
BENEFIT ADMINISTRATION FAQ – REVISED JUNE 2025

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DAY TO DAY MAINTENANCE

Who is responsible for data maintenance? The IPBC Member Administrator, with files transmitted to the carriers on Thursday mornings. Any changes should be made as soon as possible. See our [Quick Guide](#).

When should new hires/terminations be processed? Within 31 days of the new hire/termination date.

What if an Admin forgets to process a new hire/termination transaction: *Every effort should be made to enter information within 31 days.* There is a 90-day allowance to make retroactive adjustments (from effective hire date/termination date). *Administrators will be required to provide reasons why this is being processed outside of normal windows.*

Please note: Carriers will not accept changes outside of the 90-day limit and no financial adjustments can be made after that time frame.

Who determines coverage start/end dates? New hires/terminations start and end dates are determined at the employer level and built into the PlanSource platform.

Please note: Deviations from these standards open the employer up to discrimination claims. A Member Group can change the rules, but they must apply to all employees going forward from the change date.

What if an employee gets divorced - or there is a death?

- **Divorce:** On the official divorce date, coverage for the former spouse ends, and he/she is no longer eligible for benefits, even if the employee has an order to provide health insurance. *Employers must make sure employees understand this and that they must notify the Admin about a divorce in a timely manner.* The former spouse should be terminated from the plan and offered COBRA.

Please note: If the employee has an order to provide health insurance for the ex-spouse in the divorce decree, that does not mean the ex-spouse can stay on the health plan. Ex-spouses are NOT eligible dependents. The employee can pay for COBRA coverage for the ex-spouse or purchase insurance on the marketplace.

- **Death:** If an employee dies, coverage should be terminated on the date of the death, and the spouse/dependents should be offered COBRA. If an employee spouse or a dependent die, coverage should be terminated on the date of the death.

DAY TO DAY (continued)

How does Evidence of Insurability (EOI) get approved? If an employee/spouse requires EOI for life insurance, *the IPBC Member Group should not approve the EOI task in PlanSource or start payroll deductions until the EOI has been approved by Securian.* Member Groups should log into Securian's LifeBenefitsExtra (LBE) platform and see if it's been approved. If its approved in LBE, the member group can approve it in Securian and start payroll deductions. If its been denied, it should be denied in PlanSource.

How do I get notified about PlanSource invoices? PlanSource does **not** send out an auto generated reminder your preview invoice is ready, but you will receive a secure email with the final invoice attached (*reminder, there are two attachments in the email – be sure to click the front of the attachment link and the end of the attachment link to review both documents*). **Preview invoices are always generated on the 18th of the month; all final invoices are generated on the 23rd of the month.** Please set up an internal calendar reminder to check your invoices monthly as a reminder since PlanSource does not send one.

Please note: It is the responsibility of Administrators to manage their invoices and data in a timely manner.

- You should preview the invoice thoroughly.
- Any coverage or premium inaccuracies should be sent to the **IPBC Support team** and cc your Benefit Consultant.
- *All adjustments need to be made by the end of day on the 22nd of each month.* The Billing Invoice Overview is available [here](#).

Who do I contact if I have a question on a transaction? Administrators need to submit an email to IPBCSupport@plansource.com and copy their IPBC Service Team Member on the request.

How do I send questions regarding an employee's personal health information (PHI)? Personal information (PHI) should **NEVER** be shared via an **unsecure email**. If you do not have the ability to send a secure email, contact your Service Team Rep and ask them to send you a secure email to reply to. If you are unsure if the information is PHI, ask your Service Team Member.

How do I set up a new Administrator? If a Group needs to set up a new Administrator in PlanSource, the [online contact form](#) needs to be filled out. Please remember to request terminations for any current Administrators, if necessary.

OPEN ENROLLMENT

When can I make changes to our entity's benefit offerings? A member entity can make the change on their annual open enrollment date; deadlines are published in the [open enrollment timeline](#).

Please note: Dates listed in timelines are firm. Contact your Service Team Representative with questions.

What are the open enrollment dates? IPBC publishes an [open enrollment timeline](#) that lists the dates of open enrollment for members. **All open enrollment transactions need to be completed in PlanSource within the date range listed in the calendar.**

Why can't the open enrollment dates be modified for my organization?

There are a lot of steps involved in an open enrollment and the carrier deadlines have to be met. A lot of thought and planning goes into the development of the open enrollment timeline. The timeline is published at least 6 months in advance to give member groups plenty of time to make adjustments to their internal workload to make sure the deadlines can be met. In addition, feeds to the vast majority of carriers is done at the IPBC level; therefore, adjustments cannot be made at the member group level.

Who should communicate open enrollment dates to employees? It is the employer's responsibility to manage their entity's annual open enrollment. Your Service Team Representative can answer questions and obtain carrier information, but it is the responsibility of the Administrator to manage their open enrollment.

Can my Service Team Representative answer employee questions during open enrollment, or if they have any benefit issues? The IPBC Service Team is a resource for HR and Finance staff; they can answer questions and assist with problem resolution. *However, employees should not be told to contact the Service Team directly.* The HR and Finance staff should obtain the information and interact directly with their employees.

