to the plan on time.

To aid you in these steps this guide will focus on the following information:

- ▶ Employee Eligibility
- ▶ Enrollment and Required Documents
- ▶ Using the ARBenefits Portal and the Secure Task System
- ▶ Administrative Procedures
- ▶ Accounting Tips

Should you need assistance, you can contact EBD at 877-815-1017x1, by e-mail at AskEBD@dfa.arkansas.gov, and by using the Secure Task System which will be covered in this guide.

As a note, this is a living document that can change at anytime during the year. You will be informed by an EBD Alert if changes are made to this manual, and where you can find the most up-to-date version.

ELIGIBILITY

Eligible Employees

1. If you are a State Employee, you may join the Plan if you answer yes to one of the questions below:

Are you:

- A full-time employee of a participating agency, institution, commission, or constitutional office, and
- In a budgeted position or a position recognized by the General Assembly, and
- Not seasonal or temporary, and
- Working one thousand (1,000) hours or more each year?

Are you a member of the General Assembly?

Are you an elected Constitutional Officer?

Are you an appointed or elected member of a Board or Commission on a full-time salaried basis?

Are you:

- An extra help employee, and
- Your agency has told you that you will be covered under the Plan, and
- Your agency has agreed to pay the State match for your coverage.
- A non-eligible state employee as defined under the law.
- You are willing to be responsible for all costs for participating in the Plan (unless your agency has chosen to pay all or part of the cost).

Eligible Dependents

- Your current legal spouse (includes same-sex spouses). Former spouses with court orders requiring coverage are NOT ELIGIBLE to join the Plan. Spouses eligible for coverage through his/her employer are not eligible for coverage.
- Dependent children (natural, step-child, legal guardian and legally adopted child) less than age twenty-six (26).
- Dependent children beyond the age of twenty-six (26) due to physical or mental disability

Supporting documentation is required when adding dependents to coverage. Supporting documentation will be included in the Enrollment Documents section.

ENROLLMENT

The time frames below are when employees are eligible to enroll or make changes to their current plan.

Open Enrollment

Open Enrollment is an annual period each year where active employees can enroll or make changes to their plan without the need of a qualifying event. EBD determines when the annual Open Enrollment will take place, and the length of the period. Changes elected during Open Enrollment will be effective on January 1 of the following year.

During Open Enrollment, employees can submit forms through fax or mail to EBD, or they can elect changes using the ARBenefits.org online system.

Retirees do not have an Open Enrollment to add dependents to their plan. Non-Medicare retirees can change plan level (Premium, Classic or Basic) during this Open Enrollment by submitting a Retiree Election Form to EBD. Retirees cannot submit Open Enrollment changes online through the ARBenefits portal.

New Hire/Newly Eligible

A newly hired employee has 60 days from their hire date to elect coverage in the ARBenefits plan. New hires are able to use paper forms, or the online system to elect coverage.

Coverage for new hires will be effective the first of the month following the date of hire and the date on the Election form submitted to EBD.

If a current employee becomes eligible for coverage, they have 60 days from the date they gained eligibility to join the plan.

Qualifying Event

Certain life changing events are considered “qualifying events” that allow employees to make changes to their plan. Active employees have 60 days from the date of the event to elect changes to their plan. Documentation of the qualifying event is required along with the Change or Enrollment Form. A listing of common qualifying events that allow plan changes is included on page nine.

Coverage changes due to a qualifying event will be effective the first of the month following the event and the date on the Election form submitted to EBD. One exception is the addition of a newborn to the plan. The effective date for a newborn will be the first of the month in which they are born.

Retirees making changes due to a qualifying event have a 30-day window to submit their change and documentation to EBD.

EBD considers the turning in of forms and any necessary supporting documentation prior to deadlines to be the responsibility of the employee. However, if you ask that your employees turn their forms into you; you are agreeing to take on the responsibility that those forms will be submitted to EBD in a timely manner.

ENROLLMENT DOCUMENTS

When a new employee, or a current employee who has become eligible for coverage is ready to enroll in the ARBenefits plan or add/drop a dependent from the current plan they can follow the steps below.

Enrollment Form

The ARBenefits Active Election Form should be used for new hires, Open Enrollment changes, and for employees who are enrolling onto the plan due to qualifying event.

Change Form

The Change Form should be used for qualifying events only when the employee is looking to add or drop a dependent from coverage. The change form can also be used if the employee is cancelling their coverage due to qualifying event.

Retirement Packet

Employees who are retiring and are eligible for ARBenefits retirement insurance should use the retirement packet to enroll into their plan of choice. The retirement packet should be submitted to EBD no earlier than 30 days prior to the employee's retirement date.

Supporting Documentation

When adding dependents to their plan, employees will need to submit the following supporting documentation along with the enrollment/change form.

