

Adopt Article 6, Sections 6520, 6522, 6524, 6526, 6528, 6530, 6532, 6534, 6536, and 6538 to read:

ARTICLE 6. APPLICATION, ELIGIBILITY, AND ENROLLMENT IN THE SHOP EXCHANGE

SECTION 6520: EMPLOYER AND EMPLOYEE APPLICATION REQUIREMENTS

- a) A qualified employer who is eligible to purchase coverage for its qualified employees through the Small Business Health Options Program (SHOP) pursuant to Section 6522, may apply to participate in the SHOP by submitting the following information to the SHOP:
- 1) General employer information: business legal name and whether the employer is doing business under a fictitious name, Federal employer identification number, State employer identification number, organization type (private, nonprofit, government, church/church affiliated), primary business address;
 - 2) The number of qualified employees and the total number of employees employed by the qualified employer;
 - 3) The United States Department of Labor Standard Industrial Code of the qualified employer;
 - 4) Whether the qualified employer is offering health coverage to its employees working between 20 and 29 hours per week;
 - 5) Whether the qualified employer is offering dependent health insurance coverage;
 - A. For purposes of this Article 6, dependent shall mean a person as defined in Section 1357.500(k) of California Health and Safety Code and in Section 10753(q) of California Insurance Code.
 - 6) The qualified employer's desired health insurance coverage effective date;
 - 7) Whether the qualified employer is subject to Federal COBRA or Cal-COBRA continuation coverage regulations;
 - 8) The name, e-mail address, primary and secondary phone number for the primary contact for the qualified employer;

- 9) Whether the qualified employer has an agent and if so, the agent's name, general agency name, CA insurance license number, and whether the agent is a Covered California certified insurance agent;
 - 10) Information about the qualified employer's qualified employees, including each qualified employee's social security number or taxpayer identification number, full name, date of birth, hire date, home and work address, e-mail address, phone number, number of dependents being offered coverage, and if any, the dependent's name and date of birth, the qualified employee's number of child dependents under the age of 21 and the number of child dependents 21 years of age and over, qualified employee employment classification (management, non-management, administrative, etc.) as determined by the qualified employer, and the COBRA or Cal-COBRA designation for enrollees that are not qualified employees or their dependents;
 - 11) The employer's offer of health insurance coverage, which includes:
 - A. The employer's health premium contribution amount for employees and their dependents;
 - B. The employer plan selection for a tier of health insurance coverage (bronze, silver, gold, or platinum) and the reference plan; and
 - C. The waiting period for new employees, if any, which may be no more than 90 days, but in no event shall a health plan issuer impose a waiting period of longer than 60 days.
- b) To participate in the SHOP, an employer must attest to the following:
- 1) That all information contained in the qualified employer application is true and correct to the best of the qualified employer's knowledge;
 - 2) That the qualified employer understands that the SHOP will not consider the qualified employer approved for health insurance coverage until the SHOP has received 100 percent of the qualified employer's first month health premium payment;
 - 3) That the qualified employer agrees to continue to make the required health premium payments to continue to be an eligible qualified employer;
 - 4) The qualified employer agrees to inform its qualified employees of the availability of health insurance coverage and the provision that those declining coverage must wait until the next open enrollment period, pursuant to Section 6528, to sign up for coverage, unless a special enrollment event occurs pursuant to Section 6530;

