

# Dependent Care Flexible Spending Arrangement

for

The State of Louisiana  
An ERISA Exempt Employer

Amended as of January 1, 2016

1993

Office of Group Benefits  
Division of Administration  
State of Louisiana

# **Article 1**

## **INTRODUCTION**

### **1.1 Establishment of Dependent Care FSA**

The Office of Group Benefits, Division of Administration, State of Louisiana, established the Dependent Care Flexible Spending Arrangement (“Plan”), as part of the Flexible Benefits Plan (“Flex Plan”), effective July 1, 1993. This Plan Document is amended to comply with Internal Revenue Code and the regulations thereunder and is amended effective as of January 1, 2016. The purpose of this Dependent Care FSA is to permit participating Employees to pay certain Qualifying Employment Related-Expenses on a pre-tax basis.

Capitalized terms used in this Plan Document that are not otherwise defined in this Plan Document shall have the meanings set forth in Article 2.

### **1.2 Legal Status**

This Dependent Care FSA is intended to qualify as a “Dependent Care Assistance Program” under §129 of the Internal Revenue Code. Further, the reimbursements of Qualifying Employment-Related Expenses under this Dependent Care FSA are intended to be eligible for exclusion from Participants’ gross income under §129 and §125.

## Article 2

# DEFINITIONS and CONSTRUCTION

### 2.1 Definitions

“**Account(s)**” means the Dependent Care Flexible Spending Arrangement Accounts described in Section 5.3.

“**Administrative Fee**” means the required participation fee set by the Administrator to cover the cost of administering the Dependent Care Flexible Spending Arrangement (DCFSA). This Fee is separate and in addition to the amounts identified for Benefits. Failure to pay the Administrative Fee will result in the denial of the privilege to participate in the DCFSA.

“**Administrator**” means Office of Group Benefits, Division of Administration, State of Louisiana or other such person or entity that it appoints as its designee.

“**Annual Enrollment Period**” means the period designated by the Administrator which precedes the commencement of each Plan Year during which Eligible Employees can elect or modify the amount contributed for Benefits.

“**Appeals Panel**” means the panel of at least three (3) individuals appointed by the Administrator.

“**Benefits**” means any amounts available for reimbursement to a Participant in the Dependent Care FSA for Qualifying Employment-Related Expenses incurred during a Plan Year and/or Grace Period by the Participant or his/her spouse.

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Compensation**” means the wages or salary paid to an Employee by the Employer, determined prior to (a) any Salary Reduction under the Flex Plan, (b) any salary reduction under any other cafeteria plan, and (c) any compensation reduction under any Code §132(f)(4) plan. (Wages or salary is determined after salary deferral elections under any 401(k), 403(b), or 408(k) arrangement.)

“**Contribution**” means an amount that has not been actually or constructively received (after application of Section 125) by the Participant and has been designated by a Participant to become Employer contributions for the purpose of paying selected Benefits. Unless otherwise specifically provided in writing, under the provisions of the Flex Plan, Contributions are composed entirely of the sums generated pursuant to Salary Reduction agreements executed by the Participants pursuant to which the Participants have elected to reduce their Compensation and have such amounts contributed as Employer contributions on their behalf.

**“Dependent”** means any individual who is a tax dependent of a Participant as defined in Code §152, including any child to whom Code §152(e) applies (regarding a child of divorced parents, etc. where one or both parents have custody of the child for more than half of the calendar year and where the parents together provide more than half of the child’s support for the year) is treated as a Dependent of both parents.

**“Dependent Care FSA”** means the Dependent Care Flexible Spending Arrangement, as set forth herein and as amended from time to time.

**“Earned Income”** means all income derived from wages, salaries, tips, self-employment, and other compensation (such as disability or wage continuation benefits), only if such amounts are includible in gross income for the taxable year, but does not include (a) any amounts received pursuant to any Dependent Care FSA under Code §129; or (b) any other amounts excluded from Earned Income under §32(c)(2), such as amounts received under a pension or annuity or pursuant to workers’ compensation.

**“Effective Date”** means the date that this Dependent Care FSA was effective, July 1, 1993, as amended January 1, 2016.

**“Eligible Employee”** means any active, full-time Employee of the State of Louisiana whose department or agency is participating in this Dependent Care FSA as provided in Section 3.1 of this Plan Document. Notwithstanding the foregoing, solely for purposes of determining eligibility to participate in the Dependent Care FSA, “Eligible Employee” shall include a FTE and any other Employee who is eligible to participate in an OGB-sponsored health plan.

**“Employee”** means an individual that the Employer classifies as active, full-time, and who is on the Employer’s W-2 payroll, but does not include the following: (a) any leased employee (including, but not limited to those individuals defined as leased employees in Code §414(n)) or an individual classified by the Employer as a contract worker, independent contractor, temporary employee or casual employee for the period during which such individual is so classified, whether or not any such individuals are on the Employer’s W-2 payroll or are determined by the IRS or others to be common-law employees of the Employer; (b) any individual who performs services for the Employer but who is paid by a temporary or other employment or staffing agency for the period during which such individual is paid by such agency, whether or not such individuals are determined by the IRS or others to be common-law employees of the Employer; or (c) any employee covered under a collective bargaining agreement.

**“Employer”** means the State of Louisiana through the respective Department or Agency employing the Eligible Employee an/or Participant(s).

**“Enrollment Form”** means the form or forms provided by the Employer or Administrator for the purpose of allowing an Eligible Employee to participate in this Dependent Care FSA.

**“Enrollment Period”** means the first 30 days following each new Eligible Employee’s hire date when Employees may select Benefits for the current Plan Year, and an enrollment period required by Code Section 4980 for a FTE.

**“Flexible Benefits Plan (Flex Plan)”** means the Internal Revenue Service-qualified cafeteria plan administered by or on behalf of the Office of Group Benefits, Division of Administration, State of Louisiana in accordance with Louisiana Revised Statutes 42:802B(9).

**“FMLA”** means the Family and Medical Leave Act of 1993, as amended.

**“Full-Time Equivalent (FTE)”** means an employee who is determined to be a “full-time equivalent” employee for purposes of IRS Code Section 4980H and the regulations promulgated thereunder, as established by the Patient Protection and Affordable Care Act of 2010, as amended.

**“Grace Period”** means the 2 months plus 15 days immediately following the end of the Plan Year when Participants may incur Qualifying Employment-Related Expenses to be reimbursed from their respective unused Benefits remaining as of the immediately preceding Plan Year in accordance with IRS Notice 2005-42, or any amendment thereof.

**“Participant”** means an Eligible Employee who is participating in this Dependent Care FSA in accordance with the provisions of Article 3.

**“Plan-Recognized Qualified Life Event”** means one or more of the Plan-Recognized Qualified Life Events recognized by OGB from time to time. The 2016 OGB Plan-Recognized Qualified Life Events are attached hereto as Exhibit “1.”

**“Plan Year”** means the period of coverage under the Dependent Care FSA from January 1 through December 31 of each year, except in the case of a Short Plan Year or where the Plan Year is being changed, in which case the Plan Year shall be the entire Short Plan Year.

**“Qualifying Employment-Related Expenses”** means those expenses that would be considered employment-related expenses under Code § 21(b)(2) (relating to expenses for household and dependent care services necessary for gainful employment) if paid by the Participant to obtain Qualifying Services and only to the extent that the Participant or other person incurring the expense is not reimbursed for the expense nor is the expense reimbursable through insurance or any other source.