Adding A Spouse:

Copy of the marriage license, Spousal Affidavit (available at www.ARBenefits.org)

Adding a Dependent(s): Birth Certificate (or birth announcement from hospital for newborns)

** EBD requires a copy of the birth certificate. Birth Certificate cards are not accepted since they do not include the names of the parents.*

Enrolling Employee and/or dependent(s) due to qualifying event:

Will need the above documentation along with proof of the qualifying event

Dropping a Spouse and/or Dependent(s):

During Open Enrollment: only need the Enrollment Form

For Qualifying Event: Change Form & Proof of qualifying event

Supporting Documentation must be submitted along with the Enrollment/Change form, or the application will be mailed back to the member, and you will receive an e-mail notice detailing what was missing.

RETIREMENT

Eligibility for Retirement

Retirement eligibility is determined by Arkansas Legislative Law in effect at the time the employee retires. Currently, in order for an employee to be eligible for retiree coverage with ARBenefits, they must satisfy the following requirements:

1. The employee must be vested with one of the state retirement agencies and be eligible to draw an annuity (retirement check).

Retirement Agencies include:

- APERS - Arkansas Public Employees Retirement System
- ATRS - Arkansas Teacher Retirement System
- AR State Highway Employee's Retirement System
- AR Judicial Retirement System
- Alternative Retirement Plan (required to show VALIC and TIFF documentation)

2. The employee must be an active member on the ARBenefits plan their last day of employment.

Reciprocity Service

Vesting Schedule:

Employment service prior to July 1, 1997 requires ten (10) years of fully vested service.

Employment service after July 1, 1997 requires five (5) years of fully vested service.

- An employee fully vested as a state employee AND fully vested as a public school employee (a participating member under both APERS and ATRS and drawing a retirement annuity from each) may choose to enroll in either the ASE or PSE retiree health plan. Verification by EBD is required.
- Effective July 1, 1997 – Vesting for retirement changed from a ten (10) year vesting to five (5) years. Service prior to July 1, 1997 is still held to the ten (10) year vesting.
- A member, who is not fully vested under both systems, will enroll in the retiree health plan with the most vested years.

Retirement Packet

For the employees that are thinking about retirement, or are going to retire, you should provide them with an ARBenefits retirement packet. The packet, available at www.ARBenefits.org and on the last page of this manual, provides the employee with the necessary forms if they wish to enroll into ARBenefits retiree insurance and/or continue any Securian (Minnesota Life) coverage.

EBD will not accept any Retirement Packets submitted earlier than 30 days prior to the employee's retirement date. The Employee will also need to submit supporting documentation for any spouse and/or dependent that they will be continuing coverage on during retirement if not on file already with EBD (spousal affidavit, marriage license, birth certificate).

Non-Medicare Retiree

Employees who are under the age of 65, and do not have a covered spouse 65 or older at the time of retirement, will be on the Non-Medicare Retiree plan. When they elect retiree coverage, they can select the plan level (Premium, Classic or Basic) they wish. During the annual Open Enrollment period for active employees, non-Medicare retirees can change their plan level between the three choices.

Medicare Primary

Employees who retire and are Medicare eligible (65+), or have a covered spouse who is Medicare eligible, will be placed on the Medicare Primary plan.

When the employee retires, it is important for them to have Medicare Parts A&B set up for when they retire. The ARBenefits Medicare Premium Plan for Retirees will coordinate as if Medicare Part A and Part B are both in force at the time of service. If the member does not have Part B, the Plan will pay as though the member does have Medicare Part B and the member will have full financial responsibility for incurred claims.

Active Employees who are Medicare Eligible

Active employees who become Medicare eligible and are still working, are not required to sign up for Medicare Part B while actively employed. The employee and any spouse and/or dependent are covered as any other active member with ARBenefits as their primary payer.

Active employees can sign up for Medicare Part B when they become eligible, and Medicare would pay secondary for that employee.

Retirees Who Return to Work

A Medicare retiree who goes back to work as an active employee as a state or public school employee, and is eligible for benefits, **MUST** come off the retirement health insurance and enroll onto the active plan. Once the employee terminates employment again, the employee has the option to re-enroll in the retirement health plan within 30 days of the loss of benefits. If an employee chooses not to enroll in the retirement health plan at the second time of termination, and obtains health insurance outside of the State and Public School Health Plan, the employee will not have a qualifying event to enroll a second time in the retirement health insurance.

A non-Medicare retiree that goes back to work as an active state or public school employee and is eligible for benefits **MAY** come off the retirement health insurance and enroll in the active plan. Once the employee terminates employment again, the employee has the option to re-enroll in the retirement health plan within 30 days of the loss of benefits. If an employee chooses not to enroll in the retirement health plan at the second time of termination, and obtains health insurance outside of the State and Public School Health Plan, the employee will not have a qualifying event to enroll a second time in the retirement health insurance.

