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Health Benefits

Circular Letter

August 10, 2020

Circular Letter: 600-037-20

Distribution: Special

To: All CalPERS Health Benefits Officers and Assistant Health Benefits Officers
Subject: Eligibility Criteria and Processing Requirements for Dependents in a Parent-Child Relationship

Purpose

The purpose of this Circular Letter (CL) is to supplement CL [600-008-15 \(PDF\)](#) in clarifying the health enrollment eligibility and documentation standards for a Parent-Child Relationship (PCR). Processing documentation and signature requirements related to the establishment and recertification of a PCR are clarified below.

Background

Article II of the Public Employees' Medical and Hospital Care Act (PEMHCA) provides definitions relative to public employees' health benefits and health plan eligibility, including the definition of a family member. California Code of Regulations (CCR) section 599.500(o) further clarifies the definition of a subscriber involved in a PCR as "intentional assumption of parental status, or assumption of parental duties by the employee or annuitant, as certified by the employee or annuitant at the time of enrollment of the child, and annually thereafter up to the age of 26..." Additionally, pursuant to CCR 599.500(o), foster children are not eligible to be enrolled in CalPERS health benefits.

Certified Parent-Child Relationship Eligibility & Supporting Documentation

Upon enrollment, and annually on the member's birth month thereafter, the employee must:

- Fully complete and sign the [Affidavit of Parent-Child Relationship \(PDF\) \(HBD-40\)](#), under penalty of perjury, that the information they are providing is true and correct.
- Provide the required supporting documentation.

In lieu of a tax return, a subscriber may submit "Other Suitable PCR documentation" to substantiate the child's **current** financial dependency. Refer to the health benefits guides for a complete listing of acceptable documents.

Employer Signature

Health benefits officers and human resource managers must sign the [Affidavit of Parent-Child Relationship \(PDF\) \(HBD-40\)](#) once the employee submits it for processing.

- In the absence of the health benefits officer and/or human resources manager, a formal written delegation for affidavit signatures should be on file at the employer's location.
- Employers must maintain documentation of human resources personnel authorized to sign the HBD-40.
- Documentation of human resources personnel authorized to sign the HBD-40 and all formal written delegations must be available to CalPERS upon request.

Processing Requirements

The Affidavit of Parent-Child Relationship (HBD-40) along with all supporting documents must be reviewed and processed within 30 days from the employer received date. Employers must process the PCR certification and recertification **only after all** required documents have been received. Timely processing of forms and documents helps prevent unnecessary deletions, retroactive enrollments, and setup of accounts receivables for retroactive premiums. Completed and processed HBD-40s and all supporting documents must be retained in the employee's file.

Recertifying, Rescissions, and Confirming a Parent-Child Relationship

PCR recertifications should not be processed more than 90 days prior to the employee's PCR recertification date. PCR deletions in myCalPERS should be rescinded only if all required documents to recertify the dependent(s) are received **before** the deletion effective date. If the HBD-40 and required documents are received after the deletion effective date, the dependent can be re-enrolled as a HIPAA late enrollment requiring a 90-day waiting period.

The scenarios below provide examples of recertification timelines and impacts to the PCR cancelation and health effective dates.

Recertification Due Date	HBD-40 & All Required Documents Received by HBO	HBO Responsibilities and Actions	PCR Cancelation Effective Date	PCR Health Recertification Effective Date
March 30	February 3	<ul style="list-style-type: none"> Process recertification effective April 1 	N/A	April 1
March 30	March 16	<ul style="list-style-type: none"> Rescind deletion; Process recertification effective April 1 	April 1	April 1
March 30	April 15	<ul style="list-style-type: none"> Provide Consolidated Omnibus Budget Reconciliation Act (COBRA); Process recertification with 90-day waiting period effective August 1 	April 1	August 1

Resources to Assist You

Review the health benefits guides for eligibility requirements and a list of supporting documentation.

- [Public Agency & Schools Health Benefits Guide \(PDF\)](#)
- [State Health Benefits Guide \(PDF\)](#)

Review the following guide and sign up for online classes via the **Education** tab in myCalPERS for assistance with processing health enrollment transactions:

- [myCalPERS Health Enrollment Student Guide \(PDF\)](#)

Questions

We are committed to assisting you conduct business with the CalPERS Health Benefits Program. If you have any questions, visit www.calpers.ca.gov or call the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

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 Health Account Management Division