

**California Department of Human Resources  
Memorandum**

**TO: Personnel Management Liaisons (PML)**

<b>SUBJECT:</b> <b>Dependent Eligibility Verification Checklist and Guidance for Determining and Documenting Dependent Eligibility</b>	<b>REFERENCE NUMBER:</b> 2015-001
<b>DATE ISSUED:</b> 1/12/2015	<b>SUPERSEDES:</b>

This memorandum should be forwarded to:

**TO:** Employee Relations Officers  
Personnel Officers  
Personnel Transaction Supervisors

**FROM:** California Department of Human Resources (CalHR)  
Benefits Division

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The purpose of this memorandum is to implement a process for enrolling dependents into the state's health, dental, and/or vision benefit programs that ensures:

- 1) appropriate documentation is obtained prior to enrolling eligible dependents;
- 2) employees are aware of their obligations with respect to dependent eligibility; and
- 3) all necessary steps are completed by human resources staff.

The processes described below serve as clarification to existing regulations, by helping to streamline enrollment procedures and ensure only eligible dependents are enrolled in benefits.

**Dependent Eligibility Verification Checklist**

The [Dependent Eligibility Verification Checklist](#) (CalHR Form 781—available on the CalHR website) was developed to facilitate documentation and administration of dependent enrollments. Effective immediately, employees and human resources staff shall complete and retain the Checklist for every enrollment transaction that involves adding dependents to the health and dental benefit roll and for annual recertification of parent-child relationship (PCR) dependents. The Checklist must also be completed when dependent enrollments are processed for the Premier Vision Plan<sup>1</sup>. Employees must sign the Checklist and provide the required documentation to substantiate

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<sup>1</sup> Premier Vision Plan enrollments made directly by employees through VSP are not subject to this procedure.

dependent eligibility. Documentation must be provided and all sections of the Checklist must be completed by the appropriate parties before human resources staff enroll dependents.

The *Dependent Eligibility Verification Checklist* (CalHR Form 781) includes three sections:

- *Section 1*—Indicates the required forms and acceptable documents for determining dependent eligibility;
- *Section 2*—Documents that the employee acknowledges their obligations with respect to enrolling dependents; and
- *Section 3*—Documents appropriate steps were taken by human resources staff.

*Section 1*—This section contains a chart that defines the dependents eligible for health, dental, and vision coverage and the required enrollment forms and acceptable documentation necessary to substantiate dependent eligibility:

**Dependent Type:** According to dependent type (e.g., spouse/registered domestic partner, disabled adult child, PCR), there may be specific requirements necessary to substantiate eligibility. These requirements are identified in both the *Required Enrollment Forms and Acceptable Document(s) to Verify Eligibility* sections, which are discussed below.

**Required Enrollment Forms:** This section identifies the forms required to enroll dependents into health, dental, or vision coverage. Additional documentation is required to substantiate dependent eligibility and is outlined in the *Acceptable Document(s) to Verify Eligibility* section.

**Acceptable Document(s) to Verify Eligibility:** This section identifies documents necessary to substantiate dependent eligibility. In some cases, multiple documents may be required. These requirements are specified for each dependent type.

Government Code section 20128 of the California Public Employees' Retirement Law grants California Public Employees' Retirement System (CalPERS) the authority to require information it deems necessary to determine a member's or beneficiary's entitlement to benefits. As such, departments are responsible for requesting additional information and supporting documentation, as necessary, to substantiate dependent eligibility for health benefits. Dental and vision eligibility is also subject to this requirement, as set forth in state collective bargaining agreements (for excluded employees, Government Code § 22952 and California Code of Regulations, title 2, § 599.927).

*Section 2*—This section requires the employee to certify, under penalty of perjury, the information submitted is true and accurate to the best of his/her knowledge. It includes several statements, each of which must be initialed by the employee, certifying that he/she:

- Indicates that he/she has submitted the required documentation to substantiate the relationship of their dependents;
- Agrees to notify their departmental Human Resources office in writing within 60 days when a marriage or domestic partnership is dissolved/terminated, if eligibility for a PCR dependent ceases, or any other change in dependent eligibility occurs as defined below;
- Understands that making, or causing to be made, any knowingly false material statement or material representation, knowingly failing to disclose a material fact (e.g., divorce), or to otherwise provide false information, may result in possible employment action up to and including termination of employment;
- Understands that, if any of the submitted documentation is found to be inaccurate or fraudulent, he/she may be required to reimburse their employer, the health, dental, and/or vision benefit plan, and CalPERS for any expenditures;
- Understands that a review of eligibility can occur at any time.

