

State Health Benefits Guide

January 2019

California Public Employees' Retirement System



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Introduction

The **State Health Benefits Guide (Guide)** is designed to assist you, as the employer, in conducting business on behalf of the CalPERS Health Benefits Program which is subject to the Public Employees' Medical & Hospital Care Act (PEMHCA).

You have a fiduciary responsibility to manage the program by ensuring that only eligible employees and their dependents are covered.

This guide aims to increase your knowledge of the health benefits business rules to ensure compliance with federal and state laws and provide you information to assist employees in making informed and educated decisions.

Note: This **Guide** is administrative in nature. In the event of unintentional conflict between the guide and PEMHCA or the Regulations, PEMCHA and the Regulation will prevail.

Contact Information CalPERS

CalPERS General

Please contact the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**) for assistance relating to:

- Health Enrollment & Eligibility
- Member Enrollment Appeals
- System Access & Processing
- Other inquiries outside of health, including but not limited to:
 - Service & Disability Retirement
 - Retirement Processing
 - Retirement Checks
 - Survivors & Beneficiaries

Information is also available online at www.calpers.ca.gov.

Circular Letters/Forms & Publications

To request Circular Letters, forms and/or publications, you can:

- Go online to [Circular Letters](#)
- Go online to [Forms & Publications](#)

Circular Letters are mailed and archived online to view and download; all forms and publications are available for download or online order.

Health Plan Resources

Contact the individual health plans for the following items, questions or requests:

- Evidence of Coverage Booklets
- Health Plan Toll Free Telephone Numbers
- Identification Cards
- Verification of Provider Participation
- Benefits, Deductibles, Limitation & Exclusions
- Change in Primary Care Provider
- Service Area Boundaries
- Individual Conversion Policy
- Direct Payment Authorization or Consolidated Omnibus Budget Reconciliation Act (COBRA)

Anthem Blue Cross

Customer Service 1-855-839-4524 (HMO)
1-877-737-7776 (PPO)
1-833-848-8730 (Medicare)

Website www.anthem.com/ca/calpers

Blue Shield of California

Customer Service 1-800-334-5847

Website www.blueshieldca.com/calpers
Pharmacy <https://www.blueshieldca.com>.

Contact Information CalPERS, Continued

California Association of Highway Patrolmen (CAHP)

Customer Service 1-800-734-2247

Website www.thecahp.org

California Correctional Peace Officers Association (CCPOA)

Customer Service 1-800-468-6486

Website www.ccpoabtf.org

OptumRx

Customer Service 1-855-505-8110 (Basic)

1-855-505-8106 (Medicare)

Website www.optumrx.com/calpers

Health Net

Customer Service 1-888-926-4921

Website www.healthnet.com/calpers

Kaiser Permanente

Customer Service 1-800-464-4000 (Basic)

1-800-443-0815 (Medicare)

1-800-777-1370 (TTY for the hearing/speech impaired)

1-800-788-0616 (Spanish)

1-800-757-7585 (Chinese dialects)

Website <http://my.kp.org/calpers/>

Sharp Health Plan

Customer Service 1-855-995-5004

Website <https://sharphealthplan.com/calpers/>

United Healthcare

Customer Service 1-877-359-3714 (Basic)

1-888-867-5581 (Medicare)

Website www.uhc.com/calpers

Western Health Advantage

Customer Service 1-888-WHA-PERS (1-888-942-7377)

Website www.westernhealth.com/CalPERS

Important CalPERS Health Plan Contact Information (for Employers Only)

Health Plan Account Management

Below are the CalPERS Account Management Teams for each of our Health Plan Partners. ***This information is strictly for employers only.***

Anthem Blue Cross

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Important CalPERS Health Plan Contact Information (for Employers Only), Continued

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Important CalPERS Health Plan Contact Information (for Employers Only), Continued

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Important CalPERS Health Plan Contact Information (for Employers Only), Continued

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Contact Information – Dental Plans

Introduction

California Department of Human Resources (CalHR) administers the State's Dental Program, the California State University (CSU) Chancellor's office administers the CSU Dental program, and California Association of Highway Patrolmen (CAHP) administers the CAHP dental plan.

CalPERS maintains enrollment information and premium deductions for State and CSU retirees only.

Delta Dental Premier & Delta Preferred Option (State)

Website: www.deltadentalins.com

Delta Dental Basic & Enhanced (CSU)

Website: www.deltadentalins.com/csu/

DeltaCare USA (State & CSU)

Website (State Retirees): www.deltadentalins.com

Website (CSU Retirees): www.deltadentalins.com/csu/

Premier Access

Website: <https://www.socdhmo.com/>

Safeguard Enhanced

Website: www.safeguard.net

Note: Safeguard is now considered a MetLife company, but the name of the dental plan will remain the same.

Western Dental

Website: www.westerndental.com/en-US/insurance/already-a-member/group-plan/state-of-ca-employees/

CAHP Dental Trust (Anthem Blue Cross)

Website: www.theca hp.org

Summary of Health Benefit Forms & Publications

Form	CalPERS Form Name	Description
PERS-HBD-12	Health Benefits Plan Enrollment Form (PDF)	For active employees, to enroll, change, or cancel enrollment in a CalPERS health plan.
HBD-30	Health Benefits Plan Enrollment Form for Retirees/Survivors (PDF)	For retirees or survivors, to enroll, change, or cancel enrollment in a CalPERS health plan.
HBD-34	Medical Report for the CalPERS Disabled Dependent Benefit (PDF)	For enrollment or continuation of a disabled child over age 26. This form provides medical information to CalPERS and is to be completed by an attending physician.
HBD-98	Member Questionnaire for the CalPERS Disabled Dependent (PDF)	For enrollment or continuation of a disabled child over age 26. This form provides medical information to CalPERS and is to be completed by the member.
HBD-40	Affidavit of Parent-Child Relationship (PDF)	To establish eligibility for dependents of a parent-child relationship.
PERS-HBD-85	COBRA Election Form (PDF)	To continue coverage under COBRA provisions and authorize direct payment for enrollment in a group continuation plan.
PERS-HBD-21	Direct Payment Authorization Form (PDF)	To apply for continuation of enrollment while employee is on "off-pay" status.
	Health Plan's Evidence of Coverage (PDF)	A detailed guide describing the benefits of a specific health plan. Also provides the employee with a certificate of coverage. This publication is mailed to new members by the health plan and is also available online through the specific health plan website.