- 5) That all employees of the qualified employer enrolling in the SHOP are eligible employees;
 - 6) The qualified employer understands that once coverage in a Qualified Health Plan (QHP) is approved by the SHOP, changes to the coverage cannot be implemented until the qualified employer's annual election of coverage period pursuant to Section 6526;
 - 7) The qualified employer understands that the plan documents issued by the QHP issuer will determine the contractual provisions, including procedures, exclusions and limitations relating to the plan and will govern in the event they conflict with any benefits comparison, summary or other description of the plan;
 - 8) The qualified employer understands that once employer and employee information is transmitted to the selected QHPs, the qualified employer's coverage effective dates cannot be changed nor can coverage be terminated until after the first month of coverage;
 - 9) The qualified employer understands that the attestations in this section are subject to audit by the SHOP at any time; and
 - 10) The qualified employer understands that the attestations in this section must be maintained in order for the qualified employer's group to continue coverage through the SHOP.
- c) A qualified employer must provide the SHOP with its most recent Quarterly Contribution Return and Report of Wages (Form DE-9C), that the qualified employer filed with the California Employment Development Division, on which the qualified employer must identify on the face of the form whether each employee listed on the DE-9C is a full-time employee, part-time eligible employee, ineligible employee and whether the employee is still employed by the qualified employer.
- d) A qualified employee who is eligible for health insurance coverage through the SHOP pursuant to Section 6522, may apply to participate in the SHOP by submitting the following information to the SHOP:
- 1) The name, address and phone number of the employee's employer;
 - 2) The qualified employee's name, social security number or taxpayer identification number, date of birth, home, mailing and email addresses, telephone number;

- 3) The marital status of the qualified employee;
 - 4) Information about the qualified employee's dependents, which includes the number of dependents applying for health insurance coverage, the dependent's name, social security number or taxpayer identification number, date of birth, home, mailing and email addresses, telephone number, marital status, and whether the dependent is disabled; and
 - 5) The plan name for the health and dental plan selected by the qualified employee and dependents, and if an HMO or DHMO is selected, the physician, dentist and clinic name.
- e) If a qualified employee declines coverage, the employee must list any other source of coverage, if any.

Authority: Government Code Section 100504

Reference: Government Code Sections

SECTION 6522: ELIGIBILITY REQUIREMENTS FOR ENROLLMENT IN THE SHOP

- a) An employer is a qualified employer and eligible to participate in the SHOP if such employer:
- 1) Is a small employer;
 - 2) Elects to offer, at a minimum, all eligible employees coverage in a QHP through the SHOP;
 - 3) Either has its principal business address in California and offers coverage to all its full-time employees through the SHOP in California or offers coverage to each eligible employee through the SHOP serving that employee's primary worksite;
 - 4) Meets the following group participation rules:
 - A. A minimum of 70 percent of eligible employees of the qualified employer must enroll in a QHP through the SHOP;
 - B. If the qualified employer pays 100 percent of the qualified employees' QHP premiums or the qualified employer only employs one to three eligible employees, then all eligible employees of the qualified employer must enroll in a QHP through the SHOP; and

C. A Qualified employee who waives coverage because that qualified employee is enrolled in coverage through another employer, an employee's union, Medicaid pursuant to 42 U.S.C. § 1396 et. seq., or Medicare pursuant to 42 U.S.C. § 1395 et. seq., are not counted in calculating compliance with the group participation rules above.

5) Meets the following group contribution rule:

- A. A qualified employer must contribute to each of its qualified employees' QHP premiums, a minimum of 50 percent of the lowest cost premium for employee only coverage in the level of coverage selected by the qualified employer pursuant to Section 6520(a)(11).
- b) A qualified employer who ceases to be a small employer solely by reason of an increase in the number of employees of such employer shall continue to be eligible for the SHOP until the qualified employer otherwise fails to meet the eligibility criteria of this section or elects to no longer purchase coverage for qualified employees through the SHOP.
- c) A qualified employer may only make an offer of coverage to those employees who are eligible employees.
- d) All qualified employees are eligible to purchase a QHP through the SHOP.
- e) The dependents of qualified employees, if offered by the qualified employer, are eligible to purchase a QHP through the SHOP.

Authority: Government Code Section 100504

Reference: Government Code Sections

SECTION 6524: VERIFICATION PROCESS FOR ENROLLMENT IN THE SHOP

a) Verification of Eligibility

1) The Exchange shall verify or obtain information as provided in this section to determine whether an employer, employee or dependent meets the eligibility requirements specified in Section 6522 prior to allowing an employer to offer health insurance coverage to its employees or a qualified employee to select a QHP through the SHOP.