If a retiree does not elect, decline or meet the Arkansas Legislative Code eligibility requirements for retirement health insurance during their thirty-day election period, it is not an option to return to active employment as a rehired retiree to re-establish eligibility. Eligibility is determined at the initial time you elect to become an active retiree and begin drawing your retirement annuity.

QUALIFYING EVENTS

As stated on page five, certain life changing events are considered “qualifying events” that allow employees or retirees to make changes to their plan. Active employees have 60 days from the date of the event to elect changes to their plan while retirees have 30 days from the event date.

Below is a listing of the most common qualifying events. This is not a complete list, and based on documents provided by the member, it is EBD’s decision whether a valid qualifying event has occurred to allow the requested change.

Please note, unless the qualifying event results in the employee enrolling onto the plan as a new member, qualifying events do not allow for a change in plan level between the Premium, Classic or Basic plans. Required supporting documentation is listed on page six.

Event	Action Allowed
Marriage	<ul style="list-style-type: none"> * Enroll legal spouse and dependents within 60 days of marriage date * Employee can drop coverage if they have gained other group coverage through the spouse
Birth	<ul style="list-style-type: none"> * Enroll newborn within 60 days of the date of birth * If member is currently in a NO HEALTH plan, this is a qualifying event to enroll in coverage for member and the newborn.
Adoption/Guardianship	<ul style="list-style-type: none"> * Enroll new legal dependent
Loss of Group Coverage	<ul style="list-style-type: none"> * Employee can enroll within 60 days of the loss of other group coverage * Employee can add spouse and/or dependents that have lost other group coverage
Gain of Other Group Coverage	<ul style="list-style-type: none"> * Employee can drop coverage if they have gained other group coverage * Spouses that gain group coverage through an employer must come off of the plan * Employee can drop coverage of dependents that gain other group coverage
Divorce	<ul style="list-style-type: none"> * Divorce is a qualifying event for an employee to drop a spouse if decreed by the Judge
Turning 26	<ul style="list-style-type: none"> * Dependents covered by employees on the plan will automatically term off of the employee's plan at the end of the month in which they turn 26. * Employees who lose other group coverage (parent's coverage) when they turn 26 can enroll onto the plan
Loss of Medicaid/CHIP	<ul style="list-style-type: none"> * Allows the affected party to join the plan
Gain of Medicaid/CHIP	<ul style="list-style-type: none"> * Allows the employee to drop coverage for the affected party
Gain of Medicare	<ul style="list-style-type: none"> * Employees who gain Medicare Parts A&B coverage can elect to drop their plan coverage - The gain of Medicare Part D does not constitute group health coverage when Parts A&B are already in effect.

ARBENEFITS PORTAL

Health Insurance Representatives (HIR) have access to login to the portal at www.ARBenefits.org. The portal allows you to access member information for your employees, send communication to EBD using a secure task system, access to reports, etc. Once you login to ARBenefits.org, you will see the home screen below. **Remember, this system gives you access to member personal health information (PHI). Unauthorized access or transmission of member PHI will not be tolerated, and is subject to penalties under HIPAA.**

STATE INSURANCE REPRESENTATIVES

Welcome State Insurance Representatives

Secure Task System

[Send a Secure Task](#)

[View Task List](#)

Other Tools

[Invoices| "As Of" Invoice](#)

[Health Insurance Representative Search](#)

[Manage Your Personal Benefits \(ARBenefits Members only\)](#)

[Membership Management](#)

[Adjusted Group Invoice](#)

[Search Wellness Eligibility Page](#)

[Health Insurance Representative Jobs](#)

Secure Task: Internal system that EBD and HIRs can use to communicate with each other. Personal health Information should be sent to EBD using this system (not e-mail).

Invoices & “As Of Invoice” (Non-AASIS only): Allows you to access your monthly invoice that you use to pay EBD. As a reminder, EBD does not bill agencies by individual member, but by the total of active members that you have.

Health Insurance Representative Search: Allows you to search for the contact information of HIR’s at any district or agency

Manage Your Personal Benefits: If you are an ARBenefits member, you can click this link to transfer over to your personal member page.

Membership Management: Allows to you access the benefit information for your employees. If requested by the employee, you can order replacement ID cards for them, or even print out a temporary one, etc.

Adjusted Group Invoice: Allows you to see invoices that have been adjusted due to any changes that have been made.

Search Wellness Eligibility Page: This report gives you access to see who in your group has or has not met the wellness discount requirements for the upcoming plan year.

Health Insurance Representative Jobs: Will give you a report when any reports specific to your group have been generated within the system.

