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922 Quarrier Street
Charleston, West Virginia 25301
Telephone (304) 348-7850

Executive Secretary
Si Galperin, Jr.

PUBLIC EMPLOYEES INSURANCE BOARD

January 25, 1985

Honorable Ken Hechler
West Virginia Secretary of State
Capitol Complex
Charleston, West Virginia 25305

Dear Mr. Hechler:

The attached Legislative Rules which deal with our revised late enrollment guidelines and a definition for the term mental illness were filed as emergency rules on August 3, 1984. The emergency rule will expire on January 30, 1985.

In accordance with the provisions which are outlined in the West Virginia Code, Chapter 29A, Article 3, Section 15, I am requesting that the emergency rules be extended for another period, not to exceed one hundred and eighty days.

Sincerely;

Si Galperin, Jr.
Executive Secretary

FILED
1985 JAN 25 PM 3:08
OFFICE OF WEST VIRGINIA
SECRETARY OF STATE



OFFICE OF THE SECRETARY OF STATE
A. JAMES MANCHIN
CHARLESTON 25305

THE STATE CAPITOL

STATE REGISTER FILING

ROBERT W JACKSON
DEPUTY SECRETARY OF STATE
CORPORATE AFFAIRS

I, Si Galperin, Jr., Executive Secretary
Title or Position

W.V. Public Employees Insurance Board, hereby submit to records in
the State Register on 8 1/2 x 11" two (2) copies of

- () proposed rules and regulations concerning topics of material not covered by existing rules and regulations;
- () proposed rules and regulations superseding rules and regulations already on file;
- () notice of hearing;
- () findings and determinations;
- (XX) Emergency rules and regulations
- (XX) Legislative (), Procedural () Interpretive regulations
- () other - specify _____

FILED IN THE OFFICE OF
A. JAMES MANCHIN
SECRETARY OF STATE

THIS DATE 8-3-84
Administrative Law Division

This filing pertains to

CHAPTER _____ ARTICLE _____ SECTION _____ of the
West Virginia Code, 1931, as amended.

SERIES 1, SECTION 2 and 4 PAGE NO 2-3-5-6-7 of the
Administrative Code.

August 1, 1984
Date Submitted

Si Galperin, Jr.
Signature of Person Authorizing
this Filing

State Auditor
Glen B. Gainer, Jr., Chairman

State Treasurer
Larrie Bailey, Member

Worker's Compensation
Commissioner
Gretchen O. Lewis, Member

Executive Secretary
Si Galperin, Jr.



JOHN D. ROCKEFELLER, IV
GOVERNOR

PUBLIC EMPLOYEES INSURANCE BOARD

August 1, 1984

Embleton Building, Second Floor
922 Quarrier Street
Charleston, West Virginia 25301
Telephone (304) 348-7850

Emergency

Honorable A. James Manchin
West Virginia Secretary of State
State Capitol Complex
Charleston, West Virginia 25305

Dear Mr. Manchin:

The attached rules were authorized and approved by the West Virginia Public Employees Insurance Board at a meeting held on July 25, 1984.

In accordance with Chapter 29A, Article 3, Section 15 of the West Virginia Code, these rules are being filed as emergency rules.

There are presently hundreds of state employees who are not members of the Public Employees Insurance program because they cannot prove their insurability. The majority of these employees did not enroll in the program when initially employed simply because they were adequately insured under their spouses' insurance coverage. As you are well aware, the present economic conditions of the State has created many layoffs, and now these state employees find themselves, their spouses and their children without insurance protection. This rule change will now allow these people to join our insurance program.

In addition, many state employees who plan to retire in the near future cannot join our plan, and thus are not able to use their accrued sick and/or annual leave to pay for their membership in our plan as was provided for in House Bill 1429. Under this rule change they would be able to join the plan.

FILED IN THE OFFICE OF
A. JAMES MANCHIN
SECRETARY OF STATE

THIS DATE Aug. 3, 1984
Administrative Law Division

The rule change regarding "mental illness" was made necessary by the passage of Senate Bill 425 during the 1984 legislative session which inserted the word "mental illness" into our rules without defining it.

Sincerely,



Si Galperin, Jr.
Executive Secretary

that the requirements of chapter twenty-nine-A (29A1-1 et seq.) of the West Virginia Code of 1931, as amended, are met.