Summary of Health Benefit Forms & Publications, Continued

Form	CalPERS Publication	Description
HBD-120	Health Program Guide (PDF)	Provides an overview of the CalPERS Health Program.
HBD-110	Health Benefit Summary (PDF)	A comprehensive summary of all CalPERS health plans.
HBD-65	CalPERS Medicare Enrollment Guide (PDF)	A practical guide to understanding how CalPERS and Medicare work together.
	Summary of Benefits and Coverage (SBC) Notice (PDF)	Provides information to help individuals better understand and compare available health plan options. Employers must provide this notice to newly eligible employees no later than the date they become eligible for health benefits. The SBCs are also available by directly contacting the health plans.

Obtaining Forms

To request forms and/or publications, you can:

- Go online to [Forms & Publications](#). All forms and publications are available for download or online order.
- Contact the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**)

Other Forms (CalPERS Members Only)

Personnel Transactions for CalPERS Members

Many of the transactions listed below may be completed online by CalPERS members via my|CalPERS Member Self-Service. Otherwise, please report the following types of personnel transactions on the specified form indicated. The forms listed below pertain to CalPERS members only.

Form	Transaction	Division
BSD-194	Report of Separation and Advance Payroll (PDF)	Benefit Services
BSD-369-S	Application for Service Retirement (PDF)	Benefit Services
BSD-369-D	Application for Disability Retirement (PDF)	Benefit Services
BSD-738	Report of Separation for Death – Request for Payroll Information (PDF)	Benefit Services
PERS-OSS-138	Special Power of Attorney (PDF)	Benefit Services

Health Benefits Officer (HBO) - Roles and Responsibilities

Introduction:

Your agency is required to designate a Health Benefits Officer (HBO) and one or more assistant HBOs to be an authorized point of contact for employees' health benefits issues.

Only qualified and trained HBOs or assistant HBOs are authorized to sign required enrollment forms on behalf of your agency. Active employees must go through you for all eligibility and enrollment issues.

An HBO is also considered a Personnel Specialist who processes health transactions and provides health eligibility and enrollment information to employees.

Roles and Responsibilities:

The HBO has the following roles and responsibilities:

Education:

- Educate all newly eligible and existing employees with relevant information regarding eligibility and enrollment
- Inform employees that a review of eligibility can occur at any time
- Inform employees of their obligation to advise you if dependents lose eligibility (i.e. divorce)
- Stay up-to-date on communications from us regarding changes in law or policies
- Be familiar with the California Public Employees' Retirement Law (PERL), State Employees' Dental Care Act and PEMHCA provisions
 - California Government Codes (Gov. Code) 20160, 20164, 22750, 22944.3 and 22950-22959
 - California Code of Regulations (CCR) 599.500 – 599.518
- Have knowledge of available resources

Eligibility determination and enrollment processing:

- Obtain required supporting documentation as proof of eligibility prior to enrollment
- Ensure only eligible employees and family members are enrolled to comply with all provisions of PEMHCA
- Confirm enrollment forms are complete, free of errors and signed by you and the employee electronically or physically
- Retain enrollment forms and supporting documentation in employee's official personnel file
- Approve enrollments for employees and/or their dependents
- Process health transactions timely and accurately

Health Benefits Officer (HBO) - Roles and Responsibilities, Continued

Maintenance and monitoring:

- Verify that employees are enrolled in the correct health plan based on their residential or work ZIP Code
- Maintain complete and accurate demographic records for all employees including:
 - Current addresses and phone numbers
 - Social Security numbers for all employees and their eligible family members
 - Marriage certifications
 - Divorce decrees
 - Birth certificates
- Monitor ongoing eligibility and enrollment opportunities for employees and their eligible family members.
 - Including tenure and time base, direct pay and COBRA requirements
- Maintain your contact information in my|CalPERS

Note: It is against the law to continue enrollment of any ineligible family member. If this occurs the employee may be liable for all costs incurred during the ineligibility period.

CalPERS Communication

Introduction

We communicate with you through several communication channels including:

- The CalPERS Website
- Circular Letters
- CalPERS Employer Bulletin
- my|CalPERS
- Accessing my|CalPERS
- Employer News

CalPERS Website

The CalPERS website has become an important source of information for you regarding the CalPERS Health Program, such as eligibility rules, covered services, available health plans and premium rates.

Note: For additional information about the [CalPERS Health Program](#), go to the CalPERS website.

Circular Letters

Circular Letters are issued to keep you informed of changes in health policies and procedures. These letters provide important documentation for reference to administer CalPERS benefit programs.

Note: The [Circular Letter Search page](#) located on the CalPERS website can help you find specific topics of interest.

CalPERS Employer Bulletin

Sign up and get the latest employer news and information tailored specifically for you sent right to your email inbox. CalPERS Employer Bulletins come in plain text format easy for viewing and e-mail retrieval.

Note: Stay informed by signing up for the [CalPERS Employer Bulletin](#) quickly and easily on the CalPERS website.

my|CalPERS vs. CalPERS Website

[my|CalPERS](#) is an internet application which provides access to your agency's information and online services. It is your tool for getting things done. Employers who participate in **PEMHCA** can access billing rosters, view current and past employer health contributions, and more.

The [CalPERS website](#), on the other hand, focuses on providing you with information. It is your resource for learning all about CalPERS benefits, programs, and services.

CalPERS Communication, Continued

Accessing my|CalPERS

The **CalPERS employer ID** is a 10-digit ID that is assigned to each employer that contracts with CalPERS for benefits.

An organization's my|CalPERS [System Access Administrator \(SAA\)](#) is the key point of contact. For existing organizations, this individual will be accountable for providing my|CalPERS access to any additional contacts (users). This involves utilizing system administrator pages in my|CalPERS to associate predefined access roles to each contact and assign the user a unique username and password. In addition, this individual will have the responsibility to reset a user's password, lock a user's access rights to the system, and change a user's system access role(s).

Employer News

CalPERS Employer News is published quarterly. This publication provides important information and a calendar of upcoming events for employers doing business with us. The Employer News is available on the CalPERS website for downloading. If you sign up for the CalPERS Employer Bulletin you will receive an email notification when the latest issue is available online.

Note: To access more information and resources, search for Employer News on the CalPERS website [Forms & Publications](#) page.

Health Plan Options

Health Plan Availability

- Employees are eligible to enroll in a health plan using either their residential or work ZIP Code. The eligibility ZIP Code can be added during the initial enrollment and can only be changed during Open Enrollment or with a qualifying event such as a change of address.
- A P.O. Box may be used for mailing purposes but cannot be used to establish eligibility.
- If a residential ZIP Code is used, all enrolled family members must reside in the health plan's service area.
 - When an enrolled dependent resides separately from your employee, the enrolled dependent's residential ZIP Code must also be included in the health plan's service area.
 - Your employee or enrolled dependent should always contact the health plan to ensure the dependent is assigned to a provider or clinic within the respective health plan's service area.
 - When an employee retires and is no longer working they must use their residential address for eligibility.

