



# **2020 Public Employees Benefits Board (PEBB) Program Medical Flexible Spending Arrangement (FSA) Enrollment Guide**

How you can use your pre-tax earnings to pay for  
health care expenses

Email: [customerservice@naviabenefits.com](mailto:customerservice@naviabenefits.com)  
Fax: 425-451-7002 or toll-free fax 1-866-535-9227  
Customer Service: 425-452-3500 or 1-800-669-3539

## Table of Contents

<a href="#">Who is eligible?</a>	3
<a href="#">How can a Medical Flexible Spending Arrangement (FSA) help me?</a>	3
<a href="#">How does the Medical FSA work?</a>	3
<a href="#">When can I enroll and how do I submit my enrollment?</a>	3
<a href="#">When does my benefit coverage begin?</a>	4
<a href="#">What if I'm a represented employee eligible for a \$250 Medical FSA contribution?</a>	4
<a href="#">Whose expenses qualify under the Medical FSA?</a>	4
<a href="#">What health care expenses are eligible?</a>	5
<a href="#">Do all prescription medicines qualify for the Medical FSA reimbursement?</a>	5
<a href="#">Can I be reimbursed for over-the-counter (OTC) medicines and drugs?</a>	5
<a href="#">When is additional documentation required?</a>	5
<a href="#">Orthodontia expenses</a>	5
<a href="#">Stockpiling</a>	5
<a href="#">Ineligible health care expenses</a>	6
<a href="#">How do I get reimbursed?</a>	6
<a href="#">"Use it or lose it" and claim submission deadline</a>	6
<a href="#">How do I receive information from Navia Benefit Solutions?</a>	7
<a href="#">The Navia Benefits Card</a>	7
<a href="#">Lost or stolen cards and additional debit card requests</a>	7
<a href="#">IIAS and participating merchants</a>	8
<a href="#">Using your Navia Benefits Card for over-the-counter (OTC) medicines and drugs</a>	8
<a href="#">When can I make changes?</a>	8
<a href="#">Approved leave of absence (including Leave Without Pay)</a>	9
<a href="#">Transfers between state agencies and higher-education institutions</a>	10
<a href="#">Continuation coverage through COBRA</a>	10
<a href="#">What happens if my employment ends?</a>	11
<a href="#">How do I appeal a denied claim?</a>	12

### How to contact Navia Benefit Solutions

Business hours: Monday – Friday, 5 a.m. – 5 p.m. PT

**Phone:** 1-800-669-3539

**Email:** [customerservice@naviabenefits.com](mailto:customerservice@naviabenefits.com)

**Fax:** 1-425-451-7002 or toll-free fax 1-866-535-9227

**Mail:** Navia Benefit Solutions, PO Box 53250, Bellevue, WA 98015

## Who is eligible?

The Health Care Authority (HCA) contracts with Navia Benefit Solutions to manage the Medical Flexible Spending Arrangement (FSA), process claims, and provide customer service for Public Employees Benefits Board (PEBB) enrollees. The Medical FSA is available to PEBB benefits-eligible employees who work at state agencies, higher-education institutions, and community and technical colleges as described in Washington Administrative Code (WAC) 182-12-114. A link to the WAC is available at [hca.wa.gov/pebb-rules](http://hca.wa.gov/pebb-rules).

## How can a Medical Flexible Spending Arrangement (FSA) help me?

A Medical FSA is an employer-sponsored benefit that allows you to set aside money from your paycheck on a pre-tax basis to pay for out-of-pocket health care costs. Here are some of the ways you can benefit from a Medical FSA:

- Setting aside a portion of your pay with a Medical FSA reduces your annual taxable income and helps you pay for out-of-pocket health expenses large and small.
- You can set aside as little as \$240 or as much as \$2,700 for the calendar year. The full amount you elect to set aside for your Medical FSA is available on your first day of coverage for expenses.
- Your Medical FSA helps you pay for deductibles, copays, coinsurance, dental, vision, and many other expenses. (See "[What health care expenses are eligible?](#)")
- You can use your Medical FSA for you, your spouse or state-registered domestic partner, or other qualified dependent's health care expenses, even if they are not enrolled on your PEBB medical or dental plan.

**Important:** You cannot enroll in both a Medical FSA and a consumer-directed health plan (CDHP) with a health savings account (HSA) in the same plan year. If records show that you enrolled in both for the next plan year, the PEBB Program will disenroll you from the Medical FSA before the plan year starts.

