

REVISED TEXT OF PROPOSED REGULATORY ACTION BY CALPERS  
Amend § 599.500 (o)  
Title 2 of the California Code of Regulations (CCR)

**§ 599.500. Definitions.**

For the purposes of this subchapter:

- (a) Terms used in this subchapter that are defined by the Public Employees' Medical and Hospital Care Act (Title 2, Division 5, Part 5 (commencing with Section 22750) of the Government Code) shall have the meanings therein set forth.
- (b) "Employing office" means any office of the state or contracting agency to which jurisdiction and responsibility for health benefits action for the employee concerned have been delegated. For annuitants, whether or not the annuitant is also an employee, the Health Benefits Division of the Public Employees' Retirement System is the employing office.
- (c) "Payroll office" means either the office of the State Controller for agencies participating under the Uniform Payroll System, or the employing office for agencies not participating under the Uniform Payroll System, irrespective of whether or not salary warrants are issued by the State Controller.
- (d) "Time." Whenever in this subchapter a time is stated in which an act is to be done, the time is computed by excluding the first day and including the last day. If the last day is a holiday, it is also excluded.
- (e) "Annuity period" means the period for which a single installment of a retirement allowance or annuity is customarily paid for annuitants.
- (f) "Enroll" means to file with the employing office a properly completed Health Benefits Plan Enrollment Form electing to be enrolled in a health benefits plan.
- (g) "Enrolled" means to be enrolled in a health benefits plan approved by the Board under this subchapter.
- (h) "Register not to enroll" means to file with the employing office a properly completed Health Benefits Plan Enrollment Form electing not to be enrolled in a health benefits plan.
- (i) "Cancellation" is the act, by an enrolled employee or annuitant who is eligible to continue enrollment, of filing a Health Benefits Plan Enrollment Form, terminating enrollment in a health benefits plan.
- (j) "Administrative action" is the completion or approval, by the Health Benefits Division, of a Health Benefits Plan Enrollment Form terminating or changing the enrollment of an employee, annuitant, or family member in accordance with the provisions of this subchapter.
- (k) "Eligible" means eligible under the law and this subchapter to be enrolled.
- (l) "Retirement System" means the Public Employees' Retirement System, the State Teachers' Retirement System, the Legislators' Retirement System, or the Judges' Retirement System, as the case may be, under which a retired person has acquired the status of "annuitant."
- (m) Tenses and Number. The present tense includes the past and future, and the future the present; the singular includes the plural and the plural the singular.
- (n) A "child," as described in Government Code section 22775, means an adopted, step, or recognized natural child until attainment of age 26, unless the child is disabled as described in section 599.500, subdivision (p).
- (o) In addition to a "child" as described in Government Code section 22775, "family member" also includes any child for whom the employee or annuitant has assumed a parent-child relationship (PCR), in lieu of the relationship described in subdivision (n), as indicated by 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, unless the child is disabled as described in section 599.500, subdivision (p). This section should not be construed to include foster children.

Certification of the parent-child relationship by the employee or annuitant under this subsection shall be provided to the employing office and shall include:

(1) A CalPERS-issued "Affidavit of Parent-Child Relationship," ~~Rev. June 2015, which is hereby incorporated by reference,~~ signed by the employee or annuitant, ~~and the following:~~ The affidavit shall include all information required by this section. The affidavit shall set forth information required to certify the employee or annuitant has assumed the primary parental status or duties for the dependent in a PCR. The employee or annuitant shall provide identifying information for themselves and the dependent in a PCR, which shall include: full name, social security number, date of birth, the date the employee or annuitant assumed primary parental status or duties for the dependent in a PCR, the relationship to the dependent in a PCR, and the residential address of the dependent in a PCR.

(A) For a PCR dependent ~~under~~ age 189 and under:

1. Unless otherwise specified in subparagraph F, A a copy of the first page of the employee or annuitant's federal or State income tax return from the previous tax year listing the child as a tax dependent. In lieu of a tax return, for a time not to exceed one tax filing year, and only during the child's initial enrollment as a PCR, the employee or annuitant may submit other documents that substantiate the child's financial dependence upon the employee or annuitant as set forth in subparagraphs (C) and (D).

(B) For a PCR dependent from age 19 up to age 26:

1. A copy of the first page of the employee or annuitant's federal or State income tax return from the previous tax year listing the child as a tax dependent; or

2. Documents that substantiate that the child is financially dependent upon the employee or annuitant provided that the child:

a. Either lives with the employee or annuitant for more than 50 percent of the time, or is a full-time student, and

b. Is dependent upon the employee or annuitant for more than 50 percent of the child's support as evidenced by documents described in subparagraphs (C) and (D).