**“Qualifying Individual”** means:

- (a) Dependent of the Participant who is under the age of thirteen (13);
- (b) A Dependent of a Participant who is mentally or physically incapable of self-care, who resides at least eight (8) hours per day in the Participant’s household; or

(c) The Spouse of a Participant who is mentally or physically incapable of self-care, who resides at least eight (8) hours per day in the Participant's household.

**“Qualifying Services”** means services relating to the care of a Qualifying Individual that enable the Participant or his Spouse to remain gainfully employed, which are performed:

(a) in the Participant's home; or

(b) outside the Participant's home. If the expenses are incurred for services provided by a dependent care center, the center must comply with all applicable state and local laws and regulations.

**“Relative”** means an individual who is related as described in Code §152 (a) (1) through (8), incorporating the rules of Code §152 (b) (1) and (2).

**“Run-out Period”** means the time period immediately following the Grace Period, ending on April 30, when Participants may submit Qualifying Employment-Related Expenses incurred during the preceding Plan Year and/or Grace Period for reimbursement from their respective unused Benefits remaining at the end of the immediately preceding Plan Year.

**“Salary Reduction”** means the amount by which the Participant's Compensation is reduced and applied by the Employer under this Dependent Care FSA to pay for Benefits and the Administrative Fee, before any applicable state and federal taxes have been deducted from the Participant's Compensation.

**"Short Plan Year"** means the period of coverage under the Dependent Care FSA designated by the Administrator that is less than one Year.

**“Student”** means an individual who, during each of five (5) or more calendar months during the Plan Year, is a full-time student at an educational organization which routinely maintains a regular faculty and curriculum and normally has an enrolled student body in attendance at the location where its educational activities are regularly presented.

## **2.2 Gender and Number**

Except when otherwise indicated by the context, any masculine terminology used herein shall also include the feminine and the definition of any term herein in the singular shall also include the plural.

## **2.3 Headings**

The headings of the various Articles and subsections are inserted for convenience of reference and are not to be regarded as part of the Dependent Care FSA Plan Document or as indicating or controlling the meaning or construction of any provision.

## **Article 3**

### **PARTICIPATION**

#### **3.1 Eligibility to Participate**

An Employee is eligible to participate in this Dependent Care FSA if the Employee is:

- (a) an active, full-time Employee or a FTE as defined herein or is otherwise eligible for health insurance under an OGB-sponsored health plan or for whom OGB, in its sole discretion, determines should participate in this Dependent Care FSA to properly administer the requirements of applicable federal and state law; and
- (b) employed by an Employer that utilizes the State of Louisiana Flex Plan.

Retirees are not eligible to participate in this Dependent Care FSA, except for rehired retirees who otherwise meet the definition of Eligible Employee.

#### **3.2 Election to Participate; Commencement of Participation**

- (a) *Elections During Enrollment Period.* New Eligible Employees who want to enroll in the Dependent Care FSA must submit the Enrollment Form and elect to pay the Administrative Fee within the Enrollment Period. The applicant becomes a Participant effective the first of the month following the first full calendar month of eligibility.
- (b) *Elections During Annual Enrollment Period.* During each Annual Enrollment Period with respect to a Plan Year, the Administrator shall make available the Enrollment Form upon request. The Enrollment Form shall be completed and returned to the Employer on or before the last day of the Annual Enrollment Period. If an Eligible Employee elects to participate during an Annual Enrollment Period, he becomes a Participant on the first day of the applicable Plan Year.
- (c) *Eligible Employee Who Fails to File an Enrollment Form.* If an Eligible Employee fails to file (or fails to timely file) the Enrollment Form with respect to a Plan Year with his Employer during the Enrollment Period or the Annual Enrollment Period, he will not be considered a Participant in this Dependent Care FSA with respect to that Plan Year, and he may not elect to participate in this Dependent Care FSA until the next Annual Enrollment Period unless he experiences a Plan-Recognized Qualified Life Event specified in Section 4.5 and makes an election change on account of and consistent with the Plan-Recognized Qualified Life Event pursuant to Section 4.5.

#### **3.3 Participation**

An election by an Eligible Employee to participate in this Dependent Care FSA is an agreement to the following:

- (a) To pay the Administrative Fee (Failure to pay the Administrative Fee will result in the denial of the privilege to participate in the Dependent Care FSA);
- (b) To authorize his Employer to reduce his Compensation by his Salary Reduction before federal and state income, and social security taxes are calculated;
- (c) To forfeit any amount remaining in his Dependent Care FSA Account after 45 days following the end of the Grace Period for the Plan Year;
- (d) To not request reimbursement for expenses covered by another FSA account;
- (e) To not deduct expenses, for which he is reimbursed by this Dependent Care FSA on his income tax return;
- (f) To request reimbursement only for Qualifying Employment-Related Expenses incurred during the same Plan Year and/or Grace Period as the Plan Year in which the funds were deposited into the Dependent Care FSA Account; and,
- (g) That his Employer and Administrator will incur no liability resulting from either his participation in the Dependent Care FSA or his failure to sign or accurately complete the Enrollment Form.

### **3.4 Termination of Participation**

An Eligible Employee will cease to be a Participant in this Dependent Care FSA upon the earlier of:

- (a) The expiration of the Plan Year for which he has elected to participate (unless during the Annual Enrollment Period for the next Plan Year he elects to continue participating);
- (b) The termination of this Dependent Care FSA;
- (c) The date on which the Participant ceases to be an Eligible Employee; or
- (d) The date the Participant revokes his election to participate on account of and consistent with an event permitting an exception to the irrevocability of elections in accordance with Section 4.5.

Termination of an Employee's participation in this Dependent Care FSA shall cause the Participant's elections made under this Dependent Care FSA to be automatically revoked. Reimbursements after termination of participation will be made pursuant to Section 5.6 and Section 5.7.



### **3.5 Reinstatement of Former Participants by Reason of Civil Service Appeal**

When employment of a Participant is terminated and reinstated within the same Plan Year by reason of a Civil Service appeal, elections shall be reinstated retroactive to the date that employment was terminated. In the event the terminated Participant is not reinstated prior to the end of the Plan Year in which he was terminated, he shall no longer be a Participant and he shall no longer be an Eligible Employee. However, when this former Participant's employment is reinstated during a subsequent Plan Year, the former Participant will be permitted to enter the Dependent Care FSA upon return from his absence for the current Plan Year only.

### **3.6 Participation Following Rehire**

If a Participant terminates his employment with his Employer for any reason, including (but not limited to) disability, retirement, layoff, or voluntary resignation, and then is rehired within thirteen (13) weeks (26 weeks for educational institutions) after the date of a termination of employment, the Eligible Employee may enroll in this Dependent Care FSA. If a former Participant is rehired more than thirteen (13) weeks (or 26 weeks for educational institutions) following termination of employment with the Employer and is otherwise eligible to participate in the Dependent Care FSA, then the Employee may make new elections as a new hire as described in Section 3.2.

### **3.7 Participation Following Transfer from Another Department or Agency**

A Participant who transfers from one Employer to another Employer within the participating Flex Plan payroll systems will continue to participate in the Dependent Care FSA at the same level of participation as prior to the transfer.

### **3.8 FMLA Leaves of Absence**

Notwithstanding any provision to the contrary in this Plan Document, if a Participant goes on a qualifying paid leave under the FMLA, he may elect to continue on the same basis as during active service or discontinue his coverage.