## How does the Medical FSA work?

- You estimate your expenses for the plan year and enroll in a Medical FSA for that amount. The more accurate you are in estimating your expenses, the better this benefit will work for you.
- You cannot change your election amount after the plan year starts unless a special open enrollment event (qualifying event) occurs.
- The amount deducted from your pay is your annual election amount divided by the number of paychecks you will receive in the plan year.
- Your election will be deducted from your paycheck pre-tax throughout the plan year, so you don't pay FICA (7.65%) or federal income tax (10-35%) on your elected dollars.
- You cannot cancel participation in the Medical FSA once the plan year starts unless you end employment or retire.

## When can I enroll and how do I submit my enrollment?

You may enroll in the Medical FSA at the following times:

1. **No later than 31 days** after the date you become eligible for PEBB benefits.
  - To enroll, fill out the *PEBB Mid-Year Enrollment Form* and return it to your personnel, payroll, or benefits office. You can find the form online at [pebb.naviabenefits.com](http://pebb.naviabenefits.com), or request it from your employer. (**Exception:** University of Washington [UW] employees must enroll through Workday.)
2. **No later than the last day** of the PEBB Program annual open enrollment period, November 1 through 30.
  - For each new plan year, you must enroll or reenroll to participate in the next plan year. Your participation does not automatically continue from plan year to plan year.
  - You can enroll online through Navia's portal at [pebb.naviabenefits.com](http://pebb.naviabenefits.com). (**Exception:** UW employees must enroll through Workday.) Online enrollment through Navia's portal is only available during the PEBB Program annual open enrollment period.
  - Instead of enrolling online, you can download and print the *PEBB Open Enrollment Form* at [pebb.naviabenefits.com](http://pebb.naviabenefits.com). (This option is not available to UW employees.) Navia must receive your enrollment form **by November 30, 2019**. Forms received after that date will not be accepted for 2020 Medical FSA enrollment.
3. **No later than 60 days** after you or an eligible dependent experience a qualifying event that creates a special open enrollment during the plan year. Follow submission instructions on the enrollment form. (See "[When can I make changes?](#)" for details on special open enrollment events.)
  - If you have a qualifying event, fill out the *PEBB Change of Status Form* and return it, along with evidence of the event, to your personnel, payroll, or benefits office within the required timeframe.

You can find the form online at [pebb.naviabenefits.com](http://pebb.naviabenefits.com), or request it from your employer. (Exception: UW employees must use Workday.)

### When does my coverage begin?

- If you enroll during the PEBB Program annual open enrollment period (November 1 through 30), your Medical FSA is effective January 1 through December 31, 2020.
- If you are eligible to enroll as a newly PEBB benefits-eligible employee, enrollment begins the first day of the month following the date you become a PEBB benefits-eligible employee and your *PEBB Mid-Year Enrollment Form* (or enrollment in Workday, for UW employees) is received by your personnel, payroll, or benefits office within the required timeframe. If that date is **the first working day of a month**, your Medical FSA enrollment will begin on that day.
- If you are a PEBB benefits-eligible employee who has a qualifying event that creates a special open enrollment event allowing for an enrollment or change, it will be effective the first day of the month after the later of:
  - The event date.
  - The date your personnel, payroll, or benefits office receives the *PEBB Change of Status Form* and evidence of the event that created the special open enrollment event. **Exception:** If the special open enrollment is due to the birth or adoption (or legal obligation for support in anticipation of adoption), the enrollment or change in election will begin the first of the month in which the event occurs.

### What if I'm a represented employee eligible for a \$250 Medical FSA contribution?

The collective bargaining agreement negotiated in September 2018 states that represented employees who make \$50,004 or less per year (as of November 1, 2019) will receive a Medical FSA contribution of \$250 in January 2020.

This contribution is an employer-paid benefit; it will not come out of your paycheck. If it is determined on November 1 that you will be a recipient, you will receive the \$250 automatically from your employer. **No action is required on your part.**

Here's how you'll receive this benefit:

- If you **do not** enroll in a Medical FSA for 2020, Navia Benefit Solutions will open an account in your name and send you a welcome letter with a debit card loaded with \$250. Use the debit card for eligible health care expenses by March 15, 2021. If you do not want the funds, you do not have to spend them. They will be forfeited.
- If you enroll in a Medical FSA for 2020, the \$250 contribution will be added to your account with Navia Benefit Solutions in January 2020.

You **will not** receive this benefit if you enroll in a consumer-directed health plan (CDHP) with a health savings account (HSA) for 2020. This limitation is an Internal Revenue Service rule. You will also forfeit this \$250 benefit if you waive PEBB medical coverage for 2020, unless you waive to enroll as a dependent on someone else's PEBB medical plan (that is not a CDHP). If you cannot receive the \$250 for these reasons, the collective bargaining agreement does not allow the \$250 to be distributed or used in any other way. You will forfeit this benefit.