If the employee or annuitant fails to provide the employing office any of the ~~above~~ required documents, the child shall not be enrolled, or if already enrolled, the employee or annuitant shall be given notice that all coverage of the child will be terminated effective as at midnight of the last day of the month following said notice.

(C) A minimum of one of the following primary PCR documents is required:

1. Current legal judgments or court documents showing the employee or annuitant's legal parental status or guardianship over the child.
2. Current child's driver's license or state identification showing common residency.
3. Current rental or lease agreements.
4. School or college records listing the employee or annuitant as child's guardian or indicating common residency.
5. Other verifiable documents showing common residency.
6. Bank Statements or other financial documentation reflecting rent payment(s) for the child who does not reside with the employee or annuitant along with proof of payment made by the employee or annuitant.

(D) A combination of two or more secondary supporting PCR documents are required:

1. Tuition payment(s), car insurance, credit card statements, or other billing statements along with proof of payments made by the employee or annuitant.
2. Joint or child's bank statement showing reoccurring deposits made by the employee or annuitant.

3. Medical and dental bills for the child along with proof of payment(s) made by the employee or annuitant.
4. Vehicle registration along with proof of payments made by the employee or annuitant.

(E) All supporting documents must have the child's name printed on them by the issuer. With the exception of the documents defined in subparagraph (C)(1), (2), (3) and (D)(4), all other supporting documents may not be older than 60 calendar days, from the date of signature of the Affidavit of Parent-Child Relationship.

(F) Employees and annuitants that are not required to file an income tax return must submit three or more supporting documents as defined in subparagraphs (C) and (D). In addition, employees and annuitants not required to file an income tax return must provide confirmation from the Internal Revenue Service, Franchise Tax Board, certified public accountant, tax preparer or other tax professional indicating that a tax return is not required.

(p) "Disabled child," means a child, as described in Government Code section 22775 and section 599.500, subdivision (n) or (o), who at the time of attaining age 26, is incapable of self-support because of a physical or mental disability which existed continuously from a date prior to attainment of age 26 and who is enrolled pursuant to section 599.501, subdivisions (d) and (e), until termination of such incapacity.

(q) Meanings of terms related to Medicare are as follows:

"Medicare" means the Health Insurance For The Aged provided under Title XVIII of the Social Security Act; "Part A" means Hospital Insurance as defined in Title XVIII of the Social Security Act; and "Part B" means Medical Insurance as defined in Title XVIII of the Social Security Act.

(r) "Supplemental Plan" means a health benefits plan providing supplemental benefits for persons enrolled under Medicare Parts A and B.

(s) "Health benefit(s) plan," as defined in section 22777 of the Government Code, or "plan" includes any benefit design and premium rate structure offered by the Board to employees, annuitants, and family members through contracts with carriers or self-funded plans administered by the Board pursuant to Sections 22793, 22850 and 22853 of the Government Code. "Health benefit(s) plan" includes basic or supplemental plans.

(t) "Basic Plan" means a health benefit(s) plan providing benefits for employees, annuitants, and family members not enrolled in a supplemental plan.

(u) "Conversion plan" means a nongroup contract offered by the carrier as its standard individual membership plan.

(v) "Control Period" means a period from January 1 through June 30 or July 1 through December 31.

(w) "Alternative benefit plan" means a health benefits plan approved, or contracted for, by the Board exclusively for employees or annuitants of contracting agencies pursuant to Section 22850(f)(2) of the Government Code.

(x) "Risk adjustment" means the process by which relative risk factors are assigned to individuals or groups based on expected resources use and by which those factors are taken into consideration and applied.

(y) "Risk assessment" means an objective determination of whether an individual employee, annuitant, or family member or group of employees, annuitants, and family members represents a health risk that is reasonably close to the population average and, if not, of quantifying the relative deviation from the average.

(z) "Risk Adjusted Premium," means the actuarially calculated premium utilizing risk adjustment.

Note: Authority cited: Sections 22760, 22775, 22777, 22778, 22794, 22796, 22800, 22830, 22831, 22846, 22850, 22860 and 22864, Government Code. Reference: Sections 22750-22944, Government Code.

## Affidavit of Parent-Child Relationship

The Public Employees' Medical and Hospital Care Act (PEMHCA), allows employees and annuitants to enroll family members in the CalPERS Health Benefits Program. Pursuant to Title 2, California Code of Regulations, 599.500(o), a "parent-child relationship" (PCR) is established when you intentionally assume parental status or duties over a child who is not your adopted, step, or recognized natural child, and meet specific enrollment criteria.