Example: Your employee lives in Northern California and is enrolled in Kaiser, and their dependent lives in Southern California. They can each seek services if both residential ZIP Codes qualify for enrollment.

- If a work ZIP Code is used, all enrolled family members must receive all covered services (except emergency and urgent care) within the health plan's service area, even if they do not reside in that service area.
- A subscriber may choose to use the employer ZIP Code
 - Upon initial enrollment
 - During the annual Open Enrollment period
 - Upon a move
- Working retirees may use the ZIP Code of their current employer for basic health plan eligibility.
 - If enrolled in a Medicare Advantage plan, the member's residential address must be used.

Health Plan Options, Continued

CalPERS Health Maintenance Option (HMO) Basic Health Plans

Depending on where your employee resides or works, one or more Basic health plan types and plan choices may be available.

HMO features include:

- A range of health benefits including preventive health services
- A monthly fee (premium) with no calendar year deductible
- A set co-payment for the care provided
- A primary care physician (PCP) who coordinates the patient's care including referrals to specialists

Note: The [California Department of Managed Health Care](#) regulates all HMOs in California. Title 28 section 1300.51(H) (i) of the California Code of Regulations, defines health plan requirements for the geographic area in which the health plan provides coverage under an HMO.

CalPERS HMO Basic Health Plans

HMO Plans include:

- Anthem Blue Cross
- Blue Shield of California
- Health Net of California
- Kaiser Permanente
- Sharp Health Plan
- UnitedHealthcare
- Western Health Advantage (effective 1-1-2018)
- California Correctional Peace Officers Association (CCPOA)
 - Must belong to the association and be a dues paying member

Note: HMOs are available only in designated California service areas except for Kaiser which is available in parts of other states but the benefits may vary.

CalPERS Preferred Provider Organization (PPO) Basic Health Plans

(PPO) Plan features include:

- Access to a network of health care providers known as preferred providers
- Choice of specialists without a referral
- Option to obtain services from non-preferred providers

Note: A calendar year deductible applies to PPO plans.

Health Plan Options, Continued

PPO Basic Health Plans

PPO Plans include:

- PERSCare
- PERS Choice
- PERS Select
- California Association of Highway Patrolmen (CAHP)*
- Peace Officers Research Association of California (PORAC)*

* Must belong to the association and be a dues paying member.

Note: All our PPO plans are administered by Anthem Blue Cross and available throughout California. PERSCare, PERS Choice, and PORAC are available in California and throughout the world.

CalPERS Exclusive Provider Organization (EPO) Basic Health Plans

Blue Shield EPO serves Colusa, Mendocino and Sierra Counties only, and Anthem Blue Cross EPO serves Del Norte County only.

EPO features include:

- Offers the same covered services as an HMO
- Services must be obtained from the statewide EPO network of preferred providers

Note: Evidence of Coverage Booklets can be viewed and/or printed from the applicable health plan website.

Health Eligibility Requirements

Eligible Employees

Eligible employees may enroll themselves only and/or all eligible family members. Eligibility is based on tenure and time base of a qualifying appointment.

Employees are eligible if they satisfy the following:

- Have a permanent appointment or a limited term appointment with a duration of more than six months and,
- Work at least half-time
 - California State University (CSU): Some professors and other bargaining units working less than half-time may be eligible for health benefits. (Gov. Code section 22772 (a)(4))

Note: The Affordable Care Act may impact eligibility requirements for CalPERS employers. Refer to Circular Letter [600-061-14 \(PDF\)](#) (Attachment: [Employer Designation Model Template \(PDF\)](#)) and the [IRS website](#) for additional information on the issued final regulations titled, "Shared Responsibility for Employers Regarding Health Coverage".

Ineligible Employees

Certain employees are not eligible for CalPERS health benefits. Ineligible employees include:

- Those working less than half time (excluding some professors and other bargaining units working less than half-time)
- Those whose appointment lasts less than six months
- Those whose job classification is "Limited-Term Intermittent" (seasonal or temporary)
- Those classified as "Permanent-Intermittent" who do not meet the hour requirements within the control period

Eligible Family Members/Dependents

Eligible employees may enroll themselves only and/or all eligible family members. Below is a list of eligible dependents and the supporting documentation required for enrollment:

Spouse

- Can be added to the health plan during initial health enrollment, within 60 days after the date of marriage or during any Open Enrollment period, involuntary loss of coverage, or HIPAA late enrollment
- Required: Copy of the marriage certificate and spouse's Social Security Number
- (Copy of the *Divorce Decree* is required to delete a spouse due to divorce)

Health Eligibility Requirements, Continued

Registered Domestic Partner

The following are eligible to register for Domestic Partnership with the Secretary of State:

- Specified same-sex domestic partnerships between persons who are both at least 18 years of age
- Specified opposite sex domestic partnerships where one person is over the age of 62 and the other is at least 18 years old
 - A domestic partnership validly formed in another jurisdiction that is substantially equivalent to a registered domestic partnership in California may also be recognized
 - The Secretary of State must register the domestic partnership
- Can be added to the health plan within 60 days of the registration of domestic partnership or during any Open Enrollment period, involuntary loss of coverage, or HIPAA late enrollment
- Required: Copy of the *Declaration of Domestic Partnership* registered with the Secretary of State and the domestic partner's social security number.
- (Copy of the *Termination of Domestic Partnership* form is required to delete a domestic partner due to dissolution of partnership)

Note: Domestic Partnership Law prohibits a person who has filed a Declaration of Domestic Partnership from filing a new declaration until at least 6 months has elapsed from the date that a Notice Termination of Domestic Partnership was filed with the Secretary of State.

This would be relating to the termination of the most recent domestic partnership except where the previous domestic partnership ended because one of the partners died or married.

Children under age 26

The employee's natural-born, adopted, domestic partner's and stepchildren who are under age 26 may be added as outlined below:

- Newborn children should be added within 60 days of birth. Coverage is effective from the date of birth
- Newly adopted children should be added within 60 days of physical custody. Coverage is effective from the date physical custody is obtained
- Stepchildren or a domestic partner's children under age 26 can be added within 60 days after the date of your marriage or registration of your domestic partnership

The coverage will become effective the first day of the month following the date you receive the [Health Benefits Plan Enrollment \(PDF\)](#) form.

Note: Eligible children can be enrolled regardless of their marital, student or employment status.