In the case when a Participant goes on a qualifying unpaid leave under the FMLA, he may elect to continue his coverage or discontinue his coverage. If he elects to continue, a Participant may pay his Salary Reduction in one of the following ways:

- (a) by pre-paying with pre-tax dollars the monthly portion of the Salary Reduction(s) for the expected duration of the leave pursuant to the approved FMLA agreement and timely application to the OGB (i.e., GB-01). To pre-pay the Salary Reduction(s) the Participant must also complete a Request for Change to Flexible Benefits Plan Elections form prior to the date that such Compensation would normally be made available (Pre-tax dollars may not be used to fund coverage during the next Plan Year) and upon return from the unpaid leave;
- (b) by pre-paying with pre-tax dollars upon his return to work on a payroll reduction schedule pursuant to the approved FMLA agreement and timely application

to the OGB (i.e., GB-01). The Participant must also complete a Request for Change to Flexible Benefits Plan Elections form prior to and upon return from the unpaid leave; or

- (c) by paying with after-tax dollars in the form of monthly payments to the Employer by the due date established by the Employer.

If a Participant's coverage ceases while on unpaid FMLA leave, the Participant will be permitted to re-enter the Dependent Care FSA upon return from such leave to paid status on the same basis as when the Participant was participating in the Dependent Care FSA prior to leave, or otherwise required by FMLA.

### **3.9 Non-FMLA Leaves of Absence**

Notwithstanding any provision to the contrary in this Plan Document, if a Participant goes on unpaid leave that does not affect eligibility, he may elect to continue or discontinue his coverage. If the Participant elects to continue his coverage, he may pay his Salary Reduction in one of the following ways:

- (a) by pre-paying with pre-tax dollars the monthly portion of the Salary Reduction for the expected duration of the leave pursuant to the approved leave agreement with his Employer and timely application to the OGB (i.e., GB-01). To pre-pay the Salary Reduction, the Participant also complete a Request for Change to Flexible Benefits Plan Elections form prior to the date that such Compensation would normally be made available (Pre-tax dollars may not be used to fund coverage during the next Plan Year) and upon return from the unpaid leave;
- (b) by pre-paying with pre-tax dollars upon his return to work on a payroll reduction schedule pursuant to the approved leave agreement with his Employer and timely application to the OGB (i.e., GB-01). The Participant must also complete a Request for Change to Flexible Benefits Elections form prior to and upon return from the unpaid leave; or
- (c) by paying with after-tax dollars in the form of monthly payments to the Employer by the due date established by the Employer.

If a Participant goes on an unpaid leave that affects eligibility, the election change rules in Section 4.5 will apply.

## **Article 4**

### **BENEFITS and ELECTIONS**

#### **4.1 Administrative Fee**

An election to participate in this Dependent Care FSA is an election to pay an Administrative Fee to receive Benefits in the form of reimbursements for Qualifying Employment-Related Expenses.

#### **4.2 Maximum and Minimum Benefits**

Unless otherwise required by the IRS, the following shall apply for the 2016 Dependent Care FSA Plan Year:

- (a) *Plan Year.* The maximum annual benefit amount that a Participant may elect to receive under this Dependent Care FSA in the form of reimbursements for Qualifying Employment-Related Expenses incurred in any Plan Year and/or Grace Period shall be \$5,000 but depends on the Participant's tax filing status. The minimum annual benefit amount that a Participant may elect to receive under this Dependent Care FSA in the form of reimbursements for Qualifying Employment-Related Expenses incurred in any Plan Year and/or Grace Period shall be \$600.
- (b) *Short Plan Year.* The maximum annual benefit amount that a Participant may elect to receive under this Dependent Care FSA in the form of reimbursements for Qualifying Employment-Related Expenses incurred in any Short Plan Year and/or Grace Period shall be \$2,500. The minimum annual benefit amount that a Participant may elect to receive under this Dependent Care FSA in the form of reimbursements for Qualifying Employment-Related Expenses incurred in any Short Plan Year and/or Grace Period shall be \$600.

#### **4.3 Salary Reduction Contributions**

Participants in this Dependent Care FSA must pay for the cost of Benefits on a pre-tax Salary Reduction basis by completing the Enrollment Form. For Participants paid monthly, the Salary Reduction for each pay period is an amount equal to the total of all Contributions plus all the Administrative Fees expected to be paid during the Plan Year, divided by 12. For Participants paid bi-weekly, the Salary Reduction for each pay period, except for a pay period associated with a third check in a given month, is an amount equal to the total of all annual Contributions plus all the Administrative Fees expected to be paid during the Plan Year, divided by 24. For Participants paid weekly, the Salary Reduction for each pay period is an amount equal to the total of all Contributions plus all the Administrative Fees expected to be paid during the Plan Year, divided by 52.

#### **4.4 Irrevocability of Elections**

Except as provided in Section 4.5, a Participant's election to participate in this Dependent Care FSA is irrevocable for the duration of the Plan Year; therefore, the Participant may not change any of the following:

- (a) his participation in the Dependent Care FSA;
- (b) his elected annual benefit amount; or
- (c) his Salary Reduction amount.

#### **4.5 Events Permitting Exception to the Irrevocability of Elections**

Elections under the Dependent Care FSA may only be revoked or changed if and as provided in the OGB Plan-Recognized Qualified Life Events document, attached hereto.

#### **4.6 Election Modifications Required by Administrator**

The Administrator may, at any time, require any Participant or class of Participants to amend his/her enrollment in the Dependent Care FSA for a Plan Year if the Administrator determines such action is necessary or advisable in order to:

- (a) satisfy any of the Code's nondiscrimination requirements applicable to this Dependent Care FSA or the Flex Plan;
- (b) prevent any Employee or class of Employees from having to recognize more income for federal income tax purposes from the receipt of benefits hereunder than would otherwise be recognized; or
- (c) maintain the qualified status of Benefits received under this Dependent Care FSA.

In the event Benefits need to be reduced for a class of Participants, the Administrator will reduce the participation in Qualified Benefits for each affected Participant, beginning with the Participant in the class who elected the greatest participation in Benefits, continuing with the Participant in the class who elected the next greatest participation in Benefits, and so forth, until the defect is corrected.

## **Article 5**

### **REIMBURSEMENT PROCEDURE**

#### **5.1 Reimbursable Expenses**

A Participant may receive reimbursement for Qualifying Employment-Related Expenses incurred during the Plan Year and/or Grace Period for which an election is in force. A Qualifying Employment-Related Expense is incurred at the time the Qualifying Services giving rise to the expense is furnished, and not when the Participant is formally billed for, is charged for, or pays for the Qualifying Services (e.g. services rendered for the month of June are not fully incurred until June 30 and cannot be reimbursed in full until then).

#### **5.2 Maximum Reimbursement Available**

(a) *Maximum Reimbursement Available.* Reimbursement for Qualifying Employment-Related Expenses shall not exceed the year-to-date amount credited to the Dependent Care FSA Account, less any prior reimbursements. The amount available for reimbursement is based on the amount credited to the Dependent Care FSA Account at a particular point in time. Thus, a Participant's Dependent Care FSA Account may not have a negative balance during the Plan Year or Short Plan Year. Payment shall be made to the Participant in cash as reimbursement for Qualifying Employment-Related Expenses incurred during the Short Plan Year or Plan Year and/or Grace Period for which the Participant's elections are effective, provided that the Participant has complied with all other requirements of this Article 5.

