

Open Enrollment

Open enrollment is the period of time each year in which eligible employees may enroll in your health plan. During this time—typically a couple of months prior to the new plan year—employees must review your offerings and decide which benefits to select. Some plans may stay the same from year to year, with adjustments for any changes in the law, while other plans may feature significant new benefits. Much of what is offered is up to the employer. Health plan options often include traditional medical coverage, but may also include other health benefits, such as:

- Health Savings Accounts (HSAs)
- Flexible Spending Arrangements (FSAs)
- Health Reimbursement Arrangements (HRAs)
- Gym memberships
- Wellness programs

Understanding Options

Except in certain circumstances prescribed by law*, employees and their families must enroll in your plan during the open enrollment period set by the plan; they will not be able to change their mind and sign up for coverage in the middle of the plan year. Thus, it is important for employees and any of their eligible family members to understand all of their options for the coming year during enrollment season. Employees should consider how frequently they expect to use doctors' services, drug prescriptions and other health care items or services. Your employees may also want to confirm that their doctors are in the network provided by the plan.

Your health plan can make this process easier by proactively promoting employee engagement in open enrollment, and making resources available online or through your company intranet. To seek assistance in this regard, you may want to contact your insurance carrier for promotional materials.

* Special Enrollment under HIPAA

Under HIPAA, certain events that happen to employees or their dependents trigger a right to “special enroll” in your employer-sponsored group health plan. Special enrollment generally means that the employee or dependent will have 30 days from the date of the event to request coverage in your group health plan, **regardless of your open enrollment period**. Special enrollment rights under HIPAA arise out of:

- The loss of **other** health coverage; or an employer terminating contributions toward health coverage; and
- A person becoming a new dependent through:
 - Marriage;
 - Birth;
 - Adoption; or
 - Placement for adoption

For more on special enrollment in health plans under HIPAA, please visit the [HIPAA](#) section.

Sample Open Enrollment Communication Materials

The following are sample materials and should be used for general informational purposes only. To develop any specific open enrollment materials, please seek specific guidance from your carrier or broker.

- [Sample Open Enrollment Memo](#)
- [Sample Online Open Enrollment Announcement](#)
- [Customizable Open Enrollment Template](#) (Microsoft Word)

Top 5 Open Enrollment Tips

The following important tips will help your company plan a successful open enrollment.

Tip #1: Design a Clear and Concise Open Enrollment Announcement

Make sure your open enrollment announcement clearly summarizes key information, including:

- Open enrollment period dates for all benefits
- Pre-tax contribution rates by specific benefit
- Post-tax contribution rates by specific benefit
- Premium increases (if any)
- Any benefit changes

Tip #2: Create and Follow a Schedule for Communicating Open Enrollment Information

Create a timeline to distribute the required communication materials to help ensure a successful open enrollment. The following is an example of a potential timeline:

- Email and/or mail your open enrollment announcement 7-14 days prior to the open enrollment period
- Send email reminders 1-3 days before the open enrollment period begins (include FAQs as an effective way to respond to the most commonly asked questions)
- Send a reminder on the 1st and 2nd days of open enrollment to all employees, which includes information such as open enrollment requirements and deadlines

Tip #3: Determine Employee Eligibility

If your company is subject to the "pay or play" provisions under Health Care Reform (generally employers with **50 or more full-time employees**, including full-time equivalent employees), be sure you have used proper methods for determining whether an employee has sufficient hours of service to be considered full-time, and therefore eligible for health benefits, to avoid penalties. Even if your company is not subject to the "pay or play" provisions, it would be prudent to confirm the eligibility requirements for particular benefits.

Tip #4: Distribute Required Benefits Notices or Disclosure Statements

Ensure that required notices are distributed, such as a Summary of Benefits and Coverage (SBC), Summary Plan Description (SPD), and HIPAA Notice of Special Enrollment Rights.

Tip #5: Don't Overlook the Human Touch

Make sure that there is a company representative accessible to employees throughout the enrollment period who can answer questions and serve as a resource. Allocating staff time to this is a wise investment that will limit frustration and ensure a better experience for employees as they enroll.