### Whose expenses qualify under my Medical FSA?

The Medical FSA covers health care expenses incurred during the coverage period for you, your spouse, or your qualified dependents, even if they are not enrolled in your PEBB medical or dental plan. You may also claim certain expenses for a child for whom you don't get the tax exemption due to a divorce decree, as long as one parent claims the child as a dependent. The tax exemption may switch from year to year between parents. As long as one parent receives the tax exemption, the medical or dental expenses you pay on behalf of the child may qualify for the Medical FSA reimbursement.

## What health care expenses are eligible?

Below is a list of common expenses that may be eligible for reimbursement. **Not all eligible items are on this list.** For a complete list, visit [pebb.naviabenefits.com](http://pebb.naviabenefits.com) or call Navia Benefits Solutions at 1-800-669-3539. Items marked with an asterisk (\*) are over-the-counter (OTC) medicines or drugs that require a prescription for reimbursement.

Acupuncture	Cold sore treatment*	Home medical equipment	Prescription glasses
Allergy & sinus medication*	Cold/cough medication*	Individual counseling	Reading glasses
Antacids*	Contacts & solutions	Insect bite treatment*	Respiratory treatments*
Antibiotic ointment*	Contraceptives	Lab work	Saline nasal spray
Anti-diarrheal*	Copays	Lactation consultant	Sleep aids & sedatives*
Antifungal foot cream*	CPAP machine	Lactose intolerance pills*	Sleep deprivation treatment
Anti-gas medication*	Crutches	Laser eye surgery	Smoking cessation programs and products*
Anti-itch cream/gel*	Deductibles	Laxative*	Speech therapy
Antiseptic*	Dental services	Lice treatment products*	Sterilization procedures
Asthma treatment*	Diabetic supplies	Motion sickness relief*	Stool softener*
Bandages/gauze	Diaper rash ointment*	Naturopathic visits	Sunscreen SPF 15 or more
Birthing classes or Lamaze	Digestive aids*	Orthodontia	Thermometer
Blood pressure monitor	Drug addiction treatment	Oxygen and equipment	Throat lozenges*
Braces (knee, ankle, wrist)	Ergonomic items	Pain relievers*	Vaccinations
Breast pump	Feminine anti-fungal/anti-itch*	Parasitic treatment*	Vision care
Braille books	Fertility monitor	Physical exams	Walker
Burn cream*	Fertility treatment	Physical therapy	Wart treatment*
Chiropractic services	Flu shots	Pregnancy test	Wheelchair & repair
Coinsurance	Hearing aids & supplies	Prenatal vitamins	
	Hemorrhoid medication*	Prescription drugs	

## Do all prescription medicines qualify for the Medical FSA reimbursement?

Generally, yes, as long as they are prescribed by a physician and are legal under federal and state laws. However, prescriptions that are purchased solely for cosmetic purposes and that don't treat an existing medical condition do not qualify.

## Can I be reimbursed for over-the-counter (OTC) medicines and drugs?

As of January 1, 2011, many OTC medicines or drugs require a prescription for reimbursement. If the OTC medicine or drug contains an active ingredient, then you must have a doctor's prescription in order to be reimbursed for the expense. You can ask the doctor to complete the *Letter of Medical Necessity*. See below for details.

## When is additional documentation required?

Certain expenses are not reimbursable under a Medical FSA unless a licensed health care practitioner states in writing to Navia Benefit Solutions that the service or product is medically necessary. Navia Benefit Solutions will need a Letter of Medical Necessity (LMN) for the items below before they can be reimbursed. **Not all items requiring an LMN are on this list.** For a complete list, and to download a printable copy of the LMN, go to [pebb.naviabenefits.com](http://pebb.naviabenefits.com) or call Navia Benefit Solutions at 1-800-669-3539.

Acne treatment	Breast reduction	Lodging and meals	Vitamins & supplements
Automobile modifications	Cosmetic procedures	Special foods	Weight loss programs
Breast augmentation	In vitro fertilization	Veneers	

## Orthodontia expenses

Unlike other Medical FSA expenses, which are deemed incurred when the services are rendered, orthodontia expenses are deemed **incurred when paid**. Therefore, only payments made during your eligibility period or plan year (whichever ends first) may be reimbursed. Proof of payment to an orthodontia provider or a completed *Orthodontia Contract* is required for reimbursement. You can download a printable copy of the *Orthodontia Contract* by visiting [pebb.naviabenefits.com](http://pebb.naviabenefits.com) or calling Navia Benefit Solutions at 1-800-669-3539.