(b) *Maximum and Minimum Annual Benefit Amounts.*

(1) *Short Plan Year.* The maximum benefit amount that a Participant may elect to receive under this Dependent Care FSA in the form of reimbursements for Qualifying Employment-Related Expenses incurred in any Short Plan Year and/or Grace Period shall be \$2,500 for a married Participant or \$1,250 for married filing separate or single Participant, subject to Section 5.3(c), below. The minimum benefit amount that a Participant may elect to receive under this Dependent Care FSA in the form of reimbursements for Qualifying Employment-Related Expenses incurred in any Short Plan Year and/or Grace Period shall be \$600. Reimbursements due for Qualifying Employment-Related Expenses incurred by the Participant shall be charged against the Participant's Dependent Care FSA Account.

(2) *Plan Year.* The maximum benefit amount that a Participant may elect to receive under this Dependent Care FSA in the form of reimbursements for Qualifying Employment-Related Expenses incurred in any Plan Year and/or Grace Period shall be \$5,000 for a married Participant or \$2,500 for married filing separate or single Participant, subject to Section 5.3(c), below. The minimum benefit amount that a Participant may elect to receive under this Dependent Care FSA in the form of reimbursements for Qualifying Employment-Related Expenses incurred in any Plan Year and/or Grace Period shall be \$600. Reimbursements due for Qualifying

Employment-Related Expenses incurred by the Participant shall be charged against the Participant's Dependent Care FSA Account.

- (c) *Changes; No Proration.* For subsequent Plan Years, the maximum and minimum annual benefit amount may be changed by the Administrator and shall be communicated to Employees through the Enrollment Form or another document. If a Participant wishes to increase an election mid-year as permitted under Section 4.5, the Participant may elect coverage up to the maximum annual benefit amount or may increase coverage to the maximum annual benefit amount, as applicable.
- (d) *Effect on Maximum Benefits if Election Change Permitted.* Any change in an election under Section 4.5 to the Participant's Dependent Care FSA Account affecting his maximum annual benefit amount for a Plan Year also will change the maximum reimbursement of Benefits for the balance of the Plan Year and/or Grace Period commencing with the election change. Such maximum reimbursement of Benefits for the balance of the Plan Year and/or Grace Period shall be calculated by adding the Contributions made by the Participant (if any) as of the end of the portion of the Plan Year immediately preceding the change in election to the total Contributions scheduled to be made by the Participant during the remainder of such Plan Year to the Dependent Care FSA Account, reduced by all reimbursements made during the entire Plan Year.
- (e) *Maximum Benefits Permitted After Termination.* A Participant may be reimbursed up to the total of his remaining Dependent Care FSA Account balance as permitted under Section 5.6.

### **5.3 Establishment of Account**

The Administrator will establish and maintain on its books a Dependent Care FSA Account with respect to each Participant who has elected to participate in the Dependent Care FSA, but it will not create a separate fund or otherwise segregate assets for this purpose. The Account so established will be merely a record-keeping account for the purpose of keeping track of Contributions and determining forfeitures under Section 5.7.

- (a) *Crediting of Accounts.* A Participant's Dependent Care FSA Account will be credited periodically during each Plan Year with an amount equal to the Participant's maximum benefit amount elected to be allocated to such Account. The Administrative Fee is not credited to the Account.
- (b) *Debiting of Accounts.* A Participant's Dependent Care FSA Account will be debited during each Plan Year and/or Grace Period for any reimbursement of Qualifying Employment-Related Expenses incurred during the Plan Year and/or Grace Period.
- (c) *Available Amount Based on Credited Amount.* The amount available for reimbursement of Qualifying Employment-Related Expenses may not exceed the year-to-date amount credited to the Dependent Care FSA Account, less any prior reimbursements. It is based on the amount credited to the Dependent Care FSA at a particular point in time. Thus, a Participant's Dependent Care FSA Account may not have a negative balance during the Plan Year.

#### **5.4 Procedure for Claiming Reimbursement**

A Participant who has elected to receive Benefits for a Plan Year may apply for reimbursement by submitting an application in writing to the Administrator in such form as the Administrator may prescribe no later than the close of the Run-Out Period for the Plan Year in which the Qualifying Employment-Related Expenses were incurred, setting forth:

- (a) the person or persons on whose behalf Qualifying Employment-Related Expenses have been incurred;
- (b) the nature of the expenses so incurred;
- (c) the amount of the requested reimbursement;
- (d) a statement that such expenses have not been requested to be paid by any other source; and
- (e) the name of the person, organization, or entity with whom the expense was incurred, and tax payer identification number.

Such application shall be accompanied by bills, invoices, or other statements from an independent third party showing that the Qualifying Employment-Related Expenses have been incurred and the amounts of such expenses, together with any additional documentation, that the Administrator may request. Except for the final reimbursement claim for a Plan Year and/or Grace Period, no claim for reimbursement may be made unless and until the claim for reimbursement is at least \$25.

#### **5.5 Timing of Reimbursement**

As soon as practicable after the Participant submits a reimbursement claim to the Administrator, the Administrator will reimburse the Participant for his Qualifying Employment-Related Expenses, or will notify the Participant that his claim has been denied within a reasonable period of time not to exceed sixty (60) days after receipt of a claim.

#### **5.6 Reimbursement of Expenses Incurred Before and After Termination**

When a Participant ceases to be a Participant under Section 3.4, the Participant's agreement for Salary Reduction will terminate, as will the Participant's annual election amount for reimbursements. However, such Participant (for the Participant's estate) may claim reimbursement from the remaining balance in his Dependent Care FSA Account for Qualifying Employment-Related Expenses incurred during the Plan Year, both before and after termination. The claim for reimbursement of Qualifying Employment-Related Expenses must be filed no later than the end of the Run-Out Period for the Plan Year in which the expense(s) arose.

## **5.7 Use or Lose Rule; Forfeiture of Accounts**

If a Participant has a positive (greater than zero) balance in his Dependent Care FSA Account for a Plan Year after all reimbursements have been made for the Plan Year and/or Grace Period, such balance shall not be carried over to reimburse the Participant for Qualifying Employment-Related Expenses incurred during a subsequent Plan Year.

All forfeitures under this Dependent Care FSA shall be used as follows: first, to reduce the cost of administering this Dependent Care FSA during the Plan Year (all such administrative costs shall be documented by the Administrator); and second, to be returned to the Participants in the form of cash on a per Participant uniform basis. In no case will the forfeitures be allocated among Participants based directly or indirectly on their individual claims experience.



## **Article 6**

### **APPEALS PROCEDURE**

#### **6.1 Review of Administrative Decisions**

Any Participant may request a review of any administrative decision or action of the Administrator in accordance with the provisions of this Dependent Care FSA. The purpose of the review procedure as set forth herein is to provide a procedure by which a denial under this Dependent Care FSA may receive a full and fair review by the Appeals Panel.

#### **6.2 Eligibility Appeals**

OGB retains the authority to make all determinations regarding eligibility in relation to this Dependent Care FSA. To obtain review of a Dependent Care FSA eligibility determination, one shall request a review by filing a written application for review by the Appeals Panel with the State of Louisiana Office of Group Benefits, P. O. Box 44036, Baton Rouge, Louisiana 70804, within sixty (60) days after receipt by the applicant of written notice of the denial. In connection with this request for review, the applicant may review pertinent Plan documents and submit issues and/or comments in writing to the Administrator.

