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Circular Letter

February 20, 2013

TO: ALL CalPERS HEALTH BENEFITS OFFICERS

SUBJECT: RECERTIFICATION FOR DEPENDENTS IN A PARENT-CHILD RELATIONSHIP

Background California Code of Regulations 599.500 (o) defines eligibility for enrollment of a dependent child whom the employee has assumed a parent-child relationship. Furthermore, the regulation requires the employee to certify annually that a parent-child relationship exists. This Circular Letter provides instructions on the recertification process.

Circular Letter 600-011-11 (released in 2011) provides information on eligibility determinations, completion of the Affidavit of the Parent-Child Relationship (HBD-40), and the enrollment process.

Who is eligible An employee may enroll a child up to the age of 26, if the employee assumes a parental role and is considered the primary care parent, which includes, an employee that routinely performs caretaking functions at least as great as that of the parent who has been the child's primary caregiver without any expectation of compensation for this care.

Recertification Process The my|CalPERS system will now allow you to recertify existing parent-child relationships annually. This automated process will run on a monthly basis. Employees will be required to certify their parent-child relationship dependents and must submit an Affidavit of Parent-Child Relationship (HBD-40) for each parent-child relationship dependent.

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Dependent Recertification, Continued

**Recertification
Process**
(continued)

Follow the instructions in Circular Letter 600-011-11 to perform the eligibility determination.

The first automated process will run in March 2013. Employees with a May birth month will receive the first group of notifications. Employees with a January through April birth month will begin their recertification in 2014. An overview of the notification process is as follows:

Batch Process Run Date	Notifications
March 2013	<ul style="list-style-type: none">• First notification sent to employees with a birth month of May
April 2013	<ul style="list-style-type: none">• Second notification sent to employees with a birth month of May• First notice sent to employees with a birth month of June
May 2013	<ul style="list-style-type: none">• Third (final) notice sent to employees with a birth month of May. Termination date is June 1, 2013• Second notice sent to employees with a birth month of June• First notice sent to employees with a birth month of July

The automated process will continue to identify and send notifications to employees with succeeding subsequent birth months. On the following page, you will find more detailed information about each notice.

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Dependent Recertification, Continued

First Notice and Second (Reminder) Notice

The system generates the first notice 90 days prior to the expiration of the existing certification. If you have not updated the certification date, the system generates a second notice the following month.

The first and second notice contain the following information:

- expiration date for the existing certification
 - employee and dependent information
 - an Affidavit of Parent-Child Relationship form (HBD-40)
 - information on COBRA benefits
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Third (Final) Notice

If the employee has failed to recertify their parent-child relationship, the employee will then receive the third notice the following month. The **third notice is a termination notice** and advises the employee that the dependent(s) enrolled with a parent-child relationship status will lose coverage effective the first of the next month.

Re-Enrollment

If you approve the employee's recertification after the system applies a termination date, you can rescind the termination of enrollment if it's a future date. If the termination date has recently passed, and you approve the recertification, you must contact CalPERS to request the rescission.

Once the coverage has lapsed, the employee may re-enroll the dependent at a future date with a qualifying permitting event and the proper documentation.

System Update

You will update the employee's certification using the Health Event Reason drop down menu through my|CalPERS. Select the option "Recertification of Parent-Child Relationship".

Report

Soon you will have the ability to generate a report that reflects your employees' parent-child certification dates. We will send a notification to you through CalPERS On-Line, when this report becomes available for your use.

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Dependent Recertification, Continued

**Affidavit
Retention**

As the health benefits officer, you will maintain the original Affidavit of Parent-Child Relationship (HBD-40), all supporting documentation, and all enrollment forms in the employee's file. These forms should be readily available in the event eligibility is questioned.

Note: Do not send originals or copies of this information to CalPERS.

Questions

If you have any questions about this Circular Letter, please call our CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

KAREN DeFRANK, Chief
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