## Stockpiling

IRS regulations prohibit you from receiving a reimbursement from your Medical FSA for a large quantity of any item in any one transaction. Buying more than three items in any one transaction is considered stockpiling and will not be reimbursed.

## Ineligible health care expenses

The following expenses are not eligible under a Medical FSA. Under no circumstances will the following items be reimbursed. Do not submit claims for these items; they will be denied. For a complete list, visit [pebb.naviabenefits.com](http://pebb.naviabenefits.com) or call Navia Benefits Solutions at 1-800-669-3539.

Activity tracker	Funeral expenses	Liposuction
Airborne	Gym membership	Marijuana
Books	Hair growth products	Marriage counseling
Boutique practice fees	Hair transplant	Massage chair
COBRA premiums	Household help	Mattress
College insurance	Hygiene products	Missed appointment fee
CPR classes	Illegal operations/substances	Teeth whitening
Electric toothbrush/picks	Imported OTC items	Toiletries
Electrolysis/laser hair removal	Imported prescriptions	Warranties
Face lift	Insurance premiums	
Finance charges	Late fees	

An expense is also not eligible for reimbursement under a Medical FSA if the expense has already been reimbursed under this plan or by any other source. When submitting an expense for reimbursement you will also be required to certify that you will not seek or be reimbursed for the expense by any other source or insurance.

## How do I get reimbursed?

Navia Benefit Solutions will send you a claim form when you enroll in the Medical FSA. Complete and submit your claim and documentation to Navia Benefit Solutions for reimbursement of incurred expenses. For each claimed expense, documentation must show the:

- Provider's name
- Name of the person receiving the service or expense
- Date(s) of service
- Cost
- Type of expense or description of the service(s)

You can use bills from your providers or statements from your insurance company as documentation. Do not submit copies of canceled checks or credit or debit card receipts. Your documentation will not be returned. Remember that:

- Expenses must be incurred during the plan year while you are an active participant in the plan. You may not submit claims for services incurred after your employment has ended, after you lose eligibility for the Medical FSA, after you revoke your election because of a life event, or after you have retired.
- Navia Benefit Solutions will not reimburse any expenses that were incurred before your effective date of enrollment.
- An expense is "incurred" when the health care is provided or the eligible item is purchased – not when you are billed, charged, or when you pay for the medical care.

Navia Benefit Solutions offers several convenient ways to submit your claim and documentation. Choose one of the following:

- **Online:** [pebb.naviabenefits.com](http://pebb.naviabenefits.com) (you will need to create a login and password)
- **Fax:** 425-451-7002 or toll-free fax 1-866-535-9227
- **Email:** [claims@naviabenefits.com](mailto:claims@naviabenefits.com)
- **Mail:** Navia Benefit Solutions, PO Box 53250 Bellevue, WA 98015-3250
- **Mobile App:** The *MyNavia* app is available on both Google Play and the App Store. You can find the app by searching *MyNavia* or Navia Benefit Solutions.

Navia Benefit Solutions will process your claim within a few business days and either make an electronic funds transfer into your bank account (if you enrolled in direct deposit), or mail you a reimbursement check. If your claim requires additional substantiation, processing could be delayed.

You may enroll in direct deposit at any time by logging into your participant account at [pebb.naviabenefits.com](http://pebb.naviabenefits.com). Keep in mind that deposits by electronic funds transfer may take a few business days to appear in your account. Navia will deduct a \$10 fee from your Medical FSA balance for any returned items due to incorrect banking information.

Lost or expired Medical FSA reimbursement checks can be reissued 10 business days after the original check date. A check reissue requires at least one business day to process. Any fees associated with presenting a canceled check will be deducted from your account as well as the face value of the check.

Navia Benefit Solutions will send you a quarterly statement showing your account balance to the mailing address or email address you designate, until your balance reaches \$0. It is important to read these statements carefully so you understand the balance remaining to pay for eligible expenses. Remember, all services should be incurred either by the end of the plan year or before the end of the grace period (see below for more information).

### **“Use it or lose it” and claim submission deadline**

If you have not spent all the funds in your Medical FSA by December 31, 2020, and you are still an active participant (meaning you are still employed and didn't lose eligibility for the Medical FSA), you may continue to incur eligible health care expenses through the grace period. The Medical FSA grace period ends March 15, 2021.