#### **6.3 Appeal of Denial of Claim for Reimbursement**

To obtain a review of a denial of a claim for reimbursement of expenses, and for any appeals not covered under Section 6.2, one shall request a review by filing a written application for review by the Appeals Panel with Discovery Benefits, Inc., ATTN: APPEALS, 4321 20<sup>th</sup> Avenue S, Fargo, ND 58103, within sixty (60) days after receipt by the applicant of written notice of the denial. In connection with this request for review, the applicant may review pertinent Plan documents and submit issues and/or comments in writing to the address in this Section.

#### **6.4 Decision on Review**

Decisions on review shall be made in the following manner:

- (a) The decision on review shall be made by the Appeals Panel. The Appeals Panel shall make its decision promptly, and not later than sixty (60) days after the Appeals Panel receives the request for review, unless special circumstances require an extension of time for processing. In such case, a decision shall be rendered as soon as possible, but not later than one hundred twenty (120) days after receipt of the request for review. If such an extension of time for review is required, written notice of the extension shall be furnished to the Participant prior to the commencement of the extension.

(b) The decision on review shall be in writing and shall set forth the following in the event of a denial:

(1) Information to identify the Participant's request;

(2) Specific reason(s) for the decision; and,

(3) Specific reference to pertinent Plan provisions on which the denial is based.

In the event that the decision on review is not furnished within the time period set forth in this Section 6.4, the claim shall be deemed denied on review.

## **Article 7**

### **ADMINISTRATION**

#### **7.1 Administrator**

The administration of the Dependent Care FSA shall be under the supervision of the Administrator. It is the principal duty of the Administrator to see that this Dependent Care FSA is carried out, in accordance with the terms of this Plan Document, for the exclusive benefit of persons entitled to participate in this Dependent Care FSA without discrimination among them.

#### **7.2 Powers of the Administrator**

The Administrator shall have such duties and powers, as it considers necessary or appropriate to discharge its duties. It shall have the exclusive right to interpret the Plan and to decide all matters thereunder, and all determinations of the Plan Administrator with respect to any matter hereunder shall be conclusive and binding on all persons. Without limiting the generality of the foregoing, the Plan Administrator shall have the following discretionary authority:

- (a) To construe and interpret this Plan Document, including all possible ambiguities, inconsistencies and omissions in the Plan Document and related documents, and to decide all questions of fact, questions relating to eligibility and participation, and questions of Benefits under this Dependent Care FSA (provided that, notwithstanding the first paragraph in this Section 7.2, the Appeals Panel shall exercise such exclusive power with respect to an appeal of a claim under Article 6);
- (b) To prescribe procedures to be followed and the forms to be used by Employees and Participants to make elections pursuant to this Dependent Care FSA;
- (c) To prepare and distribute information explaining this Dependent Care FSA and the Benefits under this Dependent Care FSA in such manner as the Administrator determines to be appropriate;
- (d) To request and receive from all Employees and Participants such information as the Administrator shall determine from time to time to be necessary for the proper administration of this Dependent Care FSA;
- (e) To furnish each Participant with such reports with respect to the administration of this Dependent Care FSA as the Administrator determines to be reasonable and appropriate, including appropriate statements setting forth the amounts by which a Participant's Compensation has been reduced in order to provide Benefits under this Dependent Care FSA;

- (f) To receive, review and keep on file such reports and information concerning the Benefits covered by this Dependent Care FSA as the Administrator determines from time to time to be necessary and proper;
- (g) To appoint and employ such individuals or entities to assist in the administration of this Dependent Care FSA as it determines to be necessary or advisable;
- (h) To sign documents for the purpose of administering this Dependent Care FSA or to designate an individual or individuals to sign documents for the purpose of administering this Dependent Care FSA; and
- (i) To maintain the books of accounts, records, and other data in the manner necessary for proper administration of this Dependent Care FSA and to meet any applicable disclosure and reporting requirements.

The Administrator shall have no power to alter the terms of this Plan Document or to waive or fail to apply any requirements governing eligibility or participation.

### **7.3 Reliance on Participant, Tables, etc.**

The Administrator may rely upon the direction, information or election of a Participant as being proper under this Dependent Care FSA and shall not be responsible for any act or failure to act because of a direction or lack of direction by a Participant. The Plan Administrator will also be entitled, to the extent permitted by law, to rely conclusively on all tables, valuations, certificates, opinions, and reports that are furnished by accountants, attorneys, or other experts employed or engaged by the Plan Administrator.

### **7.4 Fiduciary Liability**

To the extent permitted by law, the Administrator shall not incur any liability for any acts or failure to act except for his own willful misconduct or willful breach of this Dependent Care FSA.

### **7.5 Inability to Locate Payee**

If the Administrator is unable to make payment to any Participant or other person to whom a payment is due under this Dependent Care FSA because it cannot ascertain the identity or whereabouts of such Participant or other person, subsequent payments otherwise due to such Participant or other person shall be forfeited sixty (60) days after the end of the Plan Year in accordance with Section 5.7.

### **7.6 Effect of Mistake**

In the event of a mistake as to the eligibility or participation of an Employee, the allocations made to the Account of any Participant, or the amount of Benefits paid or to be paid to a Participant or other person, the Administrator shall, to the extent it deems possible, and permissible under Code §125 or the regulations issued thereunder, cause to

be allocated or cause to be withheld or accelerated, or otherwise make adjustment of, such amounts as it will in its judgment accord to such Participant or other person the credits to the Account or distributions to which he is properly entitled under this Dependent Care FSA. Such action by the Administrator may include withholding of any amounts due this Dependent Care FSA or the Employer from Compensation paid by the Employer.

## **Article 8**

### **GENERAL PROVISIONS**

#### **8.1 Expenses**

All reasonable expenses incurred in administering the Dependent Care FSA are currently paid by Administrative Fees and by forfeitures to the extent provided in Section 5.7.

#### **8.2 No Contract of Employment**

Nothing herein contained is intended to be or shall be construed as constituting a contract or other arrangement between any Employee and the Employer to the effect that such Employee will be employed for any specific period of time. All Employees are considered to be employed at the will of the Employer.

#### **8.3 Amendment and Termination**

This Dependent Care FSA has been established with the intent of being maintained for an indefinite period of time. Nonetheless, the Administrator may amend or terminate this Dependent Care FSA at any time by direction of the Office of Group Benefits, or by any person or persons authorized by the Office of Group Benefits to take such action, and any such amendment or termination will automatically apply to the related Employers which are participating in this Dependent Care FSA.

#### **8.4 Governing Law**

This Dependent Care FSA shall be construed, administered and enforced according to the laws of the State of Louisiana, to the extent not superseded by the Code, or other federal law.

#### **8.5 Code Compliance**

It is intended that this Dependent Care FSA meet all applicable requirements of the Code and of all regulations issued thereunder. This Dependent Care FSA shall be construed, operated and administered accordingly, and in the event of any conflict between any part, clause or provision of this Plan Document and the Code, the provisions of the Code shall be deemed controlling, and any conflicting part, clause or provision of this Plan Document shall be deemed superseded to the extent of the conflict.