Health Eligibility Requirements, Continued

Notification of Deletion of 26-Year-Old Dependents

Four months prior to the dependent's 26th birthday, CalPERS will mail a notice to the employee advising that the child dependent is reaching age 26. The notice provides:

- Current enrollment data
- Dependent deletion information
- Referral to the employer for Certified Disabled Dependent or COBRA information and documents

CalPERS will notify the health plan. The employer should download the Employer Health Event Transaction report in my|CalPERS which will show the 26-year-old deletion transaction.

Note: If you have a new employee who adds a 25-year-old child, the automatic deletion system may not work if the enrollment is not on our system prior to the three-month lead time. Contact CalPERS at **888 CalPERS** (or **888-225-7377**) if you are in doubt about the deletion system time frame.

Important: Please report address changes immediately. This will ensure notifications about coverage and COBRA are sent timely and to the correct location.

Effective Date

Health coverage will **terminate on the last day of the month** in which the dependent attains age 26.

Continuation of Coverage as Certified Disabled Dependent

The deletion of a 26-year-old dependent is mandatory unless incapable of self-support because of a physical or mental disability. If the 26-year-old qualifies as a Certified Disabled Dependent, the dependent is eligible for continued coverage. Please refer to the *Certified Disabled Dependent* section of this guide for further information.

Continuation of Benefits

Overage dependents are eligible to continue their coverage through the federal COBRA provision. The agency is responsible for offering the COBRA continuation coverage under the federal guidelines. Please refer to the *COBRA* section of this guide for further information.

Circular Letter 600-043-10

[Extension of Dependent Coverage Up to The Age of 26 \(PDF\)](#)

(Attachment A: [Active Subscriber \(PDF\)](#))

(Attachment B: [Retiree Subscriber \(PDF\)](#))

(Attachment C: [Age Outs \(PDF\)](#))

(Attachment D: [COBRA Subscriber \(PDF\)](#))

Health Eligibility Requirements, Continued

Certified Disabled Dependent over age 26

A child age 26 and over who is incapable of self-support because of a mental or physical condition may be eligible for enrollment. The disability must have existed prior to reaching age 26 and continuously since age 26, as certified by a licensed physician.

Employees are required to complete and submit the [Member Questionnaire for the CalPERS Disabled Dependent Health Benefit \(PDF\)](#) form and the physician must complete and submit a [Medical Report for the Disabled Dependent Benefit \(PDF\)](#) for CalPERS approval. The initial certification of the Disabled Dependent must occur during one of the following two eligibility periods (whichever applies):

- Within 60 days before and ending 60 days after the child's 26th birthday (member and dependent currently enrolled), or
- Within 60 days of a newly eligible employee's initial enrollment in the CalPERS Health Program

If the initial certification of the Disabled Dependent is upon the newly eligible employee's initial enrollment in the CalPERS Health Program, please complete two (2) HBD-12's:

- One for the employee and any other eligible family members
- One for the disabled dependent

In the **REMARKS** box, indicate *"Coverage of disabled dependent (name) is contingent upon approval by CalPERS."*

Upon certification of eligibility, the dependent's coverage must be continuous and without lapse. The employee will be required to submit an updated questionnaire and medical report for re-certification periodically, upon request.

The enrollment of a Certified Disabled Dependent is subject to CalPERS approval.

Important: The Medical Report form must be completed by the child's physician, who must mail the form to CalPERS directly for processing. The Medical Report must be received by CalPERS within 60 days following the initial enrollment or 60 days prior to or 60 days after the child's 26th birthday.

Health Eligibility Requirements, Continued

Exclusions

The following disabled children are **excluded** from coverage:

- Dependent children whose disability occurred after age 26
- Dependents who initially continued coverage as disabled dependents beyond age 26 under the PEMHCA program and who were later deleted from the enrollment
- Dependents who are capable of self-support
- Disabled dependents whose coverage (extension) was not requested in a timely manner

Note: If the disabled child has a Social Security approved disability the health coverage is determined by the employee's employment status:

- If the member is actively employed and covered by an employer group health plan (EGHP), the Medicare eligible member's health coverage will be in a CalPERS basic health plan unless the disabled dependent has End Stage Renal Disease (ERSD).
- When the employee retires, the employee must provide CalPERS with a copy of the Medicare eligible member's Medicare card and transfer the Medicare eligible member to a CalPERS Medicare health plan once the coordination of benefits period is completed.

Eligibility & Supporting Documentation Certified "Parent-Child Relationship"

An employee or annuitant may enroll a child, up to the age of 26, (other than an adopted, step or recognized natural child) if the employee or annuitant:

- Has assumed a parental role.
- Is considered the primary care "parent".
- Submits a signed [Affidavit of Parent-Child Relationship \(PDF\)](#) (HBD-40).
- Submits specific documents that substantiate their parental role within that Parent-Child Relationship (PCR).

Health Eligibility Requirements, Continued

Eligibility & Supporting Documentation Certified "Parent-Child Relationship", Continued

Upon enrollment, and annually thereafter the employee must:

- Sign the [Affidavit of Parent-Child Relationship \(PDF\)](#) (HBD-40), under penalty of perjury, that the information they are providing is true and correct
- Acknowledge that it is unlawful to make false representation or to present false information

Note: Beginning January 1, 2016, members are now required to fully complete the new HBD-40 Affidavit of Parent-Child Relationship form and submit the required supporting documents for new and recertification requests. Effective May 1, 2017, all subscribers recertifying a PCR dependent under age 19 must submit a copy of the first page of their income tax return from the previous tax year listing the child as a tax dependent. **No exceptions will be allowed.**

Required supporting documentation for a PCR dependent **under** age 19 includes:

- A copy of the first page of the subscriber's 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, subscribers may submit other documents that substantiate the child's financial dependency upon them, including the following (collectively referred to as "Other Suitable PCR Documentation"):
 - Current legal judgments or court documents showing the subscriber's legal parental status or guardianship over the child
 - Bank, credit card, tuition or insurance statements or payments
 - School records
 - Bills or mail indicating common residency with the child

Required supporting documentation for a PCR dependent **from** age 19 up to age 26 includes:

- A copy of the first page of the subscriber's income tax return from the previous tax year listing the child as a tax dependent, OR
- Other suitable PCR Documentation, that substantiates that the child is financially dependent upon the subscriber provided that the child:
 - Either lives with the subscriber for more than 50 percent of the time, or is a full-time student, AND
 - Is dependent upon the subscriber for more than 50 percent of the child's support.