2) For purposes of verifying employee eligibility, the SHOP must:

- A. Verify that the employee or the employee's dependent has been identified by the qualified employer as an employee being offered health insurance coverage by the qualified employer and must otherwise accept the information attested to by the employee unless the information is inconsistent with the qualified employer-provided information; and
- B. Collect only the minimum information necessary for verification of eligibility in accordance with the eligibility requirements in Section 6522.

b) Inconsistencies

- 1) When the information submitted to the SHOP by an employer is inconsistent with the eligibility requirements in Section 6522, the SHOP must:
 - A. Make a reasonable effort to identify and address the causes of such inconsistency, including through typographical or other clerical errors;
 - B. Notify the employer of the inconsistency;
 - C. Provide the employer with a period of 30 days from the date on which the notice described in subparagraph (B) of paragraph (1) of subdivision (b) of this section is sent to the employer to either present satisfactory documentary evidence to support the employer's application, or resolve the inconsistency; and
 - D. If, after the 30-day period described in subparagraph (C) of paragraph (1) of subdivision (b) of this section, the SHOP has not received satisfactory documentary evidence, the SHOP must:
 - 1. Notify the employer of its denial of eligibility in accordance with subdivision (c) of this section and of the employer's right to appeal such determination.
- 2) When the information submitted to the SHOP by a qualified employee is inconsistent with the information provided by the qualified employee's qualified employer, the SHOP must:
 - A. Make a reasonable effort to identify and address the causes of such inconsistency, including through typographical or other clerical errors;

- B. Notify the qualified employee of the inability to substantiate his or her qualified employee status;
 - C. Provide the qualified employee with a period of 30 days from the date on which the notice described in subparagraph (B) of paragraph (2) of subdivision (b) of this section is sent to the qualified employee to either present satisfactory documentary evidence to support the qualified employee's application, or resolve the inconsistency; and
 - D. If, after the 30-day period described in subparagraph (C) of paragraph (2) of subdivision (b) of this section, the SHOP has not received satisfactory documentary evidence, the SHOP must notify the qualified employee of its denial of eligibility in accordance with subdivision (d) of this section.
- c) Notification of Employer Eligibility
- 1) The SHOP must notify an employer applying to participate in the SHOP whether the employer is eligible in accordance with Section 6522(a) and the employer's right to appeal such determination.
- d) Notification of Employee Eligibility
- 1) The SHOP must notify a qualified employee seeking to enroll in a QHP offered through the SHOP of the determination by the SHOP whether the qualified employee is eligible in accordance with Section 6522(b) and the qualified employee's right to appeal such eligibility determination.

Authority: Government Code Section 100504
Reference: Government Code Sections

SECTION 6526: QUALIFIED EMPLOYER ELECTION OF COVERAGE PERIODS

- a) Subject to subdivision (b) of this section, a qualified employer may elect to offer health insurance coverage through SHOP for its qualified employees at any time during the calendar year by submitting the information required in Section 6520.
- b) If a qualified employer satisfies the eligibility criteria in Section 6522(a) except for the minimum participation rule or group contribution rule, the qualified employer may only elect to offer health insurance coverage through SHOP for its qualified employees from October 15th through November 14th of each year.

- c) A qualified employer's plan year is a 12 month period beginning on the coverage effective date for its qualified employees as described in Section 6536. All qualified employees of a qualified employer will have the same plan year as their qualified employer.
- d) A qualified employer may only change its offer of health insurance coverage to its qualified employees, as described in Section 6520(a)(11), during the qualified employer's annual election period.
 - 1) The qualified employer's annual election period is thirty (30) days, beginning at least seventy-five (75) days prior to the completion of the employer's plan year and ends before the annual employee open enrollment period described in Section 6528(c).
- e) Beginning 2014, the SHOP shall provide a written annual election period notification to each qualified employer at least three (3) days prior to the beginning of the qualified employer's annual election period.

