

# QME - Death of Covered Family Member

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## **What action needs to be taken when a covered family member dies?**

The death should be reported to the appropriate Benefits Administrator within 60 days of the event and is consistent with terminating coverage for the deceased family member at the end of the month in which the death occurs. If this results in a reduction in membership level, the premium will be reduced accordingly. Documentation of the death should be obtained, but a death certificate is not required.

If the death is not reported within the 60-day QME window, termination of the family member's coverage will still be allowed due to the clear and convincing error (as defined by the IRS), and the family will be dropped from coverage effective on the last day of the month in which the death occurred. Any resulting change in membership level will be allowed once the error is discovered, and any premium overpayment will be returned to the employee and employer for the period of erroneous coverage, not to exceed retroactivity back to the first of the calendar year during which the error is identified. In the case of retirees, who pay their full premium with after-tax dollars, refund of premium overpayments may be made up to 12 months prior to discovering failure to timely report the family member's death.