You must submit all claims for your Medical FSA to Navia Benefit Solutions for reimbursement by **March 31, 2021**. If you are no longer employed or have retired and still have money left in your account, you can still submit claims for reimbursement by March 31, 2021, so long as the services being claimed took place while you were employed. Money left in your account after that date **cannot be refunded and will be forfeited to the plan administrator, the Health Care Authority**. This is referred to as the “use it or lose it” rule.

The March 31, 2021 claim submission deadline does not apply to enrollees who had a Medical FSA in 2020 and enroll in a PEBB consumer-directed health plan (CDHP) with a health savings account (HSA) for the 2021 plan year. Because HSA and Medical FSA contributions are both treated as tax-preferred, the Internal Revenue Service prohibits PEBB members from receiving or making any HSA contributions if they still have access to any unused Medical FSA funds on January 1, 2021. **If you enroll in a CDHP with an HSA for 2021, you must use all your 2020 Medical FSA funds and have all your claims paid by Navia Benefits Solutions by December 31, 2020.** If you don't, this will prevent you and the state from contributing to your HSA account until April 1, 2021.

If you reenroll in a Medical FSA for the following plan year (i.e., you reenroll in 2021 for coverage in 2022), any claims incurred during the grace period (January 1 through March 15, 2022) will be applied first to unused funds from your 2021 enrollment plan year, whether you use your debit card (see below) or submit a claim.

### **How do I receive information from Navia Benefit Solutions?**

You can choose your method of communication. For example, if you provide an email address, statements and other communications will be sent automatically to your email. You may change your method of communication or opt out of electronic correspondence either online or by contacting Navia Benefit Solutions directly at any time.

### **The Navia Benefits Card**

The Navia Benefits Card is a convenient way to pay for eligible out-of-pocket medical expenses for you, your spouse, and your qualified dependents. The debit card is accepted from participating merchants using the Inventory Information Approval System (IIAS) and from medical care merchants using the MasterCard® system.

Rather than filing a claim and waiting for reimbursement for your out-of-pocket eligible expenses, you can use the debit card at participating merchants to pay your provider directly. The expense is deducted from your Medical FSA balance.

This system allows Navia Benefit Solutions to electronically substantiate the eligibility of your expense. However, the IRS has strict regulations about where the debit card can be used and when follow-up documentation is required for transactions that can't be substantiated electronically.

Using the debit card does not eliminate the need to submit follow-up documentation when requested by Navia Benefit Solutions. If any of your debit card charges do require substantiation, you will receive a summary of your card activity for those charges from Navia Benefit Solutions at the beginning of each month. **We recommend you always save all your receipts and documentation.**

If you use the debit card for an ineligible expense, the card will be suspended after 75 days to prevent further use and will remain suspended if the expense is not substantiated or repaid by the end of the plan year. You may still submit claims by email, mobile app, fax, or mail. To correct the reimbursement of an ineligible debit card charge, you must either repay the amount of the ineligible expense back to Navia, or request the substitution or offset of future claims to repay the amount. Navia Benefit Solutions will reactivate the debit card once you reimburse the account for the amount of the ineligible expense.

The debit card feature is only available for the Medical FSA benefit. You must provide a valid email address in order to receive the debit card when you enroll.

### **Lost or stolen cards and additional debit card requests**

You may request a debit card when you enroll or through the Navia Benefit Solutions website. You may request additional cards at no cost. If your debit card is lost or stolen, contact Navia Benefit Solutions immediately so we can help protect your account from unauthorized transactions.

### **IIAS and participating merchants**

You can use the Navia Benefits Card at IIAS-participating merchants and medical care merchants using the MasterCard® system. The IIAS system recognizes most eligible Medical FSA expenses. Purchasing health services and items through these merchants can lower the number of additional substantiation requests. Remember to keep your receipts in case additional proof is requested.

Participating merchants generally include:

- Provider offices
- Dental and vision clinics
- Hospitals
- Mail order Rx programs
- IIAS participating merchants

You can find a list of IIAS participating merchants at [pebb.naviabenefits.com](http://pebb.naviabenefits.com).

### **Using your Navia Benefits Card for over-the-counter (OTC) medicines and drugs**

The debit card will not work for purchases of OTC medicines and drugs without a prescription. To use your debit card to pay for OTC medicines and drugs at a drug store or pharmacy, you must give a prescription to the pharmacist, who then must dispense the OTC medicine or drug in accordance with applicable law, assign an Rx number, and keep a record of the prescription.

If these steps are taken, the item will be considered fully substantiated at the point of sale and no further documentation will be required. However, if these steps are not taken, the debit card will not function when purchasing OTC medicines and drugs at drug stores and pharmacies.