Authority: Government Code Section 100504
Reference: Government Code Sections

SECTION 6528: INITIAL AND ANNUAL ENROLLMENT PERIODS FOR QUALIFIED EMPLOYEES

- a) A qualified employee may only enroll in a QHP or change its QHP during the initial employee open enrollment period and annual employee open enrollment period described in this Section or during a special enrollment period as described in Section 6530.
- b) Subject to subdivision (d) of this section, a qualified employee's initial employee open enrollment period begins the day his or her employer submits all of the information required in Section 6520 and the SHOP has determined that employer is a qualified employer.
- c) Subject to Subdivision (d) of this section, the annual employee open enrollment period begins forty five (45) days prior to the completion of the qualified employee's plan year and after that qualified employer's annual election period as described in Section 6526(d)(1).
- d) For employees of a qualified employer described in Section 6526(b), the initial and annual employee open enrollment period is November 15th through December 15th of each year.

- e) The initial and annual employee open enrollment period is 30 days or at which time all qualified employees of a qualified employer have submitted the information required in Section 6520(d), whichever occurs first, but in no event longer than 30 days.
- f) Beginning 2014, the SHOP shall provide a written annual employee open enrollment period notification to each qualified employee at least three (3) days prior to the employee's annual open enrollment period.
- g) If a qualified employee does not enroll in a different QHP during his or her annual employee open enrollment period, that qualified employee will remain in the QHP selected in the previous year unless:
 - 1. The qualified employee terminates his or her coverage from the QHP in accordance with Section 6538(b)(1) or Section 6538(b)(5) or
 - 2. The QHP is no longer available to the qualified employee.
- h) An employee who becomes a qualified employee outside of the initial or annual employee open enrollment period shall have a 30 day period to enroll in a QHP beginning on the first day the employee becomes a qualified employee.

Authority: Government Code Section 100504
Reference: Government Code Sections

SECTION 6530: SPECIAL ENROLLMENT PERIODS FOR QUALIFIED EMPLOYEES AND DEPENDENTS

- a) A qualified employee may enroll in a QHP or change QHPs outside of the initial and annual open enrollment periods only in the following situations:
 - 1. A qualified employee or dependent loses Minimum Essential Coverage, as specified in subdivision (d) of this section;
 - 2. A qualified employee gains a dependent or becomes a dependent through marriage, birth, adoption, or placement for adoption;
 - 3. A qualified employee's, or his or her dependent's, enrollment or non-enrollment in a QHP is unintentional, inadvertent, or erroneous and is the result of the error, misrepresentation, or inaction of an officer, employee,

or agent of the Exchange or HHS, or its instrumentalities as evaluated and determined by the Exchange. In such cases, the Exchange shall take necessary actions to correct or eliminate the effects of such error, misrepresentation, or inaction;

4. A qualified employee, or his or her dependent, adequately demonstrates to the Exchange that the QHP in which he or she is enrolled, substantially violated a material provision of its contract in relation to the qualified employee;
5. A qualified employee, or his or her dependent, gains access to new QHPs as a result of a permanent move;
6. An Indian, as defined by section 4 of the Indian Health Care Improvement Act, may enroll in a QHP or change from one QHP to another one time per month;
7. Loses eligibility for coverage under a Medicaid plan under title XIX of the Social Security Act or a State child health plan under title XXI of the Social Security Act;
8. An employee or dependent becomes eligible for assistance, with respect to health insurance coverage under a SHOP, under such Medicaid plan or a State child health plan (including any waiver or demonstration project conducted under or in relation to such a plan);
9. An individual is mandated to be covered as a dependent pursuant to a valid state or federal court order;
10. An individual has been released from incarceration;
11. An employee or dependent was receiving services from a contracting provider under another health benefit plan, as defined in Section 1399.845 of the Health and Safety Code or Section 10965 of the Insurance Code, for one of the conditions described in subdivision (c) of Section 1373.96 of the Health and Safety Code and that provider is no longer participating in the health benefit plan;
12. An employee or dependent demonstrates to the Exchange, with respect to health benefit plans offered through the Exchange, or to the applicable

regulator, with respect to health benefit plans offered outside the Exchange, that he or she did not enroll in a health benefit plan during the immediately preceding enrollment period available to the employee or dependent because he or she was misinformed that he or she was covered under minimum essential coverage; and