*Section 3*—This section requires human resources staff to certify that the necessary documentation was reviewed to verify dependent eligibility prior to enrollment. It includes several statements, each of which must be initialed by staff completing the Checklist. By initialing and signing this section, the human resources representative is certifying that he/she:

- Is a duly appointed and qualified representative of the agency/department;
- Has reviewed the enrollment forms and supporting documentation;
- Has informed the employee that they are required to notify their departmental Human Resources office in writing (via mail or email) within 60 days when a marriage or domestic partnership is dissolved/terminated, if eligibility for a PCR dependent ceases, or any other change in dependent eligibility occurs as defined below;
- Has notified the employee that the employee may be required to reimburse their employer, the health, dental, and/or vision benefit plan, and CalPERS for any expenditures if any of the submitted documentation is found to be inaccurate or fraudulent;

- Has ensured the employee's health, dental, and/or vision enrollment form(s) and supporting documentation are signed and filed in the employee's Official Personnel File (OPF);
- Will provide a copy of the completed, signed Checklist to the employee; and
- Approves the dependent(s) enrollment.

### **Retention of Checklist, Forms, and Eligibility Documentation**

Human resources staff must provide a copy of the completed, signed Checklist to the employee. The Checklist must also be retained in the employee's OPF along with current enrollment forms and supporting documentation used to substantiate dependent eligibility.

When an employee transfers departments, proper retention of these documents enables the receiving department's human resources staff to see that all required documentation was submitted and reviewed prior to enrollment.

### **Guidance for Determining and Documenting Dependent Eligibility**

Appropriate application of the eligibility rules for the state's health, dental, and vision benefit programs will:

- Ensure equity and fairness for all employees;
- Minimize rising health, dental, and vision benefit costs; and
- Ensure compliance with federal and state laws.

The following information provides further guidance for determining and documenting dependent eligibility for the different dependent types:

#### **Spouse/Registered Domestic Partner**

Only the employee's legally-joined spouse or registered domestic partner may be enrolled in health, dental, and/or vision benefits. Under no circumstances shall:

- A registered domestic partner be enrolled as the employee's spouse (registered domestic partners must be enrolled as registered domestic partners); and
- Any individual, other than a legally-joined spouse or registered domestic partner, be enrolled as the employee's spouse or registered domestic partner.

The employee must provide a marriage certificate, Declaration of Domestic Partnership, Certificate of Registry of Marriage<sup>2</sup>, or affidavit of marriage/domestic partnership demonstrating a legally-recognized marriage or domestic partnership. If the date of marriage/registration is not within the preceding 60 days, the employee must also provide a copy of the front page of their most recent federal or state tax return or any of the following documents dated within the last 60 days: account statement, household bill, or other document showing financial interdependency (it is acceptable to black out financial information). The document must include the employee's name, spouse's name, address and date and must confirm the dependent as the employee's spouse.

### Ex-Spouses/Ex-Domestic Partners

Ex-spouses and ex-domestic partners are not permitted to remain on the health, dental and/or vision benefits roll under any circumstance.

It is essential that human resources staff, supervisors, and managers communicate to employees that it is the employee's obligation to inform their department's human resources office in writing within 60 days of the dissolution of a marriage or domestic partnership and to submit a cancellation of the former spouse's/domestic partner's enrollment.

Ex-spouses or ex-domestic partners are not eligible and cannot be enrolled as a dependent on the employee's state health, dental, and/or vision benefits. If an employee is court-ordered to provide coverage for an ex-spouse or ex-domestic partner, it is the employee's obligation to provide that coverage, not the state's obligation.

### Children

Only the employee's natural, adopted (including children placed for adoption), or step children may be enrolled as the employee's "children." The employee must provide a birth certificate, official hospital birth record, adoption certificate, or court document demonstrating that the employee is the child's legal parent. Birth certificates must be reviewed to verify that the employee is listed as one of the birth parents on the birth certificate. If the birth parent's name has changed since the birth certificate was issued, additional supporting documentation must be submitted to validate this name change.

Under no circumstances shall other people's children be enrolled as if they were the employee's child. Children of the employee's registered domestic partner are to be enrolled using the reason code for "domestic partner children." The employee must

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<sup>2</sup> For newly married employees who submit a Certificate of Registry of Marriage, he/she is required to provide a copy of his/her marriage certificate within one year. It is the department's responsibility to create a follow-up process to ensure that the marriage certificate is obtained from the employee within this time period.

provide a birth certificate, official hospital birth record<sup>3</sup>, adoption certificate, or court document demonstrating that the registered domestic partner is the child's legal parent.

Other children for whom the employee has assumed a parent-child relationship must meet the eligibility criteria for enrollment as a PCR dependent (see *Parent-Child Relationship Dependents*, below) and employees must provide appropriate documentation to substantiate eligibility.

