

Questco Benefit Terminations



Benefit Terminations and Senate Bill 51

Benefit Terminations

Questco's Benefit coverages are terminated based on the rules illustrated in the below table.

Coverage	Termination Rule
Questco's Medical	End of the month following notification for termination (*Senate Bill 51 (SB51))
Questco's Gap	End of the month following termination
Questco's Dental	End of the month following termination
Questco's Vision	End of the month following termination
Questco's Life & AD&D	MetLife - Date of termination, <u>option for portability</u> <i>Please contact your Benefits Consultant for portability details.</i>
Questco's Disability	Date of termination
Questco's Supplemental	CHUBB - End of the month following termination, <u>option for portability</u> <i>Please contact your Benefits Consultant for portability details.</i>
Questco's Health Savings Account (HSA)	Date of termination, <u>owed by the employee</u> <i>Employee deduction ceases on the last payroll. Contact ThrivePass out rollover information.</i>
Questco's Flexible Spending Account (FSA) <ul style="list-style-type: none"> Health FSA or Limited Purpose FSA Dependent Care FSA Parking/Transit 	Date of termination, <u>use it or lose</u> <i>Employees have 90 days to submit expenses incurred prior to their termination date.</i>
Questco's Pet/Legal Programs	Date of termination, <u>option for portability</u> <i>Please contact your Benefits Consultant for portability details.</i>

If you are participating in a coverage option outside of one of Questco's offerings, please contact your Benefits Consultant for that Plan's termination rule.

Notice of *Senate Bill 51

Senate Bill 51 (SB51) is a state legislation that became effective September 1st, 2006 and requires employers to pay health insurance premiums to insurance carriers when the carrier is retroactively notified of changes in insurance status that impacts eligibility. SB51 subjects employers to premium

penalties for notifying health insurance carriers of retrospective cancellation of insurance coverage. These premiums penalties:

- Are charged each month through the end of the month in which notification occurs.
- Include both the employee and employer portion of the premium.

Questco's UHC Medical Plan is a fully insured policy written out of Texas and therefore requires employers participating in this Plan to follow Senate Bill 51 (SB51).

Under Senate Bill 51, benefits will terminate at the end of the contract month in which the termination notification is received. This means that if an employee terminates and Questco is not made aware until the new month has begun, coverage will continue, per law, at the client's expense until Questco is notified. This holds true for all medical terminations and may affect an employee's qualifying life event change date based on the actual event.

For example,

In the case of a termination of employment, the insurance carrier must be notified by the third business day of the following month for coverage to terminate at the end of the month of employment. If notice is not received timely (by the 3rd business day of the month), coverage will not be terminated until the end of the month in which notification is received.

Untimely termination:

- Employee terminates 6/15
- Insurance carrier notified 7/4, coverage terminates effective 7/31
- Premiums are charged through 7/31

Please ensure terminations are received timely otherwise your organization could be held liable for outstanding benefit premiums.