What if employees do not turn in their open enrollment changes before the deadline? Employees that fail to turn in their open enrollment changes within the OE window must wait until the next open enrollment – or if they experience a Qualified Life Event (QLE).

Open Enrollment (continued)

Please note: Elections are irrevocable per IRS Section 125 rules. Changes can only be made at open enrollment or with a QLE.

What if the Administrator fails to process transactions before the deadline? *It is imperative that open enrollment transactions are processed within the timeframes listed in the open enrollment calendar.* This is published months in advance to allow Member Groups to plan for their open enrollment.

Please note: If transactions are not processed within the timeframe listed in the calendar, *there is no guarantee that change can be made.*

SPECIAL ENROLLMENT

When can an employee make coverage changes outside of open enrollment? Normally, enrollment is irrevocable per IRS Section 125 rules. Changes to benefits can only be made outside of open enrollment if preceded by a documented Qualified Life Event (QLE). This is known as a Special Enrollment.

Who determines the Special Enrollment regulations? These are governed by IRS Section 125 Rules and the Health Insurance Portability and Accountability Act (HIPAA). They are not determined by IPBC and/or PlanSource rules – but are enforced by both.

What are the Special Enrollment Qualified Life Events (QLE) and timeframes?

The employee must notify their employer ***within 30 days*** of the below QLE:

- Marriage/Civil Union
- Birth/adoption/gaining custody of a dependent
- Loss of other coverage due to divorce, job loss, reduction in hours or aging off a parent/custodian plan (at age 26)
- Moving out an HMO service area

The employee must notify their employer ***within 60 days*** of the below QLE:

- Loss of CHIP coverage
- Loss of Medicaid coverage
- Loss of premium assistance

Please note:

- Employers must make sure employees understand these notification requirements. A sample policy is available on the IPBC website: **Compliance - IPBC Members**. Requested change must be consistent with the life event/status change.
- ***Retirement is not a life event that allows an employee to add a dependent to their plan.*** If an employee wants to cover their spouse and/or dependent children once they retire, they must add them to their plan during open enrollment *before they retire*.

When does the Administrator need to process the QLE in PlanSource? If an employee experiences a life event and wants to change their benefits, they must make the change within PlanSource (for Members using ESS) or notify their Administrator of

the change within the appropriate timeframe (listed above) after the event occurs. The Administrator should then promptly enter or approve those events (with the appropriate documentation) in Plan Source. Employees should not wait until they have the documentation (such as a birth certificate) to request or process the life event, and Administrators do not have to wait until the documentation is supplied to enter the life event into the system. If an employee waits to notify their employer, they risk it falling outside QLE window and their request being denied.

Please note: The **document** request remains open for 90 days (birth/adoption) and 30 days for other QLE from date they are entered into the system.

What if an employee doesn't notify their employer within the timeframe noted above? If they miss this notification deadline, they must wait until the next open enrollment period to make a change. Employers should notify their employees of the time requirements. A sample policy is available: [Compliance - IPBC Members](#)

Why can't IPBC or PlanSource waive the Special Enrollment rules if an employee does not notify their employer within the allowable time? Special Enrollment regulations are not IPBC rules. As stated above, Special Enrollment is governed by IRS Section 125 Rules & HIPAA. Employers have a duty to operate and administer their plans based on the plan documents and regulations. Allowing unauthorized changes mid-year could jeopardize the plan's tax favored status. In addition, the carrier(s) (including the stop loss carrier) may deny claims which can jeopardize the financial stability of the Cooperative.

What if the Administrator doesn't make the QLE change within a timely manner? First, employees must have notified their employer within the noted timeframes. *There are no exceptions to this requirement as it is governed by Section 125 & HIPAA.* Second, Administrators should process the change after they receive it – by 30 days after the QLE. There is an allowance of 90 days to make retroactive adjustments when a QLE is not entered (at the fault of the Administrator and not because the employee failed to notify the employer in time). *Administrators must provide reasons why the transaction is being processed outside of allowable windows and may be required to prove that the employee made the request within the appropriate timeframe.*

Please note: Carriers will not accept changes, and no final adjustments can be made beyond the 90-day limit.

SPECIAL ENROLLMENT (continued)

What are the document requirements for a QLE or to add a new employee and their dependents to the Benefits Plan?

- **Newborns/Adoptions** – 90 days to upload documents. Claims do not pend.
- **New Spouses/Civil Union Partners** – 30 days to upload documents. Claims pend until documents are uploaded.
- **New Hires** (Spouses and Children) - 30 days to upload documents. Claims pend until documents upload (technically, claims for children under this scenario do not pend, because of the newborn/adoption exception; however, since appropriate documents should be readily available at the time of hire, there are 30 days to upload documents).

Please note: If documents are not uploaded within the required time limit, coverage will terminate retroactively to the start date. Any claims paid will be reprocessed and denied.

Why do we have to upload documents to PlanSource to verify dependent eligibility?