Section 2. Definitions

2.01. Definitions - The terms "Board", "employee", "retired employee", and "employer", as used in these rules shall have the same definitions as these terms are given in West Virginia Code 5-16-2. The following words and phrases as used in these rules, unless a different meaning is clearly indicated by context, shall have the following meanings:

(a) "Carrier" shall mean any agency, corporation, insurance company, state fund, or service organization engaged in the business of providing insurance coverage contemplated by the Board.

(b) "Children" shall mean unmarried children between birth and age nineteen and shall include: (1) The employee's natural children, (2) legally adopted children, including children living with the employee during the period of probation, (3) step-children residing in the employee's household and (4) other children fully dependent upon the employee for support and maintenance and residing in the household of which the employee is head and actually being supported by the employee. Children may be included after the attainment of age nineteen, but not beyond the attainment of age twenty-five, if they are enrolled as full-time students, are unmarried, and are fully dependent upon the employee for support. Children may also be included after the attainment of age nineteen while incapable of self-support because of mental illness, mental retardation or a physical disability, if the child was dependent upon the employee for support and maintenance at the onset of the mental illness, mental retardation or physical disability. "For the purpose of this section, mental illness" includes "addiction" as defined in Code 27-1-11 and is defined as a manifestation in a person of significantly impaired capacity to maintain acceptable levels of functioning in the areas of intellect, emotion and physical wellbeing, only if such impairment renders the person dangerous to himself or others or such person is substantially unable to protect himself from significant hazard."

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(c) "Dependent" shall mean the employee's spouse, if legally married, and eligible children, as defined in ~~(b)-above~~ section 2.01 (b).

(d) "Dependent of a Deceased Covered Member" shall mean the surviving spouse and/or eligible children of a deceased employee or retiree of the State of West Virginia who died on or after February 1, 1972, and the surviving spouse and/or eligible children of a deceased employee or retiree of all other participating agencies who died on or after November 1, 1972.

(e) "Enrollment period" shall mean the period of time in which a member of an eligible group specified in section 3.02 of these rules may enroll in the Plan without submitting evidence of insurability or being subject to the limitations as specified in section 4.01 of these rules.

(f) "Full-time" shall mean a permanent position that is considered full-time by the participating agency and that requires at least twenty hours per week or 1,040 hours per year in that position, unless otherwise exempted from this requirement by the West Virginia Code.

(g) "Plan" shall mean the West Virginia Public Employees Insurance Plan.

Section 3. Establishment and Implementation of the Plan

3.01. Preliminary Negotiations - The Chairman or, at the direction of the Board, the Executive Secretary, may enter into preliminary negotiations with carriers for the purpose of obtaining information for the Board in establishing plans.

3.02. Determination of Participants

(a) All elected officials and full-time employees of the State of West Virginia, West Virginia Board of Regents, county boards of education, counties, cities and towns, and other governmental bodies so specified in the West Virginia Code 5-16-2, and their dependents as defined by these rules, may participate in the Plan, subject to the criteria set forth in section four of these rules.

informational material for the purpose of notifying participants of their current benefits and any significant changes in the plan provisions, policies or procedures.

(d) In the interim period between the preparation and distribution of such revised informational material, the Board shall be responsible for notifying the participating agencies of such changes, and the participating agencies shall, in turn, be responsible for the dissemination of such information to the participants.

3.05 Bids

(a) Following the development of the plan or plans, the Board shall, in writing, invite competent bids from all carriers who are determined by the State Department of Insurance to be properly qualified and licensed to provide the desired coverage. The invitations shall prescribe the time limit for filing bids.

(b) Contracts shall be awarded by the Board within a reasonable time after the time limit prescribed by the invitations for filing bids.

Section 4. Participation in the Plan

4.01. Employee Participation

(a) Eligible employees and their dependents may enroll in the Plan by completing a form prescribed by the Board and filing same with the payroll officer of the employing agency.

(b) The initial enrollment period for eligible employees and their dependents shall be the month in which the employee becomes employed by a participating agency and the immediately following month.

(c) The initial enrollment period for newly acquired dependents of a participating employee shall, however, be the month in which the dependent becomes an eligible dependent and the immediately following month.

(d) If the enrollment forms are completed within the initial enrollment period, coverage shall become effective on the first day of the month following the month in which the enrollment forms are completed.

