

SUMMARY AND RESPONSE TO COMMENTS RECEIVED DURING THE PUBLIC NOTICE PERIOD OF JUNE 3, 2022 THROUGH JULY 18, 2022.

CalPERS received two public comments regarding the amended proposed regulations during the 45-day comment period which commenced on June 3, 2022, and closed July 18, 2022. The following is a summary of the comments and responses:

COMMENT NO. 1: Denae Harris, in her capacity as an Agency Staff Services Analyst II, submits the following comments on behalf of Shasta County Department of Support Services.

Commentor understands the need to update the regulation for clarity for both the subscriber and CalPERS, however, they have expressed the following concerns:

- Acceptable documentation listed in subsections C and D are by and large applicable to children who are school age and above.
- Employees and annuitants defined in subsection F that have a Parent-Child Relationship (PCR) with a child who is not in school may not be able to provide three or more supporting documents, particularly documents that would meet the requirement of subsection E (not being older than 60 calendar days).
- Employees and annuitants who have a newly established PCR with a child who is not in school may not be able to provide the minimum supporting documents in subsections C and D due to conflicting time constraints of the special enrollment period and the obtainment of valid documentation.
- Subsection E states supporting documents may not be older than 60 calendar days, however, at least five of the eight acceptable document options are already likely to be outside of the 60 days due to the nature of the document type. (i.e., legal judgements, driver's license/identification, rental/lease agreements, tuition or vehicle registration, medical/dental bills). Anyone enrolling outside of the initial guardianship would be required to obtain a newly stamped copy of the guardianship paperwork which may not always be possible.

The commentor felt the added specificity in the proposed regulation was overly narrowing, specifically in relation to newly acquired dependents in a PCR, children who are not of school age, and employees and annuitants not required to file taxes.

The commentor argued that the previous language allowed for discretionary flexibility on a case-by-case basis and the revised revisions do not allow for special circumstances, exceptions, or grace periods, which are needed during these real-life parent child relationships.

Commentor agrees that changes are needed to clarify what documents are acceptable but feels the list of acceptable documents needs to be expanded upon. They request subsection E be removed from the proposed revisions and an additional provision be added to allow for exceptions.

RESPONSE NO. 1:

Response to several comments expressing concerns with employees and annuitants with children who are not school age being able to provide the minimum supporting documentation required of subsection C and D, and in compliance with the requirement outlined in subsection E (not older than 60 days).

For children who are not yet school age, school records may also include preschool and day care records showing the employee or annuitant as having legal parental status or guardianship over the child. In

addition, other verifiable documentation showing common residency is acceptable, such as medical bills or proof of medical and dental insurance. Secondary supporting documentation may also include:

- Day care or preschool payments
- Bank statement, credit card statement or receipts that indicate the member paid for ongoing supplies for the child like diapers, formula, clothes, school lunches, etc.
- Proof of payment by the member for the child's activities like sports, music lessons, swimming lessons, etc.

CalPERS agrees that the proposed language in subparagraph E needs to be updated and has included an exception to the 60-calendar day requirement for the following: legal judgements, court documents, child's driver's license or state identification, or vehicle registrations. All other supporting documentation may not be older than 60 calendar days, from the date of signature of the Affidavit of Parent-Child Relationship.

Response to Subsection E stating supporting documents may not be older than 60 calendar days, and at least five of the eight acceptable document options are already likely to be outside of the 60 days due to the nature of the document type.

As indicated above, CalPERS agrees that the proposed language needs to be amended and has include an exception to the 60-calendar day requirement, requesting only the most current documents for the following: legal judgements, court documents, child's driver's license or state identification, or vehicle registrations. All other supporting documentation may not be older than 60 calendar days, from the date of signature of the Affidavit of Parent-Child Relationship.

Response to comment stating the proposed revisions was overly narrowing, specifically for newly acquired dependents in a PCR, children who are not of school age, and employees and annuitants not required to file taxes.

CalPERS disagrees with this comment. The intent of the proposed regulatory amendments is to remove the current ambiguity when determining PCR dependent eligibility by implementing clear enrollment eligibility criteria for CalPERS health plan subscribers. This lack of clarity has led to confusion amongst impacted subscribers and the inability for CalPERS and/or employer's to properly assess an individual's financial dependency upon the subscriber and ultimately determine PCR eligibility.

Response to comment that the previous language allowed for flexibility on a case-by-case basis and the revised revisions do not allow for special circumstances, exceptions, or grace periods, which are needed during these real-life parent child relationships.

CalPERS disagrees with this comment. Any exceptions or grace periods previously allowed when certifying a parent-child relationship is not in compliance with the requirements contained in 599.500(o) and would not be appropriate.

Response to comment requesting subsection E be removed from the proposed revisions and an additional provision be added to allow for exceptions.