Health Eligibility Requirements, Continued

Eligibility & Supporting Documentation Certified "Parent-Child Relationship", Continued

Requirement Type	Supporting Documentation Age (19-26)
Residency (more than 50% of the time)	<ul style="list-style-type: none"> • School records indicating full-time status, bills or mail in the child's name listing the same address as the subscriber, such as: <ul style="list-style-type: none"> - School correspondence - Employment correspondence - Bank statements or correspondence - Vehicle registration, insurance bills/statements - Credit card bills/statements - Rental/lease agreements
Financial Dependence (more than 50% of child's support)	<ul style="list-style-type: none"> • Recurring bills or statements of account, identified as Other Suitable PCR Documentation, paid by the subscriber on behalf of the child, such as: <ul style="list-style-type: none"> - Tuition payments - Cell phone bill payments - Auto loan payments - Auto insurance payments - Credit card payments - Bank statement, custodian account, cancelled checks, or other evidence of financial dependence.

Circular Letter 600-008-15

[Eligibility Criteria for Dependents in a Parent-Child Relationship \(PDF\)](#)

(Attachment 1: [PCR Regulatory Language \(PDF\)](#))

(Attachment 2: [Affidavit of Parent-Child Relationship \(PDF\)](#))

(Attachment 3: [PCR Subscriber Letter \(PDF\)](#))

(Attachment 4: [Employer FAQs \(PDF\)](#))

Health Eligibility Requirements, Continued

Dependent Eligibility Verification (DEV)

In June 2015, SB 98 passed creating Government Code 22843.1 requiring state and CSU employers to:

- Verify the eligibility of all employee dependents prior to enrolling them in a health plan
- Maintain a record of the verifying documentation for each dependent
- Validate/verify dependent eligibility at least once every three years for most dependents

Employer Responsibilities

Each agency is responsible for timely validation of supporting documentation and updating my|CalPERS accordingly.

Eligible Dependents

Beginning February 1, 2018, recurring dependent verification will be required for:

- Spouses
- Registered domestic partners
- Natural born children
- Adopted children
- Stepchildren
- Children of registered domestic partners

Health Eligibility Requirements, Continued

Dependent Eligibility Verification (DEV), Continued

Notices

CalPERS will mail letters to each employee beginning February 2018, based on the employee's birth month, CalPERS will mail up to three notification letters to every employee with at least one dependent.

Letter	When	What
Initial Notice	90 days prior to the first of the employee's birth month	The notice provides information to employees on their upcoming verification date and the names of the dependents for which documentation must be submitted to verify their continued eligibility. Employees are instructed to submit the required documentation to their agency's personnel office. The notice informs employees about potential monies owed if documents are not submitted timely.
Reminder Notice	60 days prior to the first of the employee's birth month	The notice reminds employees to submit verification documents for their dependents to their agency's personnel office. If the documentation has already been submitted and processed by their agency's personnel officer, subsequent reminders will not be sent. The notice informs employees about potential monies owed if documents are not submitted timely.
Cancellation Notice	30 days prior to the first of the employee's birth month	The notice informs employees which dependents were not verified and the date on which they will be deleted. The notice informs employees about potential monies owed if documents are not submitted timely.

Health Eligibility Requirements, Continued

Dependent Eligibility Verification (DEV), Continued

Required Documentation

The information provided in the employee's notification letter will request the following supporting documentation to verify dependent eligibility:

Spouse:

A copy of a marriage certificate and one of the following documents:

- A copy of the front page of the most recent federal or state tax return confirming dependent as the spouse
- A copy of a document dated within the last 60 days showing current relationship status, such as a recurring household bill or joint statement of account. The document must list employee's name, the name of the spouse and address. In the situation of spouses who keep their finances separate, employee's may provide separate household bills or account statements, if the documents show the same address and are not older than 60 calendar days.

Registered Domestic Partner:

A copy of the Declaration of Domestic Partnership form registered with the California Secretary of State and one of the following documents:

- A copy of the front page of the most recent federal or state tax return confirming dependent as the domestic partner
- A copy of a document dated within the last 60 days showing current relationship status, such as a recurring household bill or joint statement of account. The document must list employee's name, the name of the partner and address. In the situation of registered domestic partners who keep their finances separate, employee's may provide separate household bills or account statements, if the documents show the same address and are not older than 60 calendar days.

Natural-Born, Adopted (or Placement for Adoption), Step or Registered Domestic Partner's Children up to age 26*:

A copy of one of the following documents:

- Child's birth certificate or adoption certificate naming the employee, spouse or domestic partner as the parent of the child
- Court order naming the employee, spouse or domestic partner as the legal guardian of the child

*For a stepchild or domestic partner's child, the employee must also provide documentation demonstrating relationship to the employee's spouse or domestic partner as requested above.

Health Eligibility Requirements, Continued

Dependent Eligibility Verification (DEV), Continued

Reason Codes

To facilitate this new verification process, CalPERS added new health reason codes in my|CalPERS in December 2017.

Reason Number	Health Event Reason	Description
913	Verification of Dependent	Employers should use this health event reason when all documentation has been received before the cancellation date.
220	Re-Enrollment of Verified Dependent	Employers should use this health event reason to enroll dependents on a prospective basis if the supporting documents are received on or after the cancellation date.
331	Delete Dependent – Did Not Verify - Online	Employers can use this health event reason to preemptively delete dependents who were not verified during the recertification process. However, if health benefits officers (HBO's) do not process a deletion, my CalPERS will automatically process a deletion batch if a dependent is not verified.
854	Delete Dependent – Did Not Verify - Batch	Employers cannot use this health event reason when an employee fails to verify their dependent. It is an automated deletion batch in my CalPERS.

Reports

The following three Cognos reports are available in my|CalPERS to identify employees who fall under this verification process:

- Dependent Verification End Date Employer Report – HBO's will use this report to show a list of the employee's dependent(s) by the selected verification end date.
- Dependent Verification Health Event Employer Report – HBO's will use this report to show a list of dependent(s) that have been deleted with the Delete Dependent – Did Not Verify health event and/or a list of dependents that were verified with the Verify Dependent – Verification of Dependent health event.
- Dependent Verification Dependents with Past Due or No End Date Active Health Report
- HBO's will use this to identify any dependents that remain enrolled despite their certification being either past due or missing.

Health Eligibility Requirements, Continued

Ineligible Family Members

The following are considered ineligible family members:

- Former spouse/former domestic partner
 - Former spouses/domestic partners cannot be enrolled as a dependent on the employee's state health coverage under any circumstance
 - If an employee is court-ordered to provide coverage, it is the employee's obligation to provide private health coverage outside of CalPERS health coverage
- Children age 26 or older
- Disabled dependents age 26 or older who were never enrolled or were deleted from coverage
- Spouse of adult children
- Parents
- Grandparents

It is against the law to continue enrollment of an ineligible family member. If this occurs the member is liable for all costs incurred during the ineligibility period.

