

**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 Verification Period	REFERENCE NUMBER: PML2013-020
DATE ISSUED: 7/9/2013	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

CONTACT: Elaine Smith, Health Policy Analyst
Phone: (916) 445-9801
Email: Elaine.Smith@CalHR.ca.gov

This memorandum provides an update on the California Public Employees’ Retirement System (CalPERS) Dependent Eligibility Verification (DEV) project.

The Amnesty Period of the DEV project ended on June 30, 2013, and the project is now in the verification phase. During verification, health plan subscribers are required to verify health benefits eligibility of all enrolled dependents, except disabled dependents. CalPERS has contracted with HMS Employer Solutions (HMS) to administer the verification process of dependents enrolled in its health plans. The verification phase begins now and runs through June 2014.

The verification phase will be divided into five cycles with approximately 47,000 members in each cycle. CalPERS or HMS will reach out to departmental Health Benefit Officers (HBOs) a few weeks prior to the beginning of their verification cycle with details on webinars that will instruct departments on how to access the vendor’s portal and disenrollment reports. Please be sure your department’s HBO contact information is updated in my|CalPERS as HMS will use this information to communicate details of the DEV project and to set up your department’s user profiles.

At the end of each verification cycle, HMS will contact departmental HBOs to inform them that their disenrollment reports are ready. HBOs are expected to access these reports and take appropriate action within five business days to disenroll ineligible dependents from the State’s health benefit program. CalPERS and CalHR will be monitoring disenrollment activity to ensure timeliness. Refer to CalPERS [Circular Letter #600-009-13](#) for the disenrollment process of ineligible dependents in the CalPERS health benefits program during the verification period.

All ineligible dependents removed from the CalPERS health benefits program as a result of the verification must also be removed from the State’s dental and vision benefit programs.

Following are instructions on 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) (as an 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) (as an 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 2013-020" 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 must be offered to dependents removed during the verification period.

COBRA continuation elections must be provided by Departmental HR offices for dental and vision disenrollments. We advise departments to review Benefits Administration Manual 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.

Retired Employees

CalPERS will process the disenrollment of ineligible dependents for retired members.

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

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

Greg Beatty, Chief
Benefits and Training Division