To be reimbursed for OTC medicines and drugs, choose one of the following methods:

- **Manually** – To be reimbursed for OTC medicines and drugs, submit a prescription along with your claim to Navia Benefit Solutions. The receipt or documentation from the store must include the name of the drug printed on the receipt. This information must be provided by the store, not just listed by the participant on the receipt or on the claim form.
- **Navia Benefits Card** – To use your debit card to pay for over-the-counter (OTC) medicines and drugs at a drug store or pharmacy, you must give a prescription to the pharmacist, who then must dispense the OTC medicine or drug in accordance with applicable law, assign an Rx number, and keep a record of the prescription.

If these steps are taken, the item will be considered fully substantiated at the point of sale and no further documentation will be required. However, if these steps are not taken, the debit card will not function when purchasing OTC medicines and drugs at drug stores and pharmacies.

### **When can I make changes?**

You cannot cancel participation in the Medical FSA or change your election amount once the plan year starts unless you end employment, lose eligibility for the Medical FSA, or experience a special open enrollment event (qualifying event) such as:

- Employee acquires a new dependent due to:



- Marriage;
- Registering a domestic partnership, if the state-registered domestic partner qualifies as a tax dependent;
- Birth, adoption, or when the subscriber has assumed a legal obligation for total or partial support in anticipation of adoption; or
- A child becoming eligible as an extended dependent through legal custody or legal guardianship;
- Employee's dependent no longer meets PEBB eligibility criteria due to:
  - Employee's change in marital status;
  - Employee's domestic partnership with a state registered domestic partner, who is a tax dependent, is dissolved or terminated;
  - A dependent losing eligibility as an extended dependent or as a dependent with a disability;
  - A dependent child turning age 26; or otherwise no longer meeting dependent child eligibility; or
  - A dependent dies.
- Employee or the employee's dependent loses other coverage under a group health plan or through health insurance coverage, as defined by the Health Insurance Portability and Accountability Act (HIPAA).
- Employee or an employee's dependent has a change in employment status that affects the employee's or a dependent's eligibility for the Medical FSA.
- A court order requires the employee or any other person to provide insurance coverage for an eligible dependent of the employee.
- Employee or an employee's dependent becomes entitled to or loses eligibility for coverage under Medicaid or a state Children's Health Insurance Program (CHIP).
- Employee or an employee's dependent becomes entitled to or loses eligibility for coverage under Medicare.

If you experience a qualifying event as described above, and need to enroll, change your election amount, or cancel your enrollment in your Medical FSA, contact your employer's personnel, payroll or benefits office to request the *PEBB Change in Status Form*, or go to [pebb.naviabenefits.com](http://pebb.naviabenefits.com) to download and print the form. (**Exception:** UW employees must submit the change in status through Workday.)

Return your completed *PEBB Change in Status Form* to your personnel, payroll, or benefits office for approval. Unless stated otherwise, your employer must receive the *Change in Status Form* and evidence of the qualifying event **no later than 60 days** after the qualifying event. Your employer will submit an approved form to Navia Benefit Solutions for processing.

### **Approved leave of absence (including Leave Without Pay)**

You may elect to continue your Medical FSA participation while you are on an approved leave of absence because of one of the following events:

- You are on authorized Leave Without Pay (LWOP) from your agency.
- Your employment ends due to a layoff.
- You are an employee who reverted to a position that is not eligible for the employer contribution toward insurance coverage.
- You are appealing a dismissal action.
- You are receiving time-loss benefits under workers' compensation.
- You are applying for disability retirement.
- You are called to active duty in the uniformed services, as defined under the Uniformed Services Employment and Reemployment Rights Act (USERRA).
- You are on approved educational leave.
- You are faculty or seasonal employee between periods of eligibility.

If your employer has approved your leave of absence and you will have at least eight hours of pay status as an employee in a given month (or at least 5 percent of full-time for faculty), you may continue your Medical FSA through payroll deduction as long as the hours of pay status cover all deductions.

Otherwise, you may make contributions to your employer as follows:

- Pay your contributions during the leave directly to your employer's payroll office, or
- Pre-pay your contributions to your employer before you go on leave.

If you are not using at least eight hours of pay status (or at least 5 percent of full-time for faculty) to maintain your benefits, the PEBB Program will mail you the *PEBB Continuation Coverage Election Notice* and you may elect to continue your PEBB health plan coverage by self-paying the full premium (LWOP

coverage). You may also continue your Medical FSA contributions on a post-tax basis by making Medical FSA contributions to Navia Benefit Solutions as follows:

- Pay your contributions during the leave **directly** to Navia Benefit Solutions; or
- Pre-pay your contributions to Navia Benefit Solutions **before you go on leave**. If you select this option, you must arrange this before going on leave by completing the *PEBB Change in Status Form*, available at [pebb.naviabenefits.com](http://pebb.naviabenefits.com) or by calling Navia Benefit Solutions at 1-800-669-3539. (**Exception:** UW employees must use Workday.)