#### **8.6 No Guarantee of Tax Consequences**

Neither the Administrator nor the Employer makes any commitment or guarantee that any amounts paid to or for the benefit of a Participant under this Dependent Care FSA will be excludable from the Participant's gross income for federal or state income tax purposes. It shall be the obligation of each Participant to determine whether each

payment under this Dependent Care FSA is excludable from the Participant's gross income for federal, state, and local income tax purposes, and to notify the Administrator if the Participant has any reason to believe that such payment is not so excludable.

#### **8.7 Indemnification of Employer**

If a Participant receives one or more payments or reimbursements under this Plan on a tax-free basis and if such payments do not qualify for such treatment under the Code, then such Participant shall indemnify and reimburse the Employer for any liability that it may incur for failure to withhold federal income taxes, Social Security taxes, or other taxes from such payments or reimbursements.

#### **8.8 Non-Assignability of Rights**

The right of any Participant to receive any reimbursement under this Dependent Care FSA shall not be alienable by the Participant by assignment or any other method, and shall not be subject to claims by the Participant's creditors by any process whatsoever. Any attempt to cause such right to be so subjected will not be recognized, except to such extent as may be required by law.

#### **8.9 Plan Document Provisions Controlling**

In the event the terms or provisions of any summary or description of this Dependent Care FSA, or of any other instrument, are in any construction interpreted as being in conflict with the provisions of this Plan Document as herein set forth, the provisions of this Plan Document shall be controlling.

#### **8.10 Severability**

In the event any provision of this Plan Document shall be held illegal or invalid for any reason, this illegality or invalidity shall not affect the remaining provisions of this Plan Document, and such remaining provisions shall be fully severable and this Plan Document shall, to the extent practicable, be construed and enforced as if the illegal or invalid provision had never been inserted therein.

# EXHIBIT “1”

## OGB PLAN-RECOGNIZED QUALIFIED LIFE EVENTS



# Office of Group Benefits Plan-Recognized Qualified Life Events 2016



Plan Recognized Qualified Life Event	Enrollee change request to OGB plan ADD or DROP	Deadline to submit request and provide proof document	Proof or document required	Enrollee allowed to change (who meets the eligibility definition)	Effective Date of Change	ADD Dependent YES or NO	DROP Dependent YES or NO	DROP Self YES or NO	ADD or DROP Medical Coverage	CHANGE Health Plan YES or NO	COBRA Event YES or NO	Flexible Spending Plan - Health Care	Flexible Spending Plan - Dep. Care
<b>BIRTH/ADOPTION</b>													
*Birth	ADD	Application <u>must</u> be made within 30 days of change in status	Birth Certificate or Birth Letter which includes newborn data	Employee, new baby; spouse may be added as a result of this event. Spouse cannot be added during this event, unless baby is added	Baby's date of birth if Application for enrollment is timely made	YES	NO	NO	ADD	YES	NO	May enroll or increase amount	May enroll or increase amount
*Adoption or placement for adoption	ADD	30 days from the effective date of adoption placement for adoption	Adoption or placement for adoption legal document	Employee Adopted child; spouse may be added as a result of this event. Spouse cannot be added unless adopted child added	Effective date of adoption or placement for adoption if Application for Enrollment is timely made	YES	NO	NO	ADD	YES	NO	May enroll or increase amount	May enroll or increase amount if dependent care expenses increased
<b>DEATH</b>													
Death of covered dependent	DROP	60 days from the date of death (OGB has the discretion to retroactively terminate coverage if correct premium is not timely paid and Application for disenrollment is not timely made)	Copy of certified death certificate or other official document	Dependent who died. If spouse dies, stepchildren must be terminated and offered COBRA coverage.	End of the month in which the death occurs	NO	DROP for the deceased and for any stepchildren who are not adopted by the enrollee	NO	DROP for the deceased dependent or any stepchildren only	NO	Only for step-children if parent is the dependent who died	May decrease amount	May drop or decrease amount if deceased dependent is child
Employee Deceased	DROP	30 days from the date of death (OGB has the discretion to retroactively drop if correct premium is not timely paid and Application for disenrollment is not timely made)	Copy of certified death certificate or other official document	Employee; eligible dependents	The end of month in which Employee's death occurred	N/A	YES	YES	DROP	NO	YES	Automatic Cancel	Automatic Cancel
<b>DIVORCE</b>													

# Office of Group Benefits Plan-Recognized Qualified Life Events 2016



Plan Recognized Qualified Life Event	Enrollee change request to OGB plan ADD or DROP	Deadline to submit request and provide proof document	Proof or document required	Enrollee allowed to change (who meets the eligibility definition)	Effective Date of Change	ADD Dependent YES or NO	DROP Dependent YES or NO	DROP Self YES or NO	ADD or DROP Medical Coverage	CHANGE Health Plan YES or NO	COBRA Event YES or NO	Flexible Spending Plan - Health Care	Flexible Spending Plan - Dep. Care
* Divorce, Annulment and Legal Separation (legal separation and annulment are qualified events only if recognized by law of state of the separation or annulment and spouse's plan allows him/her to drop OGB employee from spouse's plan)	ADD	Application <u>must</u> be made within 30 days of change in status	Proof of loss of insurance on spouse's plan as result of divorce, annulment or legal separation; must show coverage end date for each named dependent	Self, children	Date of loss of previous coverage if Application for Enrollment is timely made	YES	N/A	N/A	ADD	YES	NO	May enroll or can increase amt if loss of coverage on spouse's health plan	Yes, if change affects the amount of time the child needs to be in dependent care and increases expenses OR lose coverage under spouse's Dep Dependent FSP
Divorce, Annulment and Legal Separation (where annulment and legal separation are recognized by law of the state of the separation or annulment)	DROP	Application <u>must</u> be made within 30 days of change in status (OGB has the discretion to retroactively terminate coverage to the end of the month of the change in status if full premium is not timely paid and application is not timely made)	Copy of official divorce, annulment or legal separation decree	Ex-spouse and ex-stepchildren	End of the Month of the divorce, annulment or legal separation	N/A	YES for Ex-Spouse and Ex-Stepchildren	NO	YES	NO	YES	May decrease election	May decrease if divorce, annulment or legal separation lowers dependent daycare expenses
<b>GAIN OF OTHER COVERAGE</b>													
Gain Medicaid or state CHIP (Children's Health Insurance Program) coverage	DROP	Application <u>must</u> be made within 60 days from date Medicaid became effective	Official state document indicating who, when Medicaid /SCHIP coverage began	Self and dependents who gained such coverage (dependents cannot remain on the OGB plan without the Employee being covered)	The end of the month preceding the first full month in which other coverage became effective	N/A	YES	YES	DROP	NO	NO	May decrease or deactivate deductions if gain of Medicaid; no change if gain of state CHIP	No change
Dependent gains coverage under another group health plan	DROP	Application <u>must</u> be made within 30 days from date other coverage becomes effective	Proof of other coverage	Dependent who gained other coverage	The end of the month preceding the first full month in which other coverage became effective	N/A	YES	NO	DROP	NO	NO	No change	No change