CalPERS disagrees with removing subparagraph E and with the request to add an additional provision to allow for exceptions. Subparagraph E is necessary in certifying a child is financially dependent upon the employee or annuitant for more than fifty percent (50%) of their support. In addition, employees and annuitants certifying a dependent in a PCR must comply with the requirements outlined in CCR 599.500(o) in order to be eligible for CalPERS Health Benefits. In the instance where an employee or annuitant is unable to comply with the requirements and certify financial responsibility for the

dependent child within the required timeframe, they may request enrollment during a subsequent qualifying event such as open enrollment or as a late enrollment request, providing them additional time to obtain the required documentation. For this reason, additional exception language is not necessary.

However, CalPERS agrees that the proposed language needs to be amended to clarify specific documentation must be current but does not need to be issued within the last 60 days. As indicated above, CalPERS has included an exception to the 60-calendar day requirement, requesting the most current documents for the following: legal judgements, court documents, child's driver's license or state identification, or vehicle registrations. All other supporting documentation may not be older than 60 calendar days, from the date of signature of the Affidavit of Parent-Child Relationship.

COMMENT NO. 2:

Carmondy Breaux-Burns, in her capacity as the HR Benefits Manager, submits the following comments on behalf of the Metropolitan Water District of Southern California.

The commentor mentions that the Health Program Guide section of "Ineligible family members" indicates that children of former spouse or state-registered Domestic Partners may only remain enrolled as a dependent on CalPERS health benefits when the child is certified as a PCR. Commentor agrees with this requirement. Commentor further mentions that under the section "Required Documentation," for stepchildren and domestic partner children a current spouse or domestic partnership is a requirement for a stepchild or domestic partner child. While the section "*Marital Status or Registered Domestic Partnership*" references divorce or termination of domestic partner relationships as a requirement to remove a stepchild or domestic partner child, it does not provide direction on what occurs upon the death of a spouse or domestic partner.

Commentor also indicated they have received conflicting information from CalPERS regarding a 21-year-old stepchild of a deceased spouse. They were initially informed that the employee must certify their deceased spouse's child as a PCR for continued coverage. Having agreed with the initial guidance, they had their employee complete the Affidavit of Parent-Child Relationship (HB40) and provide documentation. After the employee contacted CalPERS, they were later informed that the stepchild of a deceased spouse or domestic partner may remain on the employer's sponsored health coverage to age 26 without a change in relationship from stepchild to PCR, or any other documentation to confirm that the employee has retained any type of parental role/relationship or financial responsibility of their former (deceased) spouse's or domestic partner's child.

Commentor recommends that the subscriber be provided one year from date of death of their spouse or domestic partner to certify the child or children of the deceased spouse or domestic partner as a PCR, then commence the annual certification thereafter. Commentor supports a review of the regulations to improve administering PCR dependents and the required documentation to ensure clarity for all parties. However, they ask that we review and consider their recommendation to help ensure employees and retirees remain in the parental role or retain financial responsibility for children of deceased spouse or domestic partners for which they elect to retain as dependents on their elected health plans, especially when premiums are paid by the employers (public agencies), and in either situation (divorce or death), the employee or retiree can re-marry.

RESPONSE NO. 2:

In response to the comment that indicates the Health Program Guide does not provide direction on the impacts to stepchildren and domestic partner children upon the death of the spouse or registered domestic partner.

CalPERS agrees that the Health Program Guide, State Health Benefits Guide and Public Agency and Schools Health Benefits Guide should be updated to provide a more detailed explanation about existing eligibility standards for stepchildren and domestic partner children upon the death of the spouse or registered domestic partner.

In response to the conflicting information received regarding eligibility requirements for the 21-year-old stepchild of a deceased spouse.

CalPERS has contacted the employer to confirm the appropriate enrollment of the stepchild on the survivor's account as a dependent and addressed the training opportunities.

In response to the suggestion to provided one year from date of death of their spouse or domestic partner to certify the child or children of the deceased spouse or domestic partner as a PCR.

The recommendation is not necessary as existing law provides that stepchildren and domestic partner children remain eligible for CalPERS health benefits as a dependent and may remain enrolled on the subscriber's account until they turn 26, or the until the subscriber remarries or registers a new domestic partnership. CalPERS will clarify this in future guidance to employers.

ADDITIONAL FEEDBACK

In addition to the two public comments, we received non substantive verbal feedback prior to the public comment period identifying the need to make grammatical changes to subparagraph (1).

RESPONSE NO. 3:

CalPERS agrees with these suggestions and has updated the proposed regulation accordingly.

From: [Dena Harris](#)
To: [Regulation Coordinator](#)
Cc: [Shelley Forbes](#); [Monica Fugitt](#); [Kari Kibler](#); [Jennifer Lamprecht](#); [Debra Edwards](#); [Melissa Mansfield](#); [Leslie Saelee](#)
Subject: Written Comment - Proposed Regulatory Action (§599.500 Title 2)
Date: Friday, July 8, 2022 4:33:11 PM
Attachments: [image002.png](#)
[image003.png](#)
[image004.png](#)

[External Email Caution]

Dear Mr. Andrew White,

Please consider the following comments by Shasta County regarding proposed amendment of section 599.500 of Title 2 of the California Code of Regulations.