If you are taking a leave of absence that qualifies as an approved Family Medical Leave Act (FMLA) or Uniformed Services Employment and Reemployment Rights Act (USERRA or military) leave, you may cease all or part of required contributions consistent with the requirements of the FMLA or USERRA. This choice will not affect your ability to continue enrollment in PEBB's other benefits as allowed by PEBB rules.

If you discontinue contributions during approved FMLA or USERRA leave, when you return, you may:

- Resume participation at the same annual amount elected at the start of the plan year, with a corresponding increase in per-pay-period contributions for the remainder of the plan year; or
- Participate at a reduced annual amount for the plan year, and resume the per-pay-period contribution in effect before the FMLA or USERRA leave.

To resume your Medical FSA, you must fill out and send the *PEBB Change in Status Form* and evidence of the qualifying event to your personnel, payroll, or benefits office **no later than 60 days** after the qualifying event. Your employer will submit an approved form to Navia Benefit Solutions for processing (**Exception:** UW employees must use Workday). If you submit your form more than 60 days after returning to work, Navia Benefit Solutions will deny your request.

**Important:** If you are unable to pay your contributions in full while on approved FMLA or any other benefits-eligible leave, you can continue to submit claims for reimbursement for that period. For example, if you are on benefits-eligible leave in September and do not submit your Medical FSA contributions, claims incurred during that month can be submitted for reimbursement. Future contributions should be recalculated to ensure they meet your annual election total by the end of the plan year.

If you are ineligible for benefits while on leave, you will not be able to claim services incurred during your leave of absence.

### **Transfers between state agencies and higher-education institutions**

If you enroll in a Medical FSA and later change jobs and move to another Washington state agency, higher-education institution, or community or technical college that offers PEBB benefits, your enrollment will continue as long as:

- Your new position is benefits-eligible for participation in the PEBB Medical FSA; and
- You notify your new employer's personnel, payroll, or benefits office of your transfer **no later than 31 days** after your first day of work in the new state agency; and
- There is no more than a 30-day lapse in employment or reemployment within the same plan year.  
**Note:** If you have more than a 30-day break in PEBB benefits coverage, you cannot enroll or re-enroll in the Medical FSA during the same plan year.

If you are eligible to continue your enrollment, your per-paycheck deductions may increase, if necessary, to meet the annual contribution amount by the end of the plan year.

**Note:** An agency transfer is not a qualifying event to change your Medical FSA election or to change your health plan. You may not participate in a Medical FSA **and** enroll in a CDHP with an HSA.

If your transfer satisfies the above guidelines, please submit the *PEBB Agency Transfer Form* to your agency personnel, payroll, or benefits office **no later than 31 days** after the date you transfer, but before the end of the plan year. The employer you transfer to must submit your form to Navia Benefit Solutions. (**Exception:** UW employees must submit the agency transfer through Workday.)

### **Continuation coverage through COBRA**

A participant, their spouse, or qualified dependent may choose to continue the Medical FSA if one or more of the following qualifying events occur:

- Death of the participant.
- Termination of the participant's employment (other than for gross misconduct) or a reduction in hours.
- Divorce of the participant; or dissolution or termination of a state-registered domestic partnership with a domestic partner who qualified as a dependent.
- A dependent child loses eligibility for PEBB insurance coverage.
- A participant becomes entitled to benefits under Medicare.

When any of these occur, you or a dependent must notify Navia Benefit Solutions. If, on the date of the qualifying event, your remaining benefits for the current year are greater than your remaining contribution payments, Navia Benefit Solutions will give each eligible dependent the right to choose Medical FSA continuation coverage.

If you are eligible for this option, Navia Benefit Solutions will mail a COBRA election notice to you. If you elect Medical FSA continuation coverage through Navia Benefit Solutions, you must do so **no later than 60 days** from the date the notice of continuation rights was mailed to you.

You may continue participating in the Medical FSA by making post-tax contributions directly to Navia Benefit Solutions for the remainder of the plan year. Participation in the Medical FSA would continue through December 31, 2020 or until you stop making the monthly contribution on the predetermined payment date. If you do not make a payment on time, you may submit claims only for expenses incurred through your last active month of paid participation.