### Parent Child Relationship Dependents (PCRs)

#### *Initial Enrollment:*

Only children up to age 26 for whom the employee assumes a parent-child relationship in-lieu of the child's natural parent may be enrolled as PCR dependents. Employees must complete the *Affidavit of Parent-Child Relationship* (CalPERS Form HBD-40), while providing a copy of their most recent tax return (it is acceptable to black out the financial information), a court order that names the employee as the child's legal guardian, day care receipts or school records indicating that the child resides at the employee's current address, or other supporting documentation (e.g., tuition payments, auto insurance policy) to substantiate eligibility. Follow the certification processes in accordance with *CalPERS Circular Letter #600-011-11*.

The departmental human resources representative must determine if a parent-child relationship exists as evidenced by the assumption of parental status or duties and upon review of documents provided by the employee to substantiate their relationship with the dependent.

#### *Annual Recertification:*

Employees must annually submit a new signed and dated *Affidavit of Parent-Child Relationship* (CalPERS Form HBD-40) and documentation substantiating continuance of the parent-child relationship. Supporting documentation may include a copy of their most recent tax return (it is acceptable to black out the financial information), a court order naming the employee as the child's legal guardian, current day care receipts or school records indicating the child resides at the employee's current address, or other recent supporting documentation, such as tuition payments or an auto insurance policy. Follow the recertification process with the dependent(s) in accordance with *CalPERS Circular Letter #600-058-12*.

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<sup>3</sup> For employees who submit a hospital birth record, he/she is required to provide a copy of the child's official birth certificate within one year. It is the department's responsibility to create a follow-up process to ensure that the official birth certificate is obtained from the employee within this time period.

*Note: CalPERS is currently pursuing new regulatory amendments that may considerably impact enrollment and recertification procedures for PCR dependents. CalPERS and/or CalHR will inform departments of any changes once they are finalized.*

### Disabled Adult Dependents

#### *Initial Enrollment:*

Only disabled adult children who are incapable of self-support due to a physical or mental condition and who are enrolled prior to age 26 may remain on the benefits roll after reaching age 26. If an employee has a disabled adult child that is over age 26 and has a documented disability prior to age 26, they may enroll the disabled adult dependent within 60 days of the employee's initial enrollment in health, dental, and/or vision benefits. The employee must provide a *Member Questionnaire for the Disabled Dependent Benefit* (CalPERS Form HBD-98) and a *Medical Report for the CalPERS Disabled Dependent Benefit* (CalPERS Form HBD-34) and follow the certification process for disabled dependents in accordance with *CalPERS Circular Letter #600-045-12*.

#### *Recertification:*

Recertification should be evaluated on a case-by-case basis. The information provided by the physician in the *Medical Report for the CalPERS Disabled Dependent Benefit* (CalPERS Form HBD-34) and the status of the disability (e.g., permanent, extended) will determine if, and when, recertification is necessary. For example, if the patient's current disability renders him or her incapable of self-support, but the disability should resolve or improve sufficiently for the patient to be capable of self-support at some point in time, recertification should then be completed at that time. It is the department's responsibility to create a follow-up process to ensure that recertification is obtained from the employee and the dependent's physician in a timely manner.

### **Accountability**

Departments are responsible for monitoring eligibility for employees and their dependents, and to hold employees accountable for failure to notify their Human Resources office in writing within 60 days of a change to dependent eligibility.

Employees may be held accountable if any documentation is determined to be inaccurate or fraudulent or for failure to notify their Human Resources office of changes to dependent eligibility. This may include reimbursing their employer, the health, dental, and/or vision benefit plan, and/or the CalPERS system for expenditures incurred for medical claims, processing fees, administrative expenses, and attorney's fees on behalf of any ineligible family member, and disciplinary action.

The California Department of Human Resources may monitor eligibility and enrollment processes and may hold departmental management and/or employees accountable for compliance.

### **Further Resources**

For more information on the state's health eligibility rules and enrollment process, contact the CalPERS Customer Contact Center at (888) 225-7377 or refer to CalPERS' Policies and Procedures page on-line at [www.calpers.ca.gov](http://www.calpers.ca.gov).

For information on the state's dental eligibility rules and enrollment process, contact Lisa Hatten at (916) 445-9795 or [lisa.hatten@calhr.ca.gov](mailto:lisa.hatten@calhr.ca.gov) or Linda McCarthy at (916) 324-0866 or [linda.mccarthy@calhr.ca.gov](mailto:linda.mccarthy@calhr.ca.gov). For information on the state's vision eligibility rules and enrollment process, contact LaTrice Moore at (916) 327-8491 or [latrice.moore@calhr.ca.gov](mailto:latrice.moore@calhr.ca.gov). Additional information on either the dental or vision benefit programs can also be found online at [www.calhr.ca.gov](http://www.calhr.ca.gov).

For questions regarding this PML, please contact Michelle Garbato at (916) 323-0862 or [michelle.garbato@calhr.ca.gov](mailto:michelle.garbato@calhr.ca.gov).

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