Circular Letter

June 26, 2013

TO: All PEMHCA Health Benefits Officers and Assistant Health Benefits Officers

SUBJECT: DEPENDENT ELIGIBILITY VERIFICATION PROJECT UPDATE

The purpose of this Circular Letter is to remind you that the Amnesty Period of the Dependent Eligibility Verification (DEV) project ends June 30th, 2013. This is the period during which health plan subscribers can voluntarily disenroll dependents on their plan who are not eligible for the benefit. To do this, they must submit an Amnesty Disenrollment Document to their Health Benefits Office by June 30, 2013. After June 30, employers should not accept any Amnesty Disenrollment Documents.

To facilitate amnesty disenrollments, we developed reason code 326 in my|CalPERS. You should use this reason code to process Amnesty Disenrollment Documents received by June 30. This code will be available for a short time after amnesty ends to allow additional time for you to complete these disenrollments.

The next phase of the DEV Project – the Verification Period – begins July 1, 2013. The verification phase is divided into cycles:

- State: Late July 2013 through June 2014
- Public Agencies: June 2014 through December 2014
- Schools: December 2014 through February 2015.

During verification, health subscribers must confirm that their listed dependents are eligible for CalPERS health benefits by submitting supporting documents directly to our independent vendor, HMS Employer Solutions (HMS). HMS will identify ineligible dependents to be disenrolled from coverage. You should use reason code 327 to delete ineligible dependents identified through HMS’ verification findings.

If a subscriber has a normal qualifying event that happens during their employer’s verification period (e.g., dependent turns 26 years old or enters the military), you should disenroll the dependent through the normal process. During verification, Health Benefits Officers will disenroll ineligible dependents of active employees, and CalPERS will disenroll retirees’ ineligible dependents.

To learn more about the DEV project and to read FAQs, visit the DEV Project page in the Health Benefits Program section of CalPERS On-Line. If you have further questions, please contact HMS Employer Solutions at devhelp@verifyos.com or CalPERS at 888 CalPERS (or 888-225-7377).