You also cannot receive reimbursement from your Medical FSA if the date of service for the expense is during an unpaid work period when eligibility is lost. For example, if you lose eligibility beginning July 1, 2020, you can only receive reimbursements for the remainder of the 2020 plan year if:

- You continue making contributions directly to Navia Benefit Solutions during the months of July through December 2020, **and**
- The dates of service for the expenses occur during the months you continue to contribute.

Finally, if you maintain your Medical FSA contribution during continuation coverage through December 31, 2020, you will also have access to the grace period (January 1 to March 15, 2021) to incur expenses, and until the March 31, 2021 deadline to submit claims to Navia Benefit Solutions for your 2020 Medical FSA balance. Exception: The March 15, 2021 grace period does not apply to subscribers who enroll in a consumer-directed health plan with a health savings account for the 2021 plan year. (See [“Use it or lose it’ and claim submission deadline”](#) above.)

## What happens if my employment ends?

A Medical FSA is an employee benefit so, except as noted in the [When Can I Make Changes](#) section, when your employment ends, you retire, or you go on unpaid leave that is not approved FMLA or military leave, you can no longer contribute to your Medical FSA.

This means that your participation ends on the last day of the calendar month in which you were employed. You will only be able to claim expenses incurred while employed, up to your available balance, unless you are eligible to continue coverage (WAC 182-12-133). You may continue to submit claims for reimbursement to Navia Benefit Solutions until March 31, 2021. Except as stated in the [Continuation coverage through COBRA](#) section, Navia Benefit Solutions will not reimburse any expenses incurred while you were not actively enrolled in a Medical FSA.

If you end employment during the plan year or retire, contact your personnel, payroll, or benefits office to find out if you can request one of the options below. Not all agencies can accommodate the options.

- **Stop deductions:** Your deduction and participation will stop at the end of the month in which you are benefit-eligible. You may be reimbursed only for services incurred on or before the termination date. You can continue to submit claims for reimbursement to Navia Benefit Solutions until March 31, 2021.
- **Accelerate deductions:** You can authorize your employer to take future deductions from your final paycheck only. This final deduction will be pre-tax and you can participate in the plan to the extent contributions are made.
- **Continue with COBRA:** Under certain circumstances, you may be eligible to continue participation through Navia Benefit Solutions on an after-tax basis through COBRA. (See [“Continuation coverage through COBRA”](#) above.)

## How do I appeal a denied claim?

You will receive written notice of any denied claims within seven calendar days of when Navia Benefit Solutions receives the claim. The notice will include the reasons for the denial, a description of any additional information needed to process the claim, and an explanation of the claims review procedure.

You may resubmit your claim to Navia Benefit Solutions with additional information **no later than March 31, 2021**. If you wish to file an appeal, Navia Benefit Solutions must receive your appeal **no later than 30 calendar days** from the date the denial was issued.

Your appeal must include:

- A statement outlining why you think your request should not have been denied
- Your employer's name
- The date(s) of the services denied
- A copy of your original claim
- A copy of the denial letter you received
- Any additional documents or information that supports your appeal

Navia Benefit Solutions will send you a written notice of the resolution of your appeal within 30 calendar days. Appeals are approved only if the extenuating circumstances and supporting documentation are within IRS regulations and the document that governs the PEBB Medical FSAs.

To file a first-level appeal with Navia Benefit Solutions, use one of the methods below:

- **Email:** [claims@naviabenefits.com](mailto:claims@naviabenefits.com)
- **Fax:** 1-425-451-7002 or toll-free fax 1-866-535-9227
- **Mail:** Navia Benefit Solutions, PO Box 53250, Bellevue, WA 98015

If you receive a denial of your appeal from Navia Benefit Solutions and you disagree with that decision, you may appeal that decision by submitting a written request to the PEBB Appeals Unit for a Brief Adjudicative Proceeding (BAP). The PEBB Appeals Unit must receive your request for a BAP **no later than 30 calendar days** after the date of the Navia Benefit Solutions decision on your appeal. The contents of your request for a BAP are to be provided as described in WAC 182-16-2070. Include a copy of the denial notice you received from Navia Benefit Solutions with your appeal, along with any supporting documentation.

You may submit the *Employee Request for Review/Notice of Appeal* form with your appeal, which is available at [hca.wa.gov/pebb-appeals](http://hca.wa.gov/pebb-appeals).

You may send the form and any supporting documents by one of the following methods:

- **Hand Delivery:** Health Care Authority  
626 8<sup>th</sup> Ave SE  
Olympia, WA 98501
- **Fax:** 360-725-0771
- **Mail:** Health Care Authority  
PEBB Appeals  
PO Box 45504  
Olympia, WA 98504-5504

[Back to the Table of Contents](#)