13. An employee or dependent is a member of the reserve forces of the United States military returning from active duty or a member of the California National Guard returning from active duty service under Title 32 of the United States Code;

- b) A qualified employee who experiences one of the events in subdivision (a) above has sixty (60) days from the date of an event described in that subdivision to select a QHP through the SHOP.
- c) A dependent of a qualified employee is not eligible for a special enrollment period if the qualified employer does not extend the offer of health insurance coverage to dependents.
- d) Loss of Minimum Essential Coverage, as specified in paragraph (1) of subdivision (a) of this section, includes:
 - 1. Loss of eligibility for health insurance coverage, including but not limited to:
 - i. Loss of eligibility for health insurance coverage as a result of:
 - 1. Legal separation;
 - 2. Divorce;
 - 3. Cessation of dependent status (such as attaining the maximum age to be eligible as a dependent child under the plan);
 - 4. Death of an employee;
 - 5. Termination of employment;
 - 6. Reduction in the number of hours of employment; and

7. Any loss of eligibility for health insurance coverage after a period that is measured by reference to any of the foregoing.
 - ii. Loss of eligibility for coverage through Medicare, Medi-Cal, or other government-sponsored health care programs;
 - iii. In the case of coverage offered through an HMO or similar program in the individual market that does not provide benefits to individuals who no longer reside, live, or work in a service area, loss of health insurance coverage because an individual no longer resides, lives, or works in the service area (whether or not within the choice of the individual);
 - iv. In the case of coverage offered through an HMO or similar program in the group market that does not provide benefits to individuals who no longer reside, live, or work in a service area, loss of coverage because an individual no longer resides, lives, or works in the service area (whether or not within the choice of the individual), and no other benefit package is available to the individual; and
 - v. A situation in which a health plan no longer offers any benefits to the class of similarly situated individuals that includes the individual.
2. Termination of qualified employer contributions toward the qualified employee's or dependent's health insurance coverage that is not COBRA continuation coverage, including contributions by any current or former employer that was contributing to health insurance coverage for the qualified employee or dependent; and
3. Exhaustion of COBRA continuation health insurance coverage, meaning that such coverage ceases:
 - i. Due to the failure of the employer or other responsible entity to remit premiums on a timely basis; or
 - ii. When the individual no longer resides, lives, or works in the service area of an HMO or similar program (whether or not within the choice of the individual) and there is no other COBRA continuation coverage available to the individual.

4. Loss of MEC, as specified in paragraph (1) of subdivision (a) of this section, does not include termination or loss due to:
 - i. Failure to pay premiums on a timely basis, including COBRA premiums prior to expiration of COBRA coverage; or
 - ii. Termination of coverage for cause, such as making a fraudulent claim or an intentional misrepresentation of a material fact in connection with a plan.
- e) If requested by a QHP, an employee or a dependent of an employee who experiences a triggering event that gives rise to a special enrollment period pursuant to this section must provide verification of the triggering event.

Authority: Government Code Section 100504
Reference: Government Code Sections

SECTION 6532: EMPLOYER PAYMENT OF PREMIUMS

- a) Upon completion of the initial employee open enrollment period by all of the qualified employees of a qualified employer, the SHOP will send an invoice to the qualified employer for the premium amount due for all of that qualified employer's qualified employees.
 1. A qualified employer must pay its invoice in full by the close of business on the due date indicated on the invoice.
- b) Once coverage is effective, the SHOP will send invoices to qualified employers on the 15th of the month for health insurance coverage for the following month, which are due by the close of business on the last day of that month.
- c) If a qualified employer makes a payment for less than the full amount due, the payment will be allocated first to the health coverage for minimum essential coverage and then to non-minimum essential coverage, if any.