# Office of Group Benefits Plan-Recognized Qualified Life Events 2016



Plan Recognized Qualified Life Event	Enrollee change request to OGB plan ADD or DROP	Deadline to submit request and provide proof document	Proof or document required	Enrollee allowed to change (who meets the eligibility definition)	Effective Date of Change	ADD Dependent YES or NO	DROP Dependent YES or NO	DROP Self YES or NO	ADD or DROP Medical Coverage	CHANGE Health Plan YES or NO	COBRA Event YES or NO	Flexible Spending Plan - Health Care	Flexible Spending Plan - Dep. Care
Gain new coverage through Medicare Part A or Part B, Qualified Medical Support Court Order when the Ex-Spouse is ordered to provide the health coverage for currently covered dependents, or eligibility to enroll under a Spouse's plan during the Spouse's enrollment period, or gain of other group health insurance coverage	DROP	Application <u>must</u> be made within 30 days from date new coverage became effective	Proof of active enrollment on new plan on official stationery; must show effective begin dates of each named dependent	Self and dependents who gained such coverage (dependents cannot remain on the OGB plan without the Employee being covered)	The end of the month preceding the first full month in which other coverage became effective	N/A	YES	YES	DROP	NO; but any Health Savings Account contributions must cease once gain Medicare	NO	May decrease or deactivate amount	No change
<b>LEGAL GUARDIANSHIP, CUSTODY OR ORDER</b>													
Qualified Medical Child Support Order (QMSCO)	ADD	Change must be made immediately when HR receives order from court	Copy of QMSCO	Eligible Child/dependent(s) covered by Order (and eligible employee if not currently enrolled)	1st of month following receipt of application or as otherwise specified in the Order	Yes for only the dependent(s) required by Order (and employee, if not currently enrolled)	N/A	NO	only changes consistent with Order	YES	NO	May enroll or can increase amount	No change allowed
Court-Ordered Legal Guardianship or Court-Ordered Custody	ADD	30 days from the date of the court-ordered legal guardianship or the effective date specified in the court order	Certified copy of the signed court order granting custody or guardianship	Newly Acquired Dependent(s)	The date of the court-ordered legal guardianship or custody or the effective date specified in the court order, if Application for enrollment is timely made	YES for newly acquired dependent only	NO	NO	ADD	YES	NO	May enroll or can increase amount	May enroll or increase amt if dependent care expenses increased
<b>LOSS OF OTHER COVERAGE</b>													

# Office of Group Benefits Plan-Recognized Qualified Life Events 2016



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<p>*Lose current coverage on spouse employer's insurance coverage due to:</p> <p>1) Spouse deceased 2) Employment of Spouse terminated 3) COBRA coverage under Spouse's plan terminated or expired 4) Spouse loses Employer's insurance due to no fault of the spouse 5) Spouse terminates coverage on his/her plan during open enrollment</p>	ADD	Application <u>must</u> be made within 30 days from the date the health insurance ended	Documents from prior plan confirming coverage termination	Self and other dependent(s) who lost coverage	Date of loss of previous coverage if Application for enrollment is timely made	YES to Add self and/or eligible dependents	N/A	N/A	ADD	YES	NO	May enroll or can increase amount	No change
<p>*Eligible Dependent loses current coverage under another employment-based group health plan</p>	ADD	Application <u>must</u> be made within 30 days from the date the health insurance ended	Documents from prior plan confirming coverage termination	Self and other dependent(s) who lost coverage	Date of loss of previous coverage if Application for enrollment is timely made	YES to Add self and/or eligible dependents	N/A	N/A	ADD	YES	NO	May enroll or can increase amount	No change



# Office of Group Benefits Plan-Recognized Qualified Life Events 2016

Plan Recognized Qualified Life Event	Enrollee change request to OGB plan ADD or DROP	Deadline to submit request and provide proof document	Proof or document required	Enrollee allowed to change (who meets the eligibility definition)	Effective Date of Change	ADD Dependent YES or NO	DROP Dependent YES or NO	DROP Self YES or NO	ADD or DROP Medical Coverage	CHANGE Health Plan YES or NO	COBRA Event YES or NO	Flexible Spending Plan - Health Care	Flexible Spending Plan - Dep. Care
*Lose Medicaid or state CHIP (Children's Health Insurance Program) coverage because no longer eligible	ADD	Application <u>must</u> be made within 60 days from the date the health insurance ended	Official state document indicating for whom and when Medicaid/CHIP coverage ended	Self and dependent(s) who lost coverage	Date Medicaid/CHIP coverage ends	YES	N/A	N/A	ADD	YES	N/A	May enroll or can increase amount if loss of Medicaid; no change if loss of CHIP coverage	No change
*Lose another group health plan sponsored by government or educational institution, including Indian Tribal government and foreign government	ADD	Application <u>must</u> be made within 30 days from the date the health insurance ended	Proof of loss of insurance on other plan	Self and dependent(s) who lost coverage	Date of loss of previous coverage	YES	N/A	N/A	ADD	YES	N/A	No change	No change
<b>MARRIAGE</b>													
*Marriage	ADD	Application <u>must</u> be made within 30 days of change in status	Copy of certified marriage certificate	New spouse and/or new stepchild; employee may add child only if child was immediately previously covered under new spouse's insurance.	Date of the marriage	YES (New Spouse and/or New Step-Children)	N/A	NO	ADD	YES	NO	May enroll or increase amount	May enroll or increase amount
Marriage- Gain of coverage on new spouse's plan	DROP	Application <u>must</u> be made within 30 days from effective date of new coverage on spouse's plan due to marriage event	Proof of active enrollment on spouse's plan on company letterhead; must show coverage effective dates of each named dependent	Self; current covered dependents	Coverage will be cancelled at the end of the month for which Application for disenrollment is made	N/A	YES	YES	DROP	N/A	NO	May decrease if family members become covered under spouse's health plan	May decrease if spouse has Dependent FSA through his/her employer
<b>MILITARY LEAVE AND UNPAID LEAVE</b>													
Employee who dropped coverage while on unpaid leave returning to work with pay from unpaid leave in same capacity	Reinstate coverage	Application <u>must</u> be made within 30 days of return to work with pay	Signed GB-01 from Employer	Can reinstate coverage for self and dependents who were covered prior to taking unpaid leave	Date returns to work with paid status	ADD (may only add newly acquired dependents)	NO unless dependent is no longer eligible	N/A	Reinstate prior coverage	NO	NO	May re-enroll either a) at same level of benefits as before leave, which requires increased deduction amount for catch-up, or b) continue same deduction as before unpaid leave with no catch-up.	May re-enroll either a) at same level of benefits as before leave, which requires increased deduction amount for catch-up, or b) continue same deduction as before unpaid leave with no catch-up.