It is a best practice to verify that dependents are eligible to be on a health plan. In 2020, IPBC developed the Dependent Eligibility Verification Policy ([IPBC By-Laws, Policies & Guidelines - IPBC Members](#)) that requires all Members to verify dependents are eligible for coverage. At that time, several Members found that dependents on their Plan were no longer eligible (i.e., divorced spouses). The platform now has a built-in eligibility verification feature that requires all Members to upload these documents.

RETIREE RULES & REGULATIONS

Overview: There are slightly different rules/regulations regarding retirees. When an employee gives their intent to retire, they should be offered, 1) COBRA and 2) Illinois Municipal Continuation (see [Compliance - IPBC Members](#)). **Retirees are only able to continue with the medical coverage they had the day before retirement.** What does that mean? It means that they cannot switch plans at retirement. **RETIREMENT IS NOT A QLE to change plans.** Only dependents covered on the Plan(s) the day before retirement are eligible to continue coverage.

Under Illinois Municipal Continuation, are you required to allow retirees to stay on vision and/or dental? It is the choice of the employer. If the decision is not to offer retiree coverage for vision and/or dental, COBRA must be offered.

DAY TO DAY MAINTENANCE

How do I process a retirement in PlanSource? Follow the steps in the [Quick Guide](#) *Retirees must be moved from an active classification to a retiree classification.*

OPEN ENROLLMENT

We have an employee that is currently on a PPO plan but wants to switch to an HMO plan at retirement. If retirement is not a QLE to switch plans, what should they do? They should switch plans during the open enrollment before they retire.

Are retirees allowed to switch health plans under municipal continuation? It is the choice of the employer. Employers may require retirees to stay on the plan they had prior to retirement.

Can retirees add vision and/or dental coverage after retirement? No. Retirees can only continue coverage they had the day before retirement.

Can retirees add dependents to the plan after retirement? No. *Employers that allow this are responsible for all claims up to the stop loss amount. See [Retiree Eligibility Exception Policy](#).*

SPECIAL ENROLLMENT

Are retirees eligible to add new dependents after retirement? No.

Employers that allow this *are responsible for all claims up to the stop loss amount*. See **Retiree Eligibility Exception Policy**.

Please note: Retirees that move out of an HMO service area may be able to move to a PPO plan outside of open enrollment.

APPENDIX: QUALIFYING LIFE EVENTS

Life Event	Action Allowed	Switch Plans (PPO to HMO, vice versa)	Acceptable Documentation
Marriage/Civil Union	Employee that previously declined coverage may enroll themselves and new spouse. Covered employees may add new spouse/partner (and step children) to plan. Employee must notify employer per the listed Special Enrollment timeframe.	Yes	Marriage Certificate/Civil Union License
Annulment/Divorce/Legal Separation (employee and spouse currently covered on plan)	Remove former spouse/partner from plan. Employee must notify employer in a timely manner.	No	Date Stamped Divorce Decree/Proof of Separation/Proof of Dissolution
Domestic Partner Establishment (employer's plan must allow domestic partners)	Add partner to plan	No	Domestic Partner Affidavit (<i>note employers may require additional documentation</i>)
Birth/Adoption	May enroll new child. May also add spouse if not previously covered. May not enroll older	Yes	Birth Certificate/Adoption Certificate/Court Order

	children. Employee must notify employer per the listed special enrollment timeframe.		
Dependent Gains Coverage (dependent obtains coverage elsewhere)	Remove dependent from plan. Employee must notify employer in a timely manner.	N/A	Verification of Other Coverage

Dependent Loses Coverage (A spouse/child)	Add dependent to plan. Employee must notify employer per listed Special Enrollment timeframe.	No	Certificate of Creditable Coverage, COBRA notice
Court Order (i.e., mandates one parent provide coverage for a child due to a custody settlement)	Add child to plan. Employee must notify employer per the listed Special Enrollment timeframe.	No	Court Order
Employee Loses Coverage (i.e., waives employer coverage because they are on a spouse's plan and lose coverage – via divorce, etc.)	Add employee to plan. Employee must notify employer per the listed special enrollment timeframe.	N/A – will need to elect one of the employer's Plan offering(s)	Certificate of Creditable Coverage, COBRA notice
Change in Employment Level (i.e., PT to FT)	May join plan if newly eligible (PT to FT), may lose coverage if no longer eligible (FT to PT)	N/A – will need to elect one of the employer's Plan offering(s)	None.
Moves out of HMO Area (i.e. retiree that has HMO plan but moves out of state)	Move to PPO plan. Employee must notify employer per the	Yes. Retiree will need to elect a different plan	Proof of address

	listed special enrollment timeframe.		
Significant Change in Cost	May be able to switch and/or drop plans	Maybe. If an employer significantly changes employee cost share mid-year, it may qualify (requirement is subjective/rare) Moving from employee only to family coverage (marriage, etc.) would not qualify if rates/cost shares have not changed from when published at the start of Plan year	Proof of cost change
Entitlement to Medicare or Medicaid	Can drop coverage	N/A	Medicare Card