While we understand the need to update the regulation in consideration of clarity for both subscribers and CalPERS, we have the following concerns with the proposed revisions:

- Acceptable documentation listed in subsections C and D are by and large applicable to children who are school age and above.
- Employees and annuitants defined in subsection F that have a PCR with a child who is not in school may not be able to provide three or more supporting documents, particularly documents that would meet the requirement of subsection E (not being older than 60 calendar days).
- Employees and annuitants who have a newly established PCR with a child who is not in school may not be able to provide the minimum supporting documents in subsections C and D due to conflicting time constraints of the special enrollment period and the obtainment of valid documentation.
- Subsection E states supporting documents may not be older than 60 calendar days, however, at least five of the eight acceptable document options are already likely to be outside of the 60 days due to the nature of the document type. (i.e., legal judgements, driver's license/identification, rental/lease agreements, tuition or vehicle registration, medical/dental bills). Anyone enrolling outside of the initial guardianship would be required to obtain a newly stamped copy of the guardianship paperwork which may not always be possible.

The proposed revisions have taken the language from being very broad to being overly narrow, specifically in relation to newly established PCRs, children who are not of school age, and employees and annuitants who are not required to file taxes. The previous language allowed for discretionary flexibility on a case-by-case basis. The proposed revisions are too limited and do not allow for any exceptions, grace periods, or consideration of special circumstances which will no doubt be needed at times during these real-life Parent-Child Relationships. Again, we can see that changes may be needed to clarify what documents are acceptable, but we feel the list of acceptable documents needs to be more expansive, subsection E should be removed, and additional provisions should be written in that would allow for exceptions.

Thank you,

Dena Harris

Agency Staff Services Analyst II - Confidential

Shasta County Department of Support Services

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From: [Beaux-Burns, Carmondy](#)
To: [Regulation Coordinator](#)
Cc: [Romero, Sonya C](#)
Subject: Recommendation for Parent-Child Relationship Process
Date: Monday, July 18, 2022 5:24:33 PM
Attachments: [2021 CalPERS health-program-guide.pdf](#)
[CalPERS Notice of Proposed Regulatory Actions - Parent Child Relationship.pdf](#)

[External Email Caution]

My initial email was rejected due to an error in the email address and re-sending.

Thank you,

Carmondy Breaux-Burns

From: Breaux-Burns, Carmondy L

Sent: Monday, July 18, 2022 3:48 PM

To: Regulation_Coordinator@calpers.gov

Cc: Romero, Sonya C <SRomero@mwdh2o.com>

Subject: Recommendation for Parent-Child Relationship Process

To Whom It May Concern,

As stated in the Health Benefits Program Guide under the section "*Ineligible Family Members*", page 3 states that children of **former** spouses or state-registered Domestic Partner (DP) can only remain as a dependent on the health insurance when the child is certified as a parent-child relationship (PCR), which we agree is acceptable. Also, under the section "*Required Documentation*" for Stepchildren and Domestic Partner Children, page 8 states **current** spouse or DP is a requirement of a stepchild. The section "*Marital Status or Registered Domestic Partnership*" on page 9, references divorce or termination of DP relationship are requirements to remove a stepchild, but does not mention anything about death of spouse or DP.

We recommend that the subscriber be provided one (1) year from date of death (DOB) of their spouse or DP to certify the child(ren) of the deceased spouse or DP as a Parent-Child Relationship (PCR), then annual certification thereafter. We discovered this grey area just before the current audit (job 4P21-043). In reviewing the current Health Benefits Program Guide (HB120) and speaking with Call Center staff, we received conflicting answers on how we proceed with a 21 year old stepchild of a deceased spouse. The auditor recommended we speak with Health Enrollment Department staff, because we were initially informed that our employee must certify their deceased spouse's child as a PCR for continued coverage, and we agreed with that initial guidance, and had our employee complete the Parent-Child Affidavit (HB40) and provide documentation. After the employee called CalPERS Call Center, we were later informed by CalPERS staff that the stepchild of a deceased spouse or DP can remain on the employer's sponsored health coverage to age 26 without a change in relationship from stepchild to PCR, or any other documentation to confirm that the employee has retained any type of parental role/relationship or financial responsibility of their former (deceased) spouse's or DP's child.

We support a review to help improve regulations on administering PCR dependents, and their required documentation to ensure clarity for all parties. However, we ask that you review and consider our recommendation above to help ensure our employees and retirees remain in the parental role or retain financial responsibility for children of deceased spouse or DPs for which they elect to retain as dependents on their elected health plans, especially when premiums are paid by the Employers (public agencies), and in either situation (divorce or death), the employee or retiree

can re-marry.

For any questions or comments, my contact information is below.

Thank you,

Carmondy Breaux-Burns

Metropolitan Water District of So CA

HR Benefits Manager

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