As specified in Section 599.500(o) and outlined below, you are required to substantiate a financial responsibility upon initial enrollment and annually thereafter, up to the child reaching age 26. You must submit a separate PCR Affidavit for each PCR dependent.

**Note:** Spouses of your adopted, step, and recognized natural children do not qualify for CalPERS health coverage under any circumstances.

### SECTION A: Employee/Annuitant Information

1. Name (First) (M.I.) (Last)	2. Social Security Number	3. Date of Birth (mm/dd/yyyy)
<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>
4. Date you assumed the primary parental status or duties for the PCR dependent: (mm/dd/yyyy)		
<input style="width: 100%;" type="text"/>		
5. Relationship to the PCR dependent:		
<input style="width: 100%;" type="text"/>		

### SECTION B: PCR Dependent Information

6. Name (First) (M.I.) (Last)	7. Social Security Number	8. Date of Birth (mm/dd/yyyy)
<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>
9. Address (if different from yours): (Street) (City) (State) (ZIP)		
<input style="width: 100%;" type="text"/>		

### SECTION C: Supporting Documentation Requirements

10. As evidenced by your selection below, you are certifying you have assumed parental status or duties and will provide the required supporting documentation for your PCR dependent with this Affidavit.

<p><b>For a PCR Dependent Under Age 19:</b></p> <ul style="list-style-type: none"> <li>A copy of the first page of your income tax return from the previous tax year listing the child as a tax dependent.</li> <li><b>In lieu of a tax return, for a time not to exceed one tax filing year,</b> you may submit other documents that substantiate the child's financial dependence upon you, including, but not limited to: current legal judgments/court documents showing the subscriber's legal parental status or duties/guardianship over the child; bank, credit card, tuition or insurance statements/payments; school records; bills or mail indicating common residency with the dependent (collectively referred to as "Other Suitable PCR Documentation").</li> </ul>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<p><b>For a PCR Dependent From Age 19 Up to Age 26:</b></p> <ul style="list-style-type: none"> <li>A copy of the first page of your income tax return from the previous tax year listing the child as a tax dependent, <b>OR</b></li> <li>Other Suitable PCR Documentation, as mentioned above, that substantiates that the child is financially dependent upon you provided that the child: <ul style="list-style-type: none"> <li>Either lives with you for more than 50 percent of the time, or is a full-time student, AND</li> <li>Is dependent upon you for more than 50 percent of the child's support</li> </ul> </li> </ul>	<input type="checkbox"/> Yes <input type="checkbox"/> No

**SECTION D: Signature of Employee/Annuitant**

11. I recognize this affidavit is a legally binding document. I accept full responsibility to notify my employer or CalPERS of any changes pertaining to this PCR. I further understand the provision of California Government Code 20085, which states in part:

- (a) It is unlawful for a person to do any of the following:
  - (1) Make, or cause to be made, any knowingly false material statement or material representation, to knowingly fail to disclose a material fact, or to otherwise provide false information with the intent to use it, or allow it to be used, to obtain, receive, continue, increase, deny or reduce any benefit administered by this system.
  - (2) Present, or cause to be presented, any knowingly false material statement or material representation for the purpose of supporting or opposing an application for any benefit administered by this system.

**I hereby certify under penalty of perjury, that the information I have provided is true and correct to the best of my knowledge.** I also agree to provide **all** supporting documentation requested by my employer or CalPERS. I understand that each PCR dependent must be certified upon initial enrollment and annually thereafter up to age 26. I also understand that certification includes submission of this Affidavit **and** the required supporting documents.

\_\_\_\_\_  
Employee/Annuitant Signature

\_\_\_\_\_  
Date

**Important!**

**Active Employees:** Return this Affidavit and the required supporting documents to your employer.

**Retirees:** Return this Affidavit and the required supporting documents to CalPERS.

**SECTION E: For Employer Use Only**

12. I hereby certify under penalty of perjury as follows: That I am a duly appointed, qualified, and acting officer of the following agency: \_\_\_\_\_

- I have reviewed the above affidavit and verified the identity of the employee or annuitant submitting this affidavit.
- I recommend enrolling/re-certifying this PCR dependent based on the information provided and attached documentation [per CCR §599.500(o)].
- I do not recommend enrolling/re-certifying this PCR dependent based on the information provided and/or lack of supporting documentation [per CCR §599.500(o)].