- d) If a qualified employer does not pay its initial invoice in full by the due date, the SHOP will cancel the application of that qualified employer and the applications of that employer's qualified employees.
- e) In months after a qualified employer has paid its first month's premium in full, if a qualified employer does not pay its premium pursuant to subdivision (b) of this section, on the day following the due date of the invoice, the SHOP will mail a notice of delinquency to the qualified employer that shows the past due balance, informs the qualified employer of any applicable grace period under state law, and a notice of the qualified employer's right to appeal.

Authority: Government Code Section 100504
Reference: Government Code Sections

SECTION 6534: COVERAGE EFFECTIVE DATES FOR SPECIAL ENROLLMENT PERIODS

- a) Except as specified in subdivision (b) of this section, coverage effective dates for special enrollment periods for a QHP selection received by the Exchange from a qualified employee:
 - 1. Between the first and fifteenth day of any month, shall be the first day of the following month; and
 - 2. Between the sixteenth and last day of any month, shall be the first day of the second following month.
- b) Special coverage effective dates shall apply to the following situations:
 - 1. In the case of birth, adoption, placement for adoption, or placement in foster care, coverage is effective for that enrollee on the date of birth, adoption, placement for adoption, or placement in foster care;
 - 2. In the case of marriage, or in the case where a qualified employee loses minimum essential coverage, as described in Section 6530(a)(1), coverage is effective for that qualified employee or dependent on the first day of the following month; and
 - 3. In the case of a qualified employee or dependent eligible for a special enrollment period as described in Section 6530(a)(3) and 6530(a)(4), the coverage is effective on either (i) the date of the event that triggered the

special enrollment period under Section 6530(a)(3) or 6530(a)(4) or (ii) in accordance with subdivision (a) of this section, whichever is the least financially burdensome on the enrollee, as determined by the Exchange.

Authority: Government Code Section 100504

Reference: Government Code Sections

SECTION 6536: COVERAGE EFFECTIVE DATES FOR QUALIFIED EMPLOYEES

- (a) Subject to subdivision (d) of this section, the effective dates of coverage for qualified employees and dependents who selected QHPs during the initial employee open enrollment, if the full premium payment from a qualified employer for all of its qualified employees and their dependents who selected coverage is received by the SHOP:
1. By the close of the fifth business day of the month, shall be the first day of that month; and
 2. After the fifth business day of the month, shall be the first day of the following month.
- (b) The effective date of coverage for a qualified employee who selected a QHP during the employee's annual open enrollment period shall be the first day of the following plan year.
- (c) The effective date of coverage for a qualified employee described in Section 6528(h) shall be the first day of the month in which the employee became a qualified employee.
- (d) A qualified employee's coverage shall be effectuated in accordance with the coverage effective dates specified in subdivisions (a) and (b) of this section only if:
1. The qualified employer and all of its qualified employees have submitted the information required in Section 6520; and
 2. The qualified employer remits the initial premium payment in full for its qualified employees pursuant to Section 6532(a) by the premium payment due date.

Authority: Government Code Section 100504

Reference: Government Code Sections

SECTION 6538: DISENROLLMENT AND TERMINATION

- a) A qualified employer may terminate coverage for its qualified employees and their dependents with notice to the SHOP at least 10 days prior to the requested date of termination, which must occur on the last day of the month.
1. If a qualified employer terminates coverage through the SHOP, the SHOP must:
 - i. Ensure that each QHP terminates the coverage of the qualified employer's qualified employees enrolled in the QHP through the SHOP; and
 - ii. Send a notice to each of the qualified employer's qualified employees enrolled in a QHP through the SHOP prior to the effective date of termination specified in subdivision (d) of this section. Such notification must provide information about other potential sources of coverage, including access to individual market coverage through the Exchange.
- b) A qualified employer may terminate the coverage of a qualified employee or an employee's dependent in a QHP, if the qualified employee or his or her dependent:
1. Requests that his or her coverage or the coverage of his or dependent be terminated;
 2. Moves outside of its QHP service area;
 3. Moves outside of the SHOP service area;
 4. Chooses not to remain enrolled in the QHP at open enrollment;
 5. Is no longer an employee or a dependent; and
 6. Is newly eligible for Medi-Cal or CHIP, but only if the qualified employee or dependent requests coverage to be terminated.
- c) The SHOP may initiate termination of a qualified employee's coverage in a QHP or a dependent's coverage in a QHP, and shall permit a QHP issuer to terminate such coverage, provided that the issuer makes reasonable accommodations for

