



**COMMONWEALTH OF VIRGINIA
DEPARTMENT OF HUMAN RESOURCE MANAGEMENT**

Group Administrator Memo #14-06

To: Group Benefits Administrators

From: State and Local Health Benefits Programs

Date: November 25, 2014

Re: Enroll in Affordable Care Act Marketplace Exchange Coverage as a Qualifying Midyear Event (QME)

The Open Enrollment period for the Health Insurance Marketplace began on November 15, 2014 and will end on February 15, 2015. The Internal Revenue Service (IRS) has added a Qualifying Mid-Year Event (QME) that will allow TLC Health Benefits Program plan participants to waive or “revoke” TLC health plan coverage to enroll in a health plan provided by the Marketplace. It is important to understand that this may be allowed only if your pre-tax flexible benefit plan allows this event as a QME. The IRS will allow you to retroactively amend your document to permit this change as long as it is done before the end of this flex plan year. Your plan document governs your choices, and compliance with the regulations is your responsibility.

Should any employee wish to prospectively waive our plan to enroll in a Marketplace plan, they must complete a new [TLC Enrollment Form](#). In Part 2, F, they should check “Other Event” and write in Enrollment in Marketplace Plan. As with all QMEs, you should get documentation to protect yourself in the event of an audit. This QME does not permit an employee to drop dependents unless the employee also waives coverage.

This new event applies to Active Employees only. Non-Medicare-eligible retiree group participants and Extended Coverage/COBRA participants may already drop coverage prospectively at any time. Remember that retirees who drop coverage cannot return to the Retiree Health Benefits Program.

If you have questions, please contact Walter E. Norman, TLC Program Manager at (804) 786-6460 or via email at walter.norman@dhrm.virginia.gov.