

Employee Benefits Division Policy Memorandum

Number: Policy Memo 76r2

Date Issued: May 11, 2018

Subject: Partial Month Billing (15 Day Rule)

PURPOSE:

Codify the Employee Benefits Division's (EBD) partial month billing policy.

BACKGROUND:

The Employee Benefit Division (EBD) uses a "15-day rule" when an enrollment is effective mid-month for State or participating employer coverage that is usually billed on a monthly basis. Such coverage can include COBRA, Vestee, Retiree, Young Adult Option, Long-Term Disability, and Dependent Survivor coverage. It was necessary to establish billing rules for mid-month enrollments since NYBEAS is unable to calculate partial month premiums. This practice has been in place since July 27, 1992 by the way of an interoffice memo, but it has never been formally codified.

In practice, the rule states if an individual is enrolled for 15 or more days of the month, EBD bills the enrollee or PE for a full month's premium. If an individual is enrolled for 14 or fewer days of the month, EBD does not bill for that month and billing starts on the 1st day of the following month.

POLICY:

EBD will continue to use the "15 day rule" when enrollment is effective mid-month for NYS and PE coverage that is billed on a monthly basis.

Participating agencies are an exception to this rule. If a PA employee is enrolled in coverage for any period of time in a month the PA is billed for the full month.