Enroll    Recertify    Do not enroll    Do not recertify

\_\_\_\_\_  
Human Resources Manager Name (Print)

\_\_\_\_\_  
Human Resources Manager Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Health Benefits Officer Name (Print)

\_\_\_\_\_  
Health Benefits Officer Signature

\_\_\_\_\_  
Date

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## Affidavit of Parent-Child Relationship Instructions

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### **Section A: Employee/Annuitant Information**

Enter your name, Social Security number, date of birth, the date you assumed the primary parental status or duties, and your relationship to the PCR dependent.

### **Section B: PCR Dependent Information**

Enter the PCR dependent's name, Social Security number, date of birth, and address (if different from yours).

### **Section C: Supporting Documentation Requirements**

Select "yes" or "no" to certify that your PCR dependent is either under the age of 19 or from age 19 up to 26. **By selecting "yes," you agree to submit all required supporting documentation for your PCR dependent with this Affidavit.**

### **Section D: Signature of Employee/Annuitant**

You must sign and date the Affidavit. By signing and dating this section, you are certifying under penalty of perjury that the information you are providing is true and correct.

### **Section E: For Employer Use Only**

**Active Employees:** Your employer will complete this section. **Retirees:** Leave this section blank.

**Note to Employer:** By completing section E, you are: a.) certifying under penalty of perjury that you are authorized on behalf of your agency to review this Affidavit and make this eligibility determination, b.) validating that the submitted documentation meets the requirements based on age, and circumstances of the enrollment, and c.) ensuring your Human Resources Manager's approval of the enrollment recommendation.

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### Important Privacy Information

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Submission of the requested information is mandatory. The information requested is collected pursuant to the Government Code (Section 20000 et seq.) and is used for administration of the CalPERS Board's duties under the Public Employees' Retirement Law, the Social Security Act, and the Public Employees' Medical and Hospital Care Act, as the case may be. Portions of this information may be transferred to other governmental agencies (such as your employer), physicians and insurance carriers but only in strict compliance with current statutes regarding confidentiality. Failure to supply the information may result in CalPERS being unable to perform its functions regarding your status.

You have the right to review your CalPERS membership file. For questions concerning your rights under the Information Practices Act of 1977, please contact the CalPERS Customer Contact Center at **888-CalPERS** (or **888-225-7377**).

Section 7(b) of the Privacy Act of 1974 (Public Law 93-579) requires that any federal, State, or local governmental agency requesting an individual to disclose a Social Security number to inform the individual whether the disclosure is mandatory or voluntary, by which statutory or other authority such number is solicited, and what uses will be made of it. Section 111 of Public Law 110-173 requires group health plans to collect and provide member Social Security numbers for the coordination of federal and State benefits. Furthermore, the CalPERS health program requires each enrollee's Social Security number for identification purposes and to verify eligibility for benefits.

The CalPERS health program uses Social Security numbers for the following purposes:

1. Enrollee identification for eligibility processing and eligibility verification.
2. Payroll deduction and state contribution for state employees.
3. Billing of contracting agencies for employee and employer contributions.
4. Reports to the CalPERS and other state agencies.
5. Coordination of benefits among health plans.
6. Resolution of member complaints, grievances and appeals with health plans.

# Privacy Notice

The privacy of personal information is of the utmost importance to CalPERS. The following information is provided to you in compliance with the Information Practices Act of 1977 and the Federal Privacy Act of 1974.

## Information Purpose

The information requested is collected pursuant to the Government Code (sections 20000 et seq.) and will be used for administration of Board duties under the Retirement Law, the Social Security Act, and the Public Employees' Medical and Hospital Care Act, as the case may be. Submission of the requested information is mandatory. Failure to comply may result in CalPERS being unable to perform its functions regarding your status.

Please do not include information that is not requested.

## Social Security Numbers

Social Security numbers are collected on a mandatory and voluntary basis. If this is CalPERS' first request for disclosure of your Social Security number, then disclosure is mandatory. If your Social Security number has already been provided, disclosure is voluntary. Due to the use of Social Security numbers by other agencies for identification purposes, we may be unable to verify eligibility for benefits without the number.

Social Security numbers are used for the following purposes:

1. Enrollee identification
2. Payroll deduction/state contributions
3. Billing of contracting agencies for employee/ employer contributions
4. Reports to CalPERS and other state agencies
5. Coordination of benefits among carriers
6. Resolving member appeals, complaints, or grievances with health plan carriers

## Information Disclosure

Portions of this information may be transferred to other state agencies (such as your employer), physicians, and insurance carriers, but only in strict accordance with current statutes regarding confidentiality.

## Your Rights

You have the right to review your membership files maintained by the System. For questions about this notice, our Privacy Policy, or your rights, please write to the CalPERS Privacy Officer at 400 Q Street, Sacramento, CA 95811 or call us at **888 CalPERS** (or **888-225-7377**).