Should you get locked out of your ARBenefits portal account, you can contact EBD to have your account unlocked and your password reset.

NEW SECURE TASK

<p>Assigned To:</p> <p>Assign Group: <input type="text" value=""/></p> <p>Category: <input type="text" value="Choose One"/></p> <p>Req Due Date: <input type="text" value=""/></p> <p>Call Log Id:</p>	<p>Subject: <input type="text" value=""/></p> <p>Add Attachment: <input type="text" value=""/></p> <p><input type="button" value="Choose File"/></p> <p><input type="button" value="Attach"/> <input type="button" value="Delete"/></p>
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The upper portion of the task will allow you to select the group that you wish to send the task to, and the category of your type of task. The category will also show up as the subject, but you can change the subject if you wish. You can also add any necessary attachments to your task. Just select the Choose File option, locate the file on your PC and then select the attach button. Once the attach button is pressed, the attachment will be put into a list. You can also select attachments and delete them if needed.

Secure Task Groups (All groups will begin with “EBD ”)

- Benefits..... Anything related to the benefits offered by the plan
- Billing.....Billing, invoices, payments etc.
- Communications.....Questions regarding sent communications & information about the plan
- ComplianceHIPAA, Tax information etc.
- Eligibility.....Anything regarding member eligibility
- Minnesota Life..... Anything regarding Securian (Minnesota Life) Life Insurance
- Post Employment COBRA & Retirement
- SecurityAdding a new HIR to the system, or updating your contact information, etc.
- Voluntary Products Questions regarding voluntary products (FSA/HSA, dental, vision, etc.)

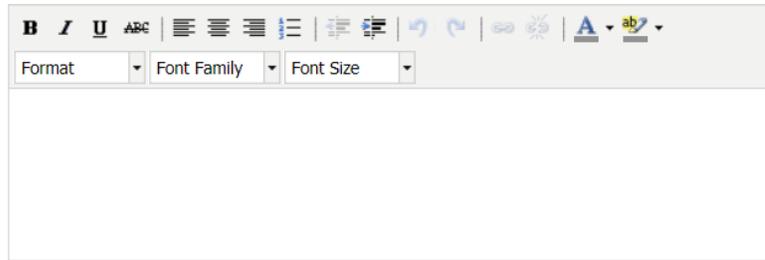
If the task you send needs to go to a different group to get you assistance, you will see an update from EBD that your task is being reassigned.

REGARDING MEMBER

MEMBER #

If your task is in reference to a certain member(s), you can add the members profile to the task. Adding members will make it easier for the EBD Department who receives the task to identify the affected parties.

After you click the button to add regarding members, just search for the member in the box the pops up and click the add button. After you click the add button you can search for additional members and add them to task as well if needed. Once all members are added close the find member box and you will see a list of member numbers for those you have added to the task.

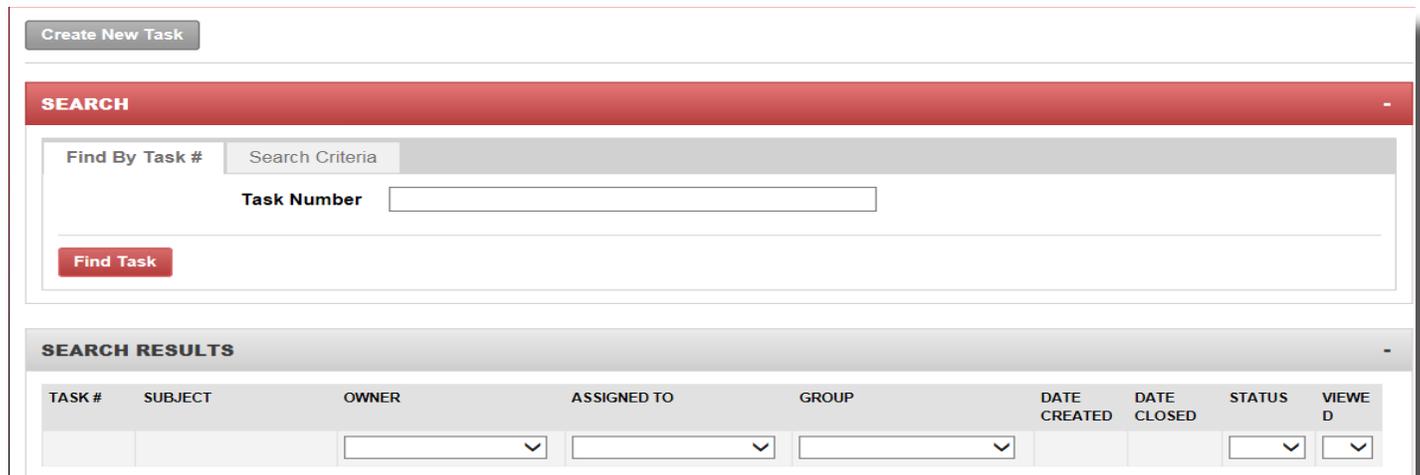
DETAILS
Details:


Format Font Family Font Size

Send Task

The bottom portion of the task creator is where you can input your question and information that you are requesting from EBD. Include any pertinent details. When you are ready to send your task, just click the Send Task Button. You will receive an e-mail when your task has been created, when it receives an update, and finally when it closes.