Permanent Intermittent (PI) Employment and Control Periods

State PI employment is irregular or recurring, hourly employment that is less than full time each year. A PI employee may be eligible to enroll if they have earned a minimum of 480 paid hours at the end of a control period.

Control Periods

January 1 – June 30	Effective August 1
July 1 – December 31	Effective February 1

A PI employee:

- Cannot become eligible in the middle of a control period even if the minimum hours are met.
- Must be credited with at least 480 paid hours at the end of each control period or at least 960 hours in two consecutive periods to qualify to continue coverage.

PI Deferred Enrollment

PI employees, who are off pay status during the 60-day eligibility period after the end of the control period, may request a deferred enrollment within 60 days after the return to pay status within the same control period.

Delayed enrollments will result in coverage of less than six months. A delayed enrollment does not extend the eligibility period, as the paid hours must be counted again at the end of each Control Period.

During a qualifying Control Period (after the 480/960-hour requirement has been met), an enrolled employee's coverage will be automatically suspended if there are insufficient earnings, unless the employee elects direct pay (see direct payment authorization section).

Health Eligibility Requirements, Continued

PI Deferred Enrollment, Continued

This direct pay option may be offered during the qualifying Control Period only, and must end as of January 31st or July 31st, respectively.

For PI employees who do not have the required 480 hours accumulated at the end of the current Control Period, the regular (or direct pay) coverage must be canceled with an effective date of February 1, or August 1 whichever is appropriate.

Following the cancellation of coverage, the PI employee is then eligible for the COBRA continuation coverage (See *COBRA* section).

PI Continued Enrollment

An enrolled employee may continue coverage into a position with tenure of less than 6 months if the time base is half time or more, and there is no break in service in excess of a full pay period or more.

The coverage will continue indefinitely when subsequent appointments of less than 6 months apply, if the time base does not fall below half time, and there are no breaks of a full pay period or more.

An employee who takes coverage into a PI position may continue it through a full control period; at which time the paid hours worked must be counted to determine continued eligibility.

Example:

- The employee changes from a permanent full time to PI position on March 15.
- The hours worked during the subsequent Control Period (July 1-December 31) must be counted to determine if the employee is eligible for continued coverage.

All eligibility is lost if the regular or PI employee is appointed into a limited term intermittent position. In such cases, the coverage must be cancelled.

Legal Reference

- Family Member (Gov. Code section 22775)
- Domestic Partners (Gov. Code sections 22818 and 22843)
- Parent-Child Relationship (CCR 599.500 (o))
- Permanent Intermittent (Gov. Code section 22806)

Health Enrollment

New Enrollment

New employees have 60 calendar days from the date of their initial appointment to enroll themselves and eligible family members in a health plan.

- PI employees have 60 days from the end of the qualifying control period to enroll.
- The effective date of the enrollment is the first of the month following the date you receive the [Health Benefits Plan Enrollment \(PDF\)](#) form.

CalPERS Health Open Enrollment

As the employer, you are responsible for educating employees on CalPERS Health Open Enrollment. Each year, prior to Open Enrollment, a Circular Letter is sent to you with information regarding:

- Health Program Highlights which provides important details regarding health plans and premium rates for the new year
- Various communications released to employees, available online tools and employer resources
- Your additional responsibilities

The CalPERS Health Open Enrollment period is traditionally held annually each fall and allows eligible employees to:

- Enroll
- Change health plans
- Add/delete eligible dependents
- Cancel coverage
- Change health plans based on employer's ZIP Code

All transactions become effective January 1 following the Open Enrollment period.

Note: Learn more about Open Enrollment by viewing [FAQs - Open Enrollment](#) on the CalPERS website.

Health Enrollment, Continued

Additional Enrollment Opportunities

The Health Insurance Portability and Accountability Act (HIPAA) was enacted in 1996 by Congress to improve portability and continuity of health insurance coverage.

- HIPAA offers two provisions, **Special Enrollment** and **Late Enrollment**, for employees and their eligible family members to enroll in a CalPERS health plan outside of the initial enrollment period and the Open Enrollment period.
- HIPAA requires that the [PERS-HBD-12 \(PDF\)](#) form be completed whether the employee elects to enroll or decline health coverage.
 - Provides proof that the employee was given the opportunity to enroll or decline coverage for self and eligible family members.
 - Must be completed upon initial health eligibility and for most enrollment requests.

Special Enrollment

Events that qualify for Special Enrollment include:

- Loss of other non-CalPERS coverage
- Marriage/domestic partnership
- Birth/adoption
- Court-ordered coverage

Special Enrollment is applied as follows:

- Enrollment must be requested within 60 calendar days of the event
- Effective date is the first day of the month following the date the enrollment form and supporting document(s) is received by you.
 - Exception for birth/adoption effective dates (CCR 599.503 (d)(h))
 - The effective date of enrollment of a newborn or adopted child of an employee or annuitant enrolled for self and one or more family member is the **date of birth or the date physical custody is obtained.**
 - The effective date of enrollment of a newborn or adopted child of an employee or annuitant enrolled for self only is the **first day of the month following the date of birth or the date physical custody is obtained.**

Note: Inquiries regarding the time between the date of birth or the date physical custody is obtained and the effective date of the CalPERS coverage should be referred to the health plan.

Health Enrollment, Continued

Late Enrollment

Late Enrollment allows an employee to request enrollment if they declined or cancelled enrollment for themselves or their dependents, and the Special Enrollment exceptions do not apply. Late Enrollment is applied as follows:

- A 90-day waiting period is required
- The effective date of enrollment will be the first of the month following the 90-day waiting period after you receive the [Health Benefits Plan Enrollment \(PDF\)](#) form and applicable supporting documentation.

Mandatory Transactions

Mandatory transactions are additions or deletions to a health enrollment due to requirement by law. Mandatory transactions include events such as:

- Divorce or termination of domestic partnership
- Death of a family member
- Dependent who is age 26 or older

Although a member's divorce decree may stipulate that they must provide health benefits for the ex-spouse, the ex-spouse cannot remain enrolled in CalPERS health benefits, as they are no longer an eligible family member.

For all transactions, the effective date is the 1st day of the month following the event date.

Retroactive reimbursement of health premiums will not exceed six months prior to the date the mandatory event is reported (CCR 599.502).

Permissive Transactions

Permissive transactions are additions or deletions to a health enrollment at the voluntary request of the enrolled member. Permissive transactions include events such as:

- Child reaches age 18
- Family member enters military
- Family member obtains other group coverage
- Optional delete

For most transactions, the effective date is the 1st of the month after you receive the enrollment form(s) and applicable supporting documentation.