(e) ~~If the enrollment forms are not completed within the enrollment time period evidence of incurability shall be required, except that employees and dependents who choose not to participate in the Plan because of family coverage on the spouse's plan, and who later lose their spouse by divorce or death, and who enroll in the Plan during the month the death or divorce occurs or the immediately following month shall not be required to submit evidence of insurability specified in 4.01(b) and (c) then the employee and his/her dependents, if any, will be classified as late enrollees. As such, their coverage shall not become effective until the first day of the fourth month following their enrollment except as hereinafter provided in the following sections.~~

(f) Employees who choose not to participate in the plan because of family coverage on the spouses plan, and who later lose their spouse by divorce or death, and who enroll in the plan within the month or the immediate following month after such divorce or death occurs will not be classified as late enrollees. However, said employees who do not enroll in the plan within this said period will be classified as late enrollees and as such will be treated pursuant to 4.01(e).

(g) Employees and their dependents who are classified as late enrollees shall have a pre-existing conditions limitation applied to their health coverage. No benefits are payable for expenses due to any injury, sickness or related condition which was diagnosed or treated within 12 months prior to the date the late enrollee becomes covered under the plan.

This pre-existing conditions limitation for late enrollees shall remain in effect until the earliest of the following dates:

- (1) 12 months following the late enrollee's effective date of coverage under the Plan; or
- (2) The end of any 12 month period during which no diagnosis or treatment is received, and no expenses are incurred for care of the injury, illness, or related conditions.

This pre-existing conditions limitation is waived for all employees and eligible dependents who enroll during their respective initial enrollment period.

(h) In addition to the waiting period described in Section 4.01(e), proof of insurability acceptable to the Public Employees Insurance Board must be provided in the following cases before coverage becomes effective:

- (1) For an employee to increase the amount of optional life coverage;
- (2) For a late enrollee to enroll for basic life only coverage;
- (3) For a late enrollee to enroll for optional life coverage (employee and/or dependent life.)

(c) "Dependent" shall mean the employee's spouse, if legally married, and eligible children, as defined in ~~(b)-above~~ section 2.01 (b).

(d) "Dependent of a Deceased Covered Member" shall mean the surviving spouse and/or eligible children of a deceased employee or retiree of the State of West Virginia who died on or after February 1, 1972, and the surviving spouse and/or eligible children of a deceased employee or retiree of all other participating agencies who died on or after November 1, 1972.

(e) "Enrollment period" shall mean the period of time in which a member of an eligible group specified in section 3.02 of these rules may enroll in the Plan without submitting evidence of insurability or being subject to the limitations as specified in section 4.01 of these rules.

(f) "Full-time" shall mean a permanent position that is considered full-time by the participating agency and that requires at least twenty hours per week or 1,040 hours per year in that position, unless otherwise exempted from this requirement by the West Virginia Code.

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(d) In the interim period between the preparation and distribution of such revised informational material, the Board shall be responsible for notifying the participating agencies of such changes, and the participating agencies shall, in turn, be responsible for the dissemination of such information to the participants.

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(c) The initial enrollment period for newly acquired dependents of a participating employee shall, however, be the month in which the dependent becomes an eligible dependent and the immediately following month.

(d) If the enrollment forms are completed within the initial enrollment period, coverage shall become effective on the first day of the month following the month in which the enrollment forms are completed.

(e) If the enrollment forms are not completed within the enrollment time period evidence of insurability shall be required, except that employees and dependents who choose not to participate in the Plan because of family coverage on the spouse's plan, and who later lose their spouse by divorce or death, and who enroll in the Plan during the month the death or divorce occurs or the immediately following month shall not be required to submit evidence of insurability, specified in 4.01(b) and (c) then the employee and his/her dependents, if any, will be classified as late enrollees. As such, their coverage shall not become effective until the first day of the fourth month following their enrollment except as hereinafter provided in the following sections.

(f) Employees who choose not to participate in the plan because of family coverage on the spouses plan, and who later lose their spouse by divorce or death, and who enroll in the plan within the month or the immediate following month after such divorce or death occurs will not be classified as late enrollees. However, said employees who do not enroll in the plan within this said period will be classified as late enrollees and as such will be treated pursuant to 4.01(e).

(g) Employees and their dependents who are classified as late enrollees shall have a pre-existing conditions limitation applied to their health coverage. No benefits are payable for expenses due to any injury, sickness or related condition which was diagnosed or treated within 12 months prior to the date the late enrollee becomes covered under the plan.

This pre-existing conditions limitation for late enrollees shall remain in effect until the earliest of the following dates:

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This pre-existing conditions limitation is waived for all employees and eligible dependents who enroll during their respective initial enrollment period.

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