When a task is complete, the EBD representative will close it. When a task is closed, it will no longer appear in your active Task list. Should an issue arise, you can reopen the task.



SEARCH

Find By Task # Search Criteria

Task Number

Find Task

SEARCH RESULTS

TASK #	SUBJECT	OWNER	ASSIGNED TO	GROUP	DATE CREATED	DATE CLOSED	STATUS	VIEWED
		<input type="text"/>	<input type="text"/>	<input type="text"/>			<input type="text"/>	<input type="text"/>

You have the option to view your current open tasks on your home screen, or you can access the list after you click to send a task. The list will display any current task that you have open. You can also use this page to locate previous tasks by the task number assigned, or you can use the drop down boxes in each category to find the task.

You can select the search criteria tab to look for tasks within a specific date range.

PROCEDURES

The procedures section will provide information regarding important procedures to complete with regards to EBD.

Name and Address Changes

EBD uses the information that you put into AASIS as the profile information for your members in ARBenefits. This includes name, DOB, address, etc. Should any changes need to be made for a member, you should make them in AASIS. EBD will receive the change in an update that night.

Making changes for spouse/dependents: If you need to make a change to a spouse/dependent of one of your employees, you can send a secure task to the EBD_Eligibility group detailing the change that you need made.

Non-AASIS agencies can submit changes in a secure task to the EBD_Eligibility group.

Employee Eligibility (AASIS Agencies Only)

When you determine if an employee is eligible or ineligible for health insurance, you need to make sure to make the proper update in AASIS. If you have an employee that becomes eligible for coverage, you need to make sure the Insurance Eligible field is marked as “Y” for yes. On the flip side, if an employee is not eligible for coverage, that field should show a “N” for no.

In order for EBD to process an employee's enrollment for coverage, that field must show a “Y” in AASIS.

Employee Declining Insurance

Employees are not required to join the ARBenefits plan. If they do not want to enroll onto the ARBenefits plan, the agency should have them fill out a decline form each year that they do not want to join the plan, and keep in it their personnel file.

PENALTIES

Arkansas Code §21-5-415 gives EBD the authority to impose a fine if our HIRs do not follow set policies and procedures. Prior to 1/1/2017, EBD only penalized agencies that failed to remit their premium or state match payments on time. However, starting in 2017, EBD will begin to enforce a penalty if the HIR has failed to follow other set policies and procedures.

The penalty will be in the amount of \$50 per insured affected by the error. However, the first time an error is committed will only result in a warning from EBD. The warning will detail the error, and what policy and/or procedure to follow in the future to avoid another error. It will be at the discretion of EBD whether to impose a penalty or not for repeated errors.

When errors are committed by HIRs it negatively effects our members, and subjects the member, the HIR and the plan to unnecessary processes. Below are some specific examples of common HIR errors that have led to member appeals:

1. New hires not being added to payroll system correctly, therefore the members missed their 60-day window to enroll.
2. Member was advised by HIR that they could make plan changes during a qualifying event that are not allowed by law.
3. HIR did not provide health benefits to the member.
4. HIR received documentation from employee within allowed time frame, but did not submit the documentation to EBD until after the time frame had passed.
5. Deduction report is not followed therefore members are charged the wrong premium.

EBD will cooperate with you and your agency to provide information and training to HIRs throughout the year. In addition to this guide and your training, EBD also holds meetings at the Highway Department throughout the year. You are encouraged to attend a meeting close to you each time you receive a schedule. The meetings will go over any pertinent information regarding the plan, as well as allow you the chance to ask any questions you may have.

You are always welcome to contact EBD if you need assistance by calling member services, sending an e-mail to AskEBD or by sending a Secure Task to the necessary group.

ACCOUNTING TIPS

Payment of State Match

State match is due on the last day of each month, or must be postmarked no later than the last day of the month. Failure to remit premiums on time will lead to penalties in accordance with Arkansas Code § 21-5-415. Please send a copy of the invoice with your payment. By law, all payments must be accompanied with an invoice. Please place the invoice on top after the check. Please, do not staple your paperwork.