Health Enrollment, Continued

Retroactive Transactions

Retroactive transactions occur when the eligibility status for a member or dependent changes due to death, marital status, changes in employment and other circumstances, and the **change is not reported in a timely manner**.

These transactions often result in a difference between the premiums *paid* and the premiums that *should have been paid* if the transaction had been reported timely.

Retroactive Reimbursement

Reimbursement to members and employers is limited to the amount of excess health premiums paid for a period of **up to six months** prior to the date on which the action is processed and recorded, pursuant to the member's request for retroactive cancellation or deletion of the ineligible family member.

Please note that if the enrollment is updated on a prospective basis, there may be no refund of health premiums given.

Prohibited Enrollments

The following types of enrollments are not permitted:

- Enrolling in two CalPERS health plans
 - Dual CalPERS coverage occurs when a member is enrolled in a CalPERS health plan as both a member (subscriber) and a dependent or as a dependent on two enrollments.
- Split Enrollment of dependents
 - When two active or retired members are married to each other or in a domestic partnership and enroll in a CalPERS health plan in their own right, one parent must carry all dependents on one health plan.
 - Parents cannot split enrollment of dependents

When dual CalPERS coverage or a split enrollment is discovered, the enrollment that caused the dual coverage or split enrollment must be retroactively canceled. The employee is responsible for all costs incurred from the date the dual coverage or split enrollment began.

Responsible Parties

Timely notification requires a collaborative effort between employers, members and CalPERS. When enrolling in the CalPERS health care program, members certify that all dependents are eligible family members. Employers are responsible for accurately reporting changes from members to CalPERS, as well as advising CalPERS of employment changes to covered members. CalPERS is responsible for confirming updated information so that health plans are providing services to eligible members only.

Health Enrollment, Continued

Members who fail to report an enrollment change could be liable for retroactive reimbursement to their employer of premiums in excess of six months prior to the date on which the action is processed and recorded.

Employers who do not record the transaction are only entitled to retroactive benefit premiums **up to six months** from the date the deletion or cancellation is processed and recorded.

Example 1

The following is an example of a retroactive reimbursement claim caused by the failure of a **member** to appropriately report a mandatory deletion or cancellation:

An employee gets a divorce, on December 12, 2013; however, the employee does not report the divorce until December 6, 2016. This is a *mandatory* deletion with an effective date of January 1, 2014. If the employee had reported the divorce in a timely manner, the former spouse's coverage would have been cancelled, and he/she would have received COBRA group continuation information.

Since the member reported the event late, this creates a retroactive health benefit premium overpayment for 36 months (January 2014 – December 2016). The reimbursement of excess premiums will be calculated for only the last six months (July 2016 – December 2016), and the health plan may bill the member for any claims submitted for the former spouse subsequent to January 1, 2014.

Example 2

The following is an example of a retroactive reimbursement claim caused by the failure of an **employer** to appropriately report a mandatory deletion or cancellation:

An employee separates from employment on January 5, 2014; however, the employer does not report the separation until December 6, 2016. This is a *mandatory* cancellation with an effective date of March 1, 2014. If the employer had reported the separation in a timely manner, the former employee's coverage would have been cancelled, and he/she would have received COBRA group continuation information.

Since the employer reported the event late this creates a retroactive health benefit premium overpayment for 34 months (March 2014 – December 2016). The reimbursement of excess premiums will be calculated for only the last six months (July 2016 – December 2016), and the health plan may bill the member for any claims submitted subsequent to March 1, 2014.

[Circular Letter 600-215-05 \(PDF\)](#)

Limiting Retroactive Reimbursement Liability for Health Premiums

Attachment: [FAQ's for Employers \(PDF\)](#)

Health Enrollment, Continued

Changing Health Plans

Health plans may be changed at the following times:

- During the CalPERS Open Enrollment period
- Within 60 days of the following events:
 - Change in residence or change in employment
 - Upon retirement
 - Becoming a survivor
 - By court order
 - When a dependent moves out of the service area, i.e., out-of-state
 - Enrollment in Medicare by a member or their dependent
 - This only applies after the member retires

Life Changes

The employee is responsible for ensuring that their health enrollment information is accurate. Information that must be reported in a timely manner includes:

- Marriage/domestic partnership
- Divorce/termination of domestic partnership
 - Former spouse or registered domestic partner is no longer eligible to receive health benefits under the employee's coverage
- Death of an employee
 - The employer, surviving spouse, registered domestic partner or a family member must notify CalPERS to report the death
 - After we process the death report, the health coverage for the employee and all enrolled dependents will automatically cancel.
- Death of a family member
 - Employee must notify you
- Change of residential address
 - An employee must contact you when they move to ensure the correct ZIP Code is used to establish eligibility in a health plan.

Health Enrollment, Continued

Life Changes, Continued

- Medicare eligibility
 - Once a member or their dependent becomes eligible for Medicare due to age, a disability, or End-Stage Renal Disease (ESRD) they should notify CalPERS immediately to receive further guidance.

- Court Order
 - A court order advising the member is no longer required to enroll the dependent(s)

Failure to maintain current and accurate health enrollment information can result in liability to reimburse health premiums or health care services during the entire ineligibility period.

Health Enrollment, Continued

Required Health Enrollment Documents

The following tables below lists the necessary forms and supporting documentation required for the various types of enrollments or changes to enrollment. For a complete list, refer to the Health Eligibility Requirements section of this guide.

Social Security numbers are required for all dependents upon initial enrollment or upon change of enrollment.

Enrollment Type	CalPERS Forms	Copies of Supporting Documentation
Active employee – new enrollment	<ul style="list-style-type: none"> • Health Benefits Plan Enrollment* 	<ul style="list-style-type: none"> • N/A
Adding a registered domestic partner	<ul style="list-style-type: none"> • Health Benefits Plan Enrollment* 	<ul style="list-style-type: none"> • Declaration of Domestic Partnership from the California Secretary of State’s Office • Medicare card (if applicable)
Adding a spouse	<ul style="list-style-type: none"> • Health Benefits Plan Enrollment* 	<ul style="list-style-type: none"> • Marriage Certificate • Medicare card (if applicable)
Adding/deleting a dependent child	<ul style="list-style-type: none"> • Health Benefits Plan Enrollment* 	<ul style="list-style-type: none"> • Birth Certificate • Medicare card (if applicable) • Reason for add/delete
Adding a dependent who is in a parent-child relationship	<ul style="list-style-type: none"> • Affidavit of Parent-Child Relationship • Health Benefits Plan Enrollment* 	Required supporting documentation for a PCR dependent under age 19 includes:

Health Enrollment, Continued

Required Health Enrollment Documents, Continued

Enrollment Type	CalPERS Forms	Copies of Supporting Documentation
<p>Adding a dependent who is in a parent-child relationship, (continued)</p>	<ul style="list-style-type: none"> • Affidavit of Parent-Child Relationship • Health Benefits Plan Enrollment* 	<ul style="list-style-type: none"> • A copy of the first page of the subscriber's 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, subscribers may submit other documents that substantiate the child's financial dependency upon them, including the following (collectively referred to as "Other Suitable PCR Documentation"): <ul style="list-style-type: none"> - Current legal judgments or court documents showing the subscriber's legal parental status or duties/guardianship over the child - Bank, credit card, tuition or insurance statements or payments - School records - Bills or mail indicating common residency with the child

Health Enrollment, Continued

Required Health Enrollment Documents, Continued

Enrollment Type	CalPERS Forms	Copies of Supporting Documentation
Adding a dependent who is in a parent-child relationship, (continued)	<ul style="list-style-type: none"> • Affidavit of Parent-Child Relationship • Health Benefits Plan Enrollment* 	<p>Required supporting documentation for a PCR dependent from age 19 up to age 26 includes:</p> <ul style="list-style-type: none"> • A copy of the first page of the subscriber's income tax return from the previous tax year listing the child as a tax dependent, OR • Another suitable PCR documentation, that substantiates that the child is financially dependent upon the subscriber provided that the child: <ul style="list-style-type: none"> - Either lives with the subscriber for more than 50 percent of the time, or is a full-time student, AND - Is dependent upon the subscriber for more than 50 percent of the child's support.
Deleting a spouse due to divorce	<ul style="list-style-type: none"> • Health Benefits Plan Enrollment* 	<ul style="list-style-type: none"> • Divorce Decree
Deleting a registered domestic partner due to termination of partnership	<ul style="list-style-type: none"> • Health Benefits Plan Enrollment* 	<ul style="list-style-type: none"> • Termination of Domestic Partnership submitted to the California Secretary of State's Office

Health Enrollment, Continued

Required Health Enrollment Documents, Continued

Enrollment Type	CalPERS Forms	Copies of Supporting Documentation
Enrolling self or dependents due to loss of other health coverage	<ul style="list-style-type: none"> • Health Benefits Plan Enrollment* 	<ul style="list-style-type: none"> • Proof of loss of coverage • Marriage Certificate (Spouse) • Declaration of Domestic Partnership (domestic partner) • Birth Certificate (child) • Medicare Card (if applicable)
Disabled child over age 26 – certification	<ul style="list-style-type: none"> • Member Questionnaire for the CalPERS Disabled Dependent form • Medical Report for the CalPERS Disabled Dependent 	<ul style="list-style-type: none"> • N/A
Death of employee, retiree, or family member	<ul style="list-style-type: none"> • Health Benefits Plan Enrollment* 	<ul style="list-style-type: none"> • Death Certificate
Change plans due to address change	<ul style="list-style-type: none"> • Health Benefits Plan Enrollment* 	<ul style="list-style-type: none"> • Include both old & new addresses
Off-Pay Status – continue coverage	<ul style="list-style-type: none"> • Direct Payment Authorization 	<ul style="list-style-type: none"> • N/A
Off-Pay Status – cancel coverage	<ul style="list-style-type: none"> • Health Benefits Plan Enrollment* 	<ul style="list-style-type: none"> • N/A
COBRA	<ul style="list-style-type: none"> • Group Continuation Coverage (COBRA election) 	<ul style="list-style-type: none"> • N/A

* Used to enroll, change and cancel health plan enrollment.

** Birth certificate for newborns is due at the time of enrollment or 60 days after the effective date. Until the birth certificate is available the employee must provide an official hospital birth record recording the birth of the child.

Health Enrollment, Continued

Required Health Enrollment Documents, Continued

Note: To view CalPERS Health Program Forms, search for health forms on the CalPERS website [Forms & Publications](#) page. These forms are revised periodically.

Legal References

Retroactive Transactions: CCR 599.502(f)(3)(C) and 599.506 (c)(1)

Health Enrollment Reason Codes

Reason Codes Guide

Use the following guide as a tool when preparing an HBD-12 enrollment form or entering a transaction in my|CalPERS. The guide should be referenced on a consistent basis to ensure that the appropriate code and effective date is applied.

Note: Reason Codes replaced Permitting Event Codes and will be entered in box 14 of the HBD-12 health benefits plan enrollment form. See the [my|CalPERS Health Aid \(PDF\)](#) for more information.

Using the Guide

The reason codes are grouped into sections such as new enrollments, adding or deleting dependents, changing plans and cancellation.

Important: When adding or deleting dependents, make note if the event is *mandatory* or *permissive*. This will affect effective dates and COBRA rights.

Mandatory Transactions (M)

Additions to or deletions from health enrollments **due to requirement by law**. Events such as divorce, death of a dependent, overage 26-year-old dependents, spouse/dependent enrolling in a CalPERS health plan, and birth of a newborn, are all mandatory transactions.

The effective date is the first of the month following the event date.

Although a member's divorce decree may stipulate that they must provide health benefits for the ex-spouse, the ex-spouse cannot remain enrolled in CalPERS health benefits, as they are no longer an eligible family member.

Permissive Transactions (P)

Additions to or deletions from health enrollments **due to voluntary request** of the member and not required by law. Events such as a dependent who moves out of the household, obtains other non-CalPERS health coverage, or enters military service, as well as a change in child custody or addition of a new spouse or stepchild, are all permissive transactions.

The effective date is the first of the month following the HBO received date.

Reason Codes Guide**

New Enrollment

Reason Code	Description	Event Date	Effective Date Method
100	New Qualifying Appointment	Date of Appointment	2
101	Loss of Health Coverage	Date other coverage ends	2
102	New Enrollment after Reinstatement from Retirement	Date of Appointment	2
103	Return from Military Leave	Date employee returns to work	2
104	New Enrollment for Employee during <i>Open Enrollment</i>	First date of Open Enrollment	4
105*	New Enrollment for Retiree during <i>Open Enrollment</i>	First date of Open Enrollment	4
108	Employee enrolling in their own CalPERS health plan after deletion as a dependent from a CalPERS health plan	Date dependent coverage terminates	2
109*	Retiree enrolling in their own CalPERS health plan after deletion as a dependent from a CalPERS health plan	Date dependent coverage terminates	2
111	New Enrollment for Employee off pay status during Open Enrollment Period	Date of return to pay status	6
112*	New Retirement Enrollment	Date of Retirement	3
113*	Deferred Retirement