Divorce

This life event/qualifying mid-year event (QME) is permitted when an employee or retiree becomes divorced and results in the loss of eligibility for the ex-spouse and stepchildren.

Health Insurance Coverage:	Remove only ex-spouse and stepchildren.
	May enroll or change the health plan.
	May add eligible family members who lost their coverage due to the divorce, review the HIPAA Special Enrollment procedures.
Health Care Flexible Spending Account:	May enroll or increase election amount to cover a change in eligible medical expenses as a result of the loss of health care coverage under the spouse's plan.
	May reduce or cancel election amount to cover a change in eligible medical expenses.
Dependent Care Flexible Spending Account:	May enroll, increase or decrease election amount to cover a change in eligible dependent care expenses.

Important Things To Know About Making An Election Change Request For This Event
1. ***How to submit the request.*** Use Cardinal Employee Self Service (ESS) or submit an enrollment form within 60 calendar days of the divorce. The 60-day countdown begins on the date the judge signs the final divorce decree. **Note:** If health plan changes are made the employee must submit an enrollment form versus using ESS.
2. ***What documentation is required?*** The final divorce decree with the judge signature and date is required. *If documentation is not available, employees should not miss the enrollment deadline. If documentation is received more than 30 days after the election request, contact OHB for assistance.* ***Health care coverage will not be effective until documentation is received and approved.***
3. ***When approved changes take effect.*** ***Health care coverage:*** Changes are effective the last day of the month in which the divorce is final. *The ex-spouse and stepchildren lose eligibility for coverage when the final divorce decree is signed.* ***Flexible spending accounts:*** Changes are effective the first of the month following receipt of the election request or following the event, whichever is later. When the later date is the first of the month, changes are effective that day. Health Insurance and FSA

elections are separate elections and may be submitted together or separately within the allotted timeframe.

Election changes are irrevocable once the effective date of the change has occurred.

4. ***Where to learn more.*** Refer to the Cardinal Job Aids at www.cardinalproject.virginia.gov for instructions to process this benefit event. If additional assistance is needed, contact vccc@vita.virginia.gov for Cardinal-related issues or ohb@dhrm.virginia.gov for OHB policy-related issues.

5. If the 60-day window, for this divorce event is missed, the ex-spouse and stepchildren must still be removed from coverage as soon as it has been identified, retroactive to the end of the month that the divorce was final. See the **Ineligible Dependent Process** for more information.

Reminder: ***Failure to remove the ex-spouse and stepchildren (ineligible dependents) from the health coverage may result in suspension from the State Health Benefits Program for up to three years.***

Divorce (DIV)

Divorce is a life event/qualifying mid-year event (QME) that results in loss of eligibility for the ex-spouse and stepchildren whose eligibility was gained through the employee or retiree. The event is consistent with a reduction in membership when removing the ex-spouse and stepchildren, as applicable. Coverage for the affected family members will end on the last day of the month in which the divorce is final.

Once the divorce is final the ex-spouse and stepchildren must be removed from coverage because they are considered ineligible**.** Even if the divorce event is missed, within the 60-day window, the ex-spouse and stepchildren must still be removed from coverage as soon as it has been identified, retroactive to the end of the month that the divorce was final. Contact OHB for additional assistance.

Ex-spouses and stepchildren are not eligible for coverage (even with a court order). Failure of an employee or retiree to remove an ineligible person from health coverage may result in suspension from the State Health Benefits Program for up to three years. (Divorce does not allow termination of coverage for any family members who do not lose eligibility due to the event).

Note: Separation, even with a property settlement, is not a life event/qualifying mid-year event (QME) and will not allow for dropping a spouse or stepchild's coverage outside of open enrollment.

Documentation

The Benefits Administrator should obtain a copy of the final divorce decree to document the date of the divorce. The final divorce decree **must** have the judge's signature, the date and include the former spouse's name.

If the agency is notified in writing per the Qualifying Event Notice provisions of the Extended Coverage/COBRA Initial General Notice, the spouse should receive an Extended Coverage Election Notice. Failure by the employee or retiree or former spouse to provide required notification will result in loss of eligibility for Extended Coverage.
See the **Extended Coverage/COBRA** section for more information.

When removing ineligible dependents from coverage, supporting documentation is required that provides proof of loss of eligibility. If supporting documentation is not available at the time of the event, the employee or retiree should not miss the deadline to submit the election request. The supporting documentation can be submitted later.

Allow 30 days from the election request to receive the supporting documentation, before making Cardinal adjustments. If documentation is received more than 30 days after the election request, contact OHB for assistance.

See the **Ineligible Dependent Process** for more information, if applicable.

Allowed Changes

The Health Insurance Portability and Accountability Act (HIPAA) Special Enrollment provisions for loss of eligibility for health coverage allow employees or retirees to make certain election changes that do not have to meet the consistency rule that applies to most life events/qualifying mid-year events (QME).

An employee or retiree is allowed to enroll from waived status or make plan changes when they lose eligibility under the former spouse's plan. These election requests should be processed as a HIPAA Special Enrollment (HIP) event. The election request will be effective the first of the month following the loss of eligibility or receipt of the enrollment request, whichever is later.

Effective Dates of Election Changes

Election Change Request	Effective Date
Remove ex-spouse and/or stepchildren due to loss of eligibility	The last day of the month in which the divorce is final.
Corresponding Flexible Spending Account Election (Health Care/Dependent Care FSA)	The first of the month following receipt of the FSA election request or the event, whichever is later. When the later date is the first of the month, changes are effective that day.

If the divorce results in a change in membership, the premium will be reduced the first of the month following the date of the final divorce decree if the election request is made within 60 days of the divorce. The countdown begins on the day of the divorce. The effective date of the loss of eligibility will be the end of the month during which the final decree is issued. The election request will not be prospective based on the loss of eligibility notification.

Once a qualified life event has been updated in Cardinal, the COBRA Administrator will send the ex-spouse and/or the stepchildren the required COBRA Election Notice.

See the **Extended Coverage/COBRA** section for more information.

Missed the 60-day Window

If the employee or retiree does **not** report a divorce within 60 days of the date the divorce was finalized, they will **not** be permitted to reduce their membership until the next Open Enrollment or until another consistent life event/qualifying mid-year event (QME) occurs—whichever happens first.

Even if the divorce is not reported timely, the ex-spouse's coverage will still end on the last day of the month in which the divorce decree was finalized**.** Because the divorce was not reported within the required 60-day window, the ex-spouse **will not** be eligible for Extended Coverage/COBRA**.** Contact OHB for additional assistance.

See the **Ineligible Dependent Process** for additional details. At the discretion of DHRM, certain exceptions may be granted for Retiree Group participants.

System Updates

Refer to the Cardinal Job Aids at www.cardinalproject.virginia.gov for instructions to process this benefit event. Please adhere to processing guidelines to ensure transactions are submitted to the vendors appropriately. For questions, contact ohb@dhrm.virginia.gov.