Member List (Applies to Non-AASIS Agencies)

If you use the As of Invoice, of which you should make sure your payment equals your invoice, it is not necessary to send us a copy of the names of your employees with insurance. i.e., the Deduction Summary Report. If you do not balance and you are aware of whom you're off balance by, you can either send a copy of the Deduction Change Report, or write on a note attached to the invoice whom the difference is regarding. If your payment equals your invoice, you only need to send your check(s) and a copy of the As of Invoice.

Overpayments (Applies to Non-AASIS Agencies)

If you have any outstanding balances...and you make an overpayment, we are to apply that overpayment to your outstanding balances to reduce the amount the agency owes to EBD. We have had HIRs say "Well how do you expect me to refund this member that I over deducted on?" We do not bill members, we bill the non-AASIS agency. Our accounting system shows monies owed by the agency, until those balances are zeroed, we will apply overages to those balances. If you do not have any outstanding balances and you make an overpayment, we will contact you to see if you want a refund check or a credit applied to the next invoice.

Wellness Benefit Discount & New Hires

If you have a new hire and their discount does not automatically show, please send a task to EBD_Billing and be sure to include to forward the task to EBD Health Services.

ACCOUNTING TIPS

Post-tax or Pre-tax Status (Applies to Non-AASIS Agencies)

Please check and make sure that you check post-tax if the member is post-tax. All members are placed in pre-tax status, unless otherwise stipulated during enrollment. You will not pay FICA on post tax members. If a member is on leave without pay, and they bring you a personal check to deposit and send to EBD on your monthly check, **they are post tax because it was not taken from payroll.**

New Item Added Recently: Adjusted Invoice (Applies to Non-AASIS Agencies)

On the 15th of each month, EBD will run a program that will create an adjusted invoice for the previous month. The adjusted invoice will show you the new invoice amount if you had any adjustments to the previous month's invoice and the payments that have been applied to the invoice. If you owe additional money for the invoice, the payment is due by the end of the month. When you see an adjusted amount in your invoice and you would like to know for whom and what month these charges or credits are for; you can view the Adjusted Invoice, enter the month you need and scroll to the bottom of the page and you will see a list of names and the reason for the adjustment(s).

FICA Savings (Applies to Non-AASIS Agencies)

We understand that you may have a penny or two difference on your FICA amounts due. Unless you want to manually enter the FICA amounts billed from the Deduction Report sent by EBD each month, you may be over or short a few pennies. EBD accounting will manually adjust your invoice in the accounting records for the difference of pennies due to rounding.

HIPAA

Health Insurance Portability and Accountability Act (HIPAA)

A. The Privacy Regulation

The HIPAA Privacy Regulations, with a compliance date of April 14, 2003, mandates that all Protected Health Information (PHI) be secured from use for reasons other than Medical Payments, Treatments, or Health Care Operations (PTO). Employee Benefits Division (EBD) is considered a health plan and therefore is subject to the Privacy Regulation and bound to secure and protect all enrollees' health information. Protecting this information includes limiting uses and disclosures in all forms to those individuals not directly involved in services for PTO. For this reason, EBD has chosen to use ARBenefits Call System (a secure messaging system) for questions regarding PHI.

B. The Security Regulation

The HIPAA Security Regulations, with a compliance date of April 14, 2005, mandates that all electronically transferred Protected Health Information (PHI) be secured. For this reason, EBD has chosen to use ARBenefits Task System (an encrypted e-mail system for EBD employees, contract workers, business associates, and carriers for questions regarding PHI and File Transfer Protocol (FTP), a secure website, for the transfer of PHI to and from our health carriers and vendors).

C. How HIPAA Affects EBD Compliance

EBD is considered a health plan administrator under HIPAA Privacy Regulations and is therefore subject to the privacy and security sections of these regulations.

The Privacy/Security Regulations have specific tasks and accomplishments, which must be in place in order for a Covered Entity to be considered compliant. EBD has complied with these requirements as detailed in the following list:

1. Appointment of a Privacy/Security Officer:

The Privacy/Security Officer oversees all ongoing activities related to the development, implementation, maintenance of, and adherence to EBD's policies and procedures covering the privacy and security of and access to patient health information in compliance with federal and state laws.

2. Notice of Privacy Practices (NPP) to all plan participants:

The NPP is available on the EBD web site and must be provided to all new enrollees in the plan. EBD accomplishes this by distributing the NPP via the Summary Plan Description (SPD).

3. Policies regarding disclosures of PHI:

EBD has policies and procedures in place addressing the use and disclosure of PHI. These policies and procedures are accessible and available upon request to all enrollees, and Insurance Representatives.

4. Training for relevant employees:

EBD is responsible for providing oversight, training, auditing, investigating and reporting of HIPAA-related policy, procedures, issues and violations for all members, business affiliates and business partners of the State of Arkansas State and Public School Employees Life and Health Insurance plan.