# Office of Group Benefits Plan-Recognized Qualified Life Events 2016



Plan Recognized Qualified Life Event	Enrollee change request to OGB plan ADD or DROP	Deadline to submit request and provide proof document	Proof or document required	Enrollee allowed to change (who meets the eligibility definition)	Effective Date of Change	ADD Dependent YES or NO	DROP Dependent YES or NO	DROP Self YES or NO	ADD or DROP Medical Coverage	CHANGE Health Plan YES or NO	COBRA Event YES or NO	Flexible Spending Plan - Health Care	Flexible Spending Plan - Dep. Care
Employee on unpaid leave	DROP	Application <u>must</u> be made within 30 days of taking unpaid leave	Signed GB-01 from Employer	Self, self and current covered dependents	End of month unpaid leave begins	N/A	YES	YES	DROP	N/A	NO	May pre-pay, decrease or deactivate deductions	May pre-pay, decrease or deactivate deductions
Military Employee goes on USERRA leave	DROP	Application <u>must</u> be made within 30 days of taking USERRA leave	Signed GB-01 from Employer and any military orders	Self, self and current covered dependents	End of month that USERRA leave begins	N/A	YES	YES	DROP	N/A	NO	May pre-pay, decrease or deactivate deductions	May pre-pay, decrease or deactivate deductions
Military Employee returns from USERRA leave to full-time status.	Reinstatement coverage	Application <u>must</u> be made within 30 days from re-employment or from date that Employee's active duty military health benefits end, whichever is later	HR must provide documentation of military orders and of military health coverage end date	Can reinstate coverage for self and dependents who were covered prior to taking USERRA leave	Date returns to full-time active status from USERRA leave or the date that Employee's active duty military health coverage ends, whichever is later	ADD (may only add newly acquired dependents)	NO unless dependent is no longer eligible	N/A	Reinstatement prior coverage; may also allow for a change in health plan	YES	NO	May re-enroll either a) at same level of benefits as before leave, which requires increased deduction amount for catch-up, or b) continue same deduction as before military leave with no catch-up.	May re-enroll either a) at same level of benefits as before leave, which requires increased deduction amount for catch-up, or b) continue same deduction as before military leave with no catch-up.
<b>NEW HIRES, ACA REQUIREMENTS, AND CHANGE IN CLASSIFICATION</b>													
New Full-Time Employee	ADD	Application <u>must</u> be made within 30 days from date of full-time employment	Signed GB-01 from Employer	Employee; employee and eligible dependent(s)	Date - 1st Day of the Month - Coverage effective on First day of the following month; Hire Date - 2nd day of the month or after - Coverage effective on the first day of the second month following employment)	YES	N/A	N/A	ADD	YES	NO	May Enroll	May Enroll
Non-Full-Time (variable, seasonal, part-time) Employee who is determined to be Full-Time at end of the Initial Measurement Period	ADD	Application <u>must</u> be made within 30 days of date of eligibility	Signed GB-01 from Employer	Employee; employee and eligible dependent(s)	First of the month following the end of the 30-day enrollment period	YES	N/A	N/A	ADD	N/A	NO	May Enroll	May Enroll

# Office of Group Benefits Plan-Recognized Qualified Life Events 2016



Plan Recognized Qualified Life Event	Enrollee change request to OGB plan ADD or DROP	Deadline to submit request and provide proof document	Proof or document required	Enrollee allowed to change (who meets the eligibility definition)	Effective Date of Change	ADD Dependent YES or NO	DROP Dependent YES or NO	DROP Self YES or NO	ADD or DROP Medical Coverage	CHANGE Health Plan YES or NO	COBRA Event YES or NO	Flexible Spending Plan - Health Care	Flexible Spending Plan - Dep. Care
Non-Full-Time (variable, seasonal, part-time) Employee who is determined to be Full-Time at end of the Standard Measurement Period	ADD	Application <u>must</u> be made within 30 days of date of eligibility	Signed GB-01 from Employer	Employee; employee and dependent(s)	January 1 of following plan year	YES	N/A	N/A	ADD	N/A	NO	May Enroll	May Enroll
Non-Full-Time (variable, seasonal, part-time) Employee who experiences a Change in Classification to permanent Full-Time in any measurement or stability period (this requires a deliberate documented employer decision to make the employee a full-time employee)	ADD	Application <u>must</u> be made within 30 days of date of change in classification	Signed GB-01 from Employer	Employee; employee and dependent(s)	First of the month following the end of the 30-day enrollment period	YES	N/A	N/A	ADD	N/A	NO	May Enroll	May Enroll
Full-Time Employee returning full-time or part-time with less than 13 weeks (or less than 26 weeks for educational institutions) since Separation (this would include retirees who are rehired as WAEs)	ADD	Application <u>must</u> be made within 30 days following the return to work	Signed GB-01 from Employer	Employee; employee and dependent(s)	First of the month following the Return to Work	YES	N/A	N/A	ADD	YES	NO	May Enroll	May Enroll

# Office of Group Benefits Plan-Recognized Qualified Life Events 2016



Plan Recognized Qualified Life Event	Enrollee change request to OGB plan ADD or DROP	Deadline to submit request and provide proof document	Proof or document required	Enrollee allowed to change (who meets the eligibility definition)	Effective Date of Change	ADD Dependent YES or NO	DROP Dependent YES or NO	DROP Self YES or NO	ADD or DROP Medical Coverage	CHANGE Health Plan YES or NO	COBRA Event YES or NO	Flexible Spending Plan - Health Care	Flexible Spending Plan - Dep. Care
Employee changes from Full-Time status to non-Full-Time (requires deliberate documented decision to reduce hours below full time) (not in stability period)	Employee must continue coverage	Application confirming change in hours from Full-Time to non-Full-Time	Signed GB-01 from Employer	Employee; employee and eligible dependent(s) would be dropped at the end of the plan year	Coverage terminates at the end of the plan year	N/A	N/A	N/A	N/A	NO	YES at the end of the plan year	Auto drop at the end of the plan year	Auto drop at the end of the plan year
Employee determined to be Full-Time during previous Measurement Period changes to Non-Full-Time under corresponding Stability Period	Employee must continue coverage	Application <b>must</b> be made within 30 days of change in status	Signed GB-01 from Employer	Employee; employee and eligible dependent(s) would be dropped on the last day of that month	Coverage terminates at the end of the stability period on the last day of that month	N/A	N/A	N/A	N/A	NO	Upon termination of coverage	Auto drop at the end of the plan year health coverage ends	Auto drop at the end of the plan year health coverage ends
Full-Time to Full-Time Transferring Employee	Moving Coverage from one OGB Participant Employer to another OGB Participant Employer (Employee may not Add or Drop, only allowed to continue existing coverage, unless no longer eligible for the plan or eligible for a new plan under the Participant Employer)	Transferring Participant Employer - Application to Remove should be received within 30 days of transfer; New Participant Employer - Application to Add <b>must</b> be received within 30 days of hire	Signed GB-01 from the hiring Participant Employer	Employee; employee and eligible dependents	Continuous coverage, no gap. Hiring Participant Employer will assume coverage based upon date of hire. If hired the 1st day of the month, hiring Participant Employer will responsibility for plan member immediately. If hired on the 2nd day of the month or after, the hiring Participant Employer will assume responsibility on the first of the second month following hire.	NO	NO	NO	N/A	NO unless no longer eligible for current plan or a new plan is offered by the hiring Participant Employer.	NO	May Enroll if transferring from a Non-Plan Participant Employer	May Enroll if transferring from a Non-Plan Participant Employer

## OVER-AGE DEPENDENT



# Office of Group Benefits Plan-Recognized Qualified Life Events 2016



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Child dependent no longer meets eligibility requirements because reaches maximum age limit and is capable of self-sustaining employment	DROP	Automatic drop upon child aging out of eligibility	Confirm child's birth date	Only child dependent who no longer satisfies eligibility requirements	End of month child reached maximum age	N/A	YES	YES	DROP	NO	YES for child who no longer meets eligibility	May decrease amount	No Change
<b>STATE PREMIUM SUBSIDY</b>													
*Obtain subsidy under state's premium assistance program	ADD	Application must be made within 60 days from date subsidy was awarded by state	Official state document indicating effective date when state subsidy was awarded and to whom	Self and dependent(s)	Date of award of subsidy (or effective date of subsidy if other than date of award) if Application for enrollment is timely made	YES	N/A	N/A	ADD	NO	N/A	May enroll or can increase amount	No change

\*Denotes a HIPAA Special Enrollment Event