

DIVISION 80

111-080-0040

Eligibility and Policy Term Violations - Definitions

For the purposes of OAR 111-080-0045 and 111-080-0050, the following definitions will apply:

(1) “Eligibility or Enrollment Violations” means and includes a violation of the Oregon Educators Benefit Board’s eligibility or enrollment rules or policies including fraud or material misrepresentation. Misstatements, misrepresentations, omissions or concealments on the part of the OEBB member are not fraudulent unless they are made with intent to knowingly defraud. OEBB has primary responsibility in investigating such violations.

(2) “Policy Term Violations” means and includes a violation of the insurance carrier’s policy terms. The insurance carrier has primary responsibility in investigating such violations.

111-080-0045

Eligibility Violations

(1) OEBB will remove from coverage an OEBB member due to eligibility or enrollment violations. Removal from all benefit plans will be retroactive to the date the individual person is determined to have no longer been eligible, or the effective date of coverage if eligibility criteria was never met.

(A) Enrollment in another plan offered by OEBB is restricted for at least three plan years, including the current Plan Year.

(B) When an eligibility or enrollment violation has been discovered and investigated, OEBB will notify the member and the Educational Entity with the outcome. If the outcome includes rescission of coverage, OEBB will give a 30 day notice of such rescission prior to terminating coverage retroactively to the date the member was no longer eligible for benefits.

(C) The member may be responsible for any claims paid during the period of time the member was enrolled inappropriately.

111-080-0050

Policy Term Violations

(1) An OEBB-contracted insurance carrier may remove from coverage and/or deny the claims of an OEBB member due to policy term violations. Removal from coverage for policy term violations is at the discretion of the insurance carrier.

(A) If a policy term violation results in a termination from the plan or carrier that the violation was committed on it will not prevent the member from continuing enrollment in other OEGB types of coverages (i.e. medical, dental, vision), as long as they remain an employee and eligible for these benefits.

(B) If an eligible employee commits a policy term violation, OEGB will remove the entire family from the insurance plan since the benefits are extended to his or her dependents through the eligible employee. If the eligible employee loses coverage, their dependents do as well, or as defined by the carrier. If the eligible employee chooses to and it is offered, they can enroll in a different carrier plan (if applicable) during open enrollment and cover themselves and dependents during the upcoming plan year.

(C) If a dependent commits a policy term violation, OEGB will remove only the dependent from the insurance plan. If the eligible employee chooses to and it is offered, they can enroll in a different carrier plan (if applicable) during open enrollment and cover the dependent during the upcoming plan year, or as defined by the carrier.

(D) The OEGB member who is removed from an OEGB sponsored insurance plan may appeal the decision through the entity that terminated coverage. Once the appeal process is completed the OEGB member can request an Administrative Review.

(E) When a policy term violation has been discovered and investigated, the applicable insurance carrier will notify OEGB and the member with the outcome.

(2) The insurance carrier may do the following when a member has violated a provision of the policy the OEGB member has enrolled in, committed fraudulent activity or misrepresentation:

(A) The insurance carrier may retain the value of any expenditure it made related to the member who committed the fraudulent activity or misrepresentation.

(B) The insurance carrier may deny future enrollments of the individual in accordance with the carrier's policies.