D. Uses and Disclosures of PHI

1. Authorization for uses and disclosures outside of PTO:
Plan enrollee information can only be used and disclosed by EBD for purposes related to payment of claims, medical treatment, and health care operations. Communication between health carriers, prescription benefits manager, providers, and EBD is allowed for the above stated reasons without the enrollee's consent. Written authorization is required from the enrollee in order for EBD staff to disclose an enrollee's health information with anyone outside PTO. This includes health insurance representatives, payroll personnel, family members, legal counsel, and friends. Authorization forms are available at EBD and are specific to the situation being addressed, applicable to the person listed as authorized to discuss the enrollee's information and valid only until the expiration date on the form.
2. Identification of employees who may receive PHI:
EBD has identified specific employees within EBD, who are able to use and disclose member's medical information. A listing of these individuals has been provided to each of our carriers and is updated quarterly.
3. Restriction of access to information:
EBD has restricted access to certain levels of information. Access to information is based on a minimum necessary for job function.
4. Employee Non-compliance:
EBD has discipline policies and procedures in place for staff that do not follow privacy or security procedures. A suspected breach of confidentiality or possible unlawful disclosure should be reported to the EBD Privacy/Security Officer for investigation within one (1) business day.

E. How HIPAA Affects Insurance Representatives

1. Health Insurance Representatives are required to verify their identity any time that they contact EBD for security purposes. Representatives must answer two (2) out of four (4) questions correctly in order to verify their identity. Questions that must be answered are, Name, Social Security Number, Group ID, and Pin # (or your login ID).
2. Discussion and/or communication of an enrollee's PHI between EBD staff and Health Insurance Representatives will no longer be allowed without a member's specific written authorization allowing the named Health Insurance Representative (HIR) access to the enrollee's PHI.
3. If an Insurance Representative receives authorization to provide an enrollee's health information, the representative becomes responsible to secure and protect that enrollee's health information from all others not involved in the member's health care. You must not discuss a member's Protected Health Information (PHI) with any individual other than the member without a member's specific written authorization.
4. All health information must be separate from all employment documents and must not be accessible to any unauthorized person. Directors, Superintendents, Principals, and other supervisors do not have a right to an employee's health information. Should this occur the Insurance Representative might be liable for the violation. You are responsible for securing and protecting any PHI to which you are given access.

5. Business Affiliates will complete all Business Associate Agreements and Confidentiality statements as requested by EBD in timely manner. Any personnel changes must be reported to EBD within five (5) business days.
6. Business Affiliates will be subject to reasonable audit to ensure compliance with HIPAA regulations.
7. Business Affiliates must report any suspected violations or breaches to EBD Security for investigation within one (1) business day.

Note: Please encourage the employees to call the insurance carriers or EBD directly to resolve claim problems. If these attempts are unsuccessful then they may contact the Insurance Representative for assistance. Please remember to obtain signed authorization (and forward a copy to EBD).

F. Penalties for Non-Compliance or Violations

The Privacy and Security Regulations are monitored and enforced by The Federal Department of Health and Human Services (HHS), Office of Civil Rights (OCR). Penalties for non-compliance are as follows:

Civil Money Penalties

- \$100 to \$50,000 for each violation where the entity did not know (even with reasonable diligence) that they were in violation of the statute, with a \$25,000 to \$1.5 million cap per year for violating the same requirement,
- \$1,000 to \$50,000 for each violation where the entity had reasonable cause, but did not show willful neglect in violating the law, with a \$100,000 to \$1.5 million cap per year for violating the same requirement,
- \$10,000 to \$50,000 for each violation where the entity showed willful neglect of the law, but corrected the violation within 30 days of discovery, with a \$250,000 to \$1.5 million cap per year for violating the same requirement,
- \$50,000 for each violation where the entity showed willful neglect of the law, but failed to correct the violation within 30 days of discovery, with a \$1.5 million cap per year for violating the same requirement, However, there is no maximum penalty for this circumstance.

Criminal Penalties

- Fine of up to \$50,000 and up to one (1) year in jail for knowingly disclosing individually identifiable health information
- Fine of up to \$100,000 and up to five (5) years for offenses committed under false pretenses
- Fine of up to \$250,000 and up to ten (10) years for offenses committed for personal gain or with malicious intent

Attorney General Prosecution

- State Attorney Generals now have the authority to bring civil actions on behalf of state residents injured by a breach, either to enjoin further violations or to obtain damages on behalf of residents
- Total damages imposed on a person or organization for all violations of an identical requirement in a calendar year may not exceed \$25,000
- The court may award the costs of the lawsuit and reasonable attorney's fees to the state
- State Attorney Generals may not sue over a specific violation while an HHS action regarding that same violation is pending

ARKANSAS CODE § 21-5-415

A.C.A. § 21-5-415

Arkansas Code of 1987 Annotated Official Edition
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*** Legislation is current through the 2011 Regular Session and updates ***
*** received from the Arkansas Code Revision Commission through ***
*** November 16, 2011. ***

Title 21 Public Officers and Employees
Chapter 5 Compensation and Benefits
Subchapter 4 -- State and Public School Life and Health Insurance Board

A.C.A. § 21-5-415 (2011)

21-5-415. Nonpayment of premiums and failure to file reports by agency or school district.

(a) (1) If any participating agency or school district does not remit insurance premiums and required monthly reports to the Employee Benefits Division of the Department of Finance and Administration by the last calendar day of each billing month, the division shall impose a penalty of two dollars (\$2.00) per insured member or one hundred dollars (\$100), whichever is greater.

(2) Penalties will be assessed and invoiced based on the actual number of members included on the monthly billing report that is past due. Invoices will be processed at the beginning of the month following the infraction.

(3) Penalties shall be payable to the Employee Benefits Division and must be received by the division no later than the last calendar day of the month following invoicing.

(4) If payment is not received by the division by the due date, the following collection methods may be used:

(A) (i) The Chief Fiscal Officer of the State may cause the amount sought to be transferred to the division from:

(a) Funds the agency or school district has on deposit with the Treasurer of State; or

(b) Any funds the agency or school district is due from the state.

(ii) If a transfer must be made, a transfer penalty of twenty dollars (\$20.00) per transfer shall be assessed each agency or school district fund and included in the transfer;

(B) The agency director or school district superintendent may be required to appear before the State and Public School Life and Health Insurance Board to report the reasons for nonpayment or incorrect reporting; and

(C) The Chief Fiscal Officer of the State may use his or her powers outlined in § 19-4-301 et seq. to aid in collection.

(5) Nonpayment of premiums could also result in a lapse of health and life insurance coverage for employees of the school district, agency, or the agency assuming responsibility for paying health and life claims for its employees.

(b) (1) If any participating agency or school district fails to follow established policy and procedures set by the executive director, including but not limited to notifying the division of an insured's leave without pay, family medical leave, or military leave status or if any participating agency or school district provides incorrect benefit information or processes unauthorized benefit changes, including system entries that result in unreimbursed expenses to the State Employees Benefits Trust Fund or Public School Employees Insurance Trust Fund, the division shall have the right to:

(A) Require the agency to pay the total amount of the insured's premium; and

(B) Impose a penalty of fifty dollars (\$50.00) per insured.

(2) Penalties will be assessed and invoiced based on the actual number of violations. Invoices will be processed at the beginning of the month following discovery of the infraction.

(3) Penalties shall be payable to the Employee Benefits Division and must be received by the last calendar day of the month following invoicing.

(4) The Chief Fiscal Officer of the State may cause the amount sought to be transferred from:

(A) Funds the agency or school district has on deposit with the Treasurer of State; or

(B) Any funds the agency or school district is due from the state.

(5) If a transfer is made, a transfer penalty of twenty dollars (\$20.00) per transfer shall be assessed each agency or school district fund and included in the transfer.

(c) The division may correct any error regarding an insured's benefits according to existing documentation without authorization or prior notification to the agency or school district.

HISTORY: Acts 1972 (Ex. Sess.), No. 48, § 8; 1973, No. 842, § 2; 1981, No. 749, § 4; 1981, No. 838, § 6; 1983, No. 582, § 1; A.S.A. 1947, § 12-3108; Acts 1997, No. 1295, § 3; 2003, No. 826, § 2; 2007, No. 1009, § 13.

LINKS

Click on the forms below to bring up a PDF version.

ARBenefits

[ARBenefits Enrollment Form](#)

[ARBenefits Change Form](#)

[ARBenefits Retiree Enrollment Packet](#)

[Spousal Affidavit](#)

[Appeal Request Form](#)

[ARBenefits Summary Plan Document](#)

[Securian \(Minnesota Life\) Election & Change Form](#)

[Securian \(Minnesota Life\) Evidence of Insurability Form](#)

[2019 ARBenefits Schedule of Benefits - Premium](#)

[2019 ARBenefits Schedule of Benefits - Classic](#)

[2019 ARBenefits Schedule of Benefits - Basic](#)

[ARBenefits Guide to Enrolling Online](#)

Voluntary Products

[ConnectYourCare HSA Enrollment Form](#)

[ConnectYourCare HSA Transfer of Assets](#)

[ConnectYourCare 2019 FSA Enrollment Form](#)

[Delta Dental Enrollment Form](#)

[Humana Vision Enrollment Form](#)