

**California Department of Human Resources
Memorandum**

TO: Personnel Management Liaisons (PML)

SUBJECT: CalPERS Dependent Eligibility Verification Project – Disenrollment of Ineligible Dependents in the State’s Dental and Vision Programs During Amnesty Period	REFERENCE NUMBER: PML 2013-012
DATE ISSUED: 03/19/2013	SUPERSEDES:

This memorandum should be forwarded to:

**Personnel Officers
Personnel Transactions Supervisors
Labor Relations Officers**

FROM: California Department of Human Resources
Benefits and Training Division

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The purpose of this memorandum is to inform you of the upcoming Dependent Eligibility Verification project and its impact to the State’s dental and vision benefit programs.

Beginning July 2013, the California Public Employees’ Retirement System (CalPERS) will conduct a Dependent Eligibility Verification project which will require health benefits eligibility verification of all enrolled dependents, except disabled dependents.

Prior to commencement of verification, CalPERS will allow amnesty where employees and retirees may voluntarily disenroll ineligible dependents from the CalPERS health program on a prospective basis, avoiding retroactive cancellation of coverage. CalPERS amnesty does not cover or apply to employer-initiated disciplinary action for wrongful conduct or criminal investigations, if applicable. The amnesty period runs now through June 30, 2013.

CalPERS issued [Circular Letter #600-009-13](#) on February 26, 2013, advising employers of the process for disenrollment of ineligible dependents in the CalPERS health benefits program during the amnesty and verification periods. Attached to the Circular Letter was a “Sample Memorandum” that employers can use to communicate details of the DEV project to employees. Departments are to put the “Sample Memorandum” on their letterhead before distributing it to employees. Please note that departments are not to make any other changes to the document.

During the amnesty period, active employees may disenroll ineligible dependents by submitting an Amnesty Disenrollment Document to their Personnel Office. All disenrollments must be completed by June 30, 2013, in order to qualify for amnesty.

Eligibility for the State’s dental and vision benefit programs is based on eligibility of participation in the CalPERS health program. If an employee submits an Amnesty Disenrollment Document

to their Personnel Office requesting disenrollment of ineligible dependent(s) from the CalPERS health benefits program, the Personnel Office must also disenroll the ineligible dependent(s) from the State's dental and vision benefit programs.

Following is the disenrollment process of ineligible dependents in the State's dental and vision benefit programs:

Active Employees

Dental Program—Departments must submit a completed STD. 692 form to the State Controller's Office deleting ineligible dependent(s) (either through employee submission or administrative document for those departments removing dependents from an employee's plan). The permitting event code is 26F.

Vision Program—Departments must submit either a STD. 700 (basic vision plan document) or a CalHR 774 (premier vision plan document) form to the Vision Service Plan (VSP) deleting ineligible dependent(s) (either through employee submission or administrative document for those departments removing dependents from an employee's plan). The permitting event code for both documents should be left blank.

The Personnel Office should incorporate "deletion of non-eligible dependent per PML 2013-012" in the "remarks" section of the dental and vision documents.

The effective date of disenrollment in the State's dental and vision benefit programs shall be the same date as the effective date of disenrollment in the CalPERS health benefits program. COBRA coverage will be offered to dependents removed during the amnesty and verification periods. COBRA continuation elections must be provided by Departmental HR offices for dental and vision disenrollments. We advise departments to review BAM section 400 for information on providing COBRA elections offers to those disenrolled. Departments are also reminded that changes to an employee's enrollment will also require a new Initial General COBRA Notice to be issued to affected employees.

Departments are required to keep hard copies of all deletion documents on file in the employee's Official Personnel File.

A subsequent PML will be released with instructions on the disenrollment process for ineligible dependents of active employees during the verification period.

Retired Employees

CalPERS will process the disenrollment of ineligible dependents for retired members. Retired members may disenroll ineligible dependents online through myCalPERS, by returning the Amnesty Disenrollment Document to CalPERS, or by calling CalPERS at (888) 225-7377.

For additional information about the CalPERS Dependent Eligibility Verification project, please visit www.calpers.ca.gov.

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For questions regarding the disenrollment process in the State's dental and vision benefit programs, please contact Lisa Hatten at (916) 445-9795.

/s/Greg Beatty

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