all individuals with disabilities (as defined by the Americans with Disabilities Act) before terminating coverage for such individuals, under the following circumstances:

1. The qualified employee or dependent is no longer eligible for coverage in a QHP through the Exchange;
2. The qualified employer fails to pay premiums for coverage, as specified in Section 6532 and any applicable grace period has been exhausted;
3. The qualified employee's or the qualified employee's dependent coverage is rescinded by the QHP issuer because the qualified employee has made a fraudulent claim or an intentional misrepresentation of a material fact in connection with the plan;
4. The QHP terminates or is decertified as described in 45 CFR § 155.1080;
5. The qualified employee changes from one QHP to another during an annual employee open enrollment period or special enrollment period in accordance with Sections 6528 and 6530.
6. The qualified employer fails to meet either the minimum participation rule in Section 6522(a)(4) or the group contribution rule in Section 6522(a)(5); or
7. Upon the death of the qualified employee or a dependent of a qualified employee.

d) Effective Dates of Termination

1. In the case of a termination in accordance with subsection (a) of this section, the last day of coverage shall be:
 - i. The requested date of termination specified by the qualified employer, if the qualified employer provides 10 day notice or;
 - ii. If the qualified employer does not provide 10 day notice, the last day of the month following the month in which the qualified employer gave notice of termination.
2. In the case of a termination in accordance with paragraph (1) of subdivision (b) of this section, the effective date of termination shall be the

date requested by the qualified employee, but must be at least 14 days from the date of the request, unless the QHP and the qualified employee agree to an effective date of termination less than 14 days from the date requested.

3. In the case of a termination in accordance with paragraphs (2) through (5) of subdivision (b) of this section, the effective date of termination of coverage shall be the last day of the month in which the event in subdivision (b) of this section occurred.
4. In the case of a termination in accordance with paragraph (6) of subdivision (b), the effective date of termination of coverage shall be the day before such other coverage begins.
5. In the case of a termination in accordance with paragraph (1) of subdivision (c) of this section, the last day of coverage shall be the last day of the month in which the qualified employee's eligibility or the eligibility of a qualified employee's dependent ceased.
6. In the case of a termination in accordance with paragraph (2) of subdivision (c) of this section, the last day of coverage shall be consistent with existing California laws regarding grace periods.
7. In the case of a termination in accordance with paragraph (3) of subdivision (c) of this section, the last day of coverage shall be the day prior to the day the fraud or misrepresentation occurred.
8. In the case of a termination in accordance with paragraph (4) of subdivision (c) of this section, the last day of coverage shall be the day before the QHP was decertified or terminated.
9. In the case of a termination in accordance with paragraph (5) of subdivision (c) of this section, the last day of coverage in an enrollee's prior QHP shall be the day before the effective date of coverage in his or her new QHP.
10. In the case of a termination in accordance with paragraph (6) of subdivision (c) of this section, the last day of coverage shall be the last day of the qualified employer's plan year.
11. In the case of a termination in accordance with paragraph (7) of subdivision (c) of this section, the last day of coverage shall be the date of death.

- e) If a qualified employee's coverage or the coverage of a qualified employee's dependent is terminated pursuant to paragraph (1) of subdivision (b) of this section, the SHOP shall promptly provide the qualified employee or qualified employee's dependent with a notice of termination of coverage that includes the termination effective date and reason for termination.

Authority: Government Code Section 100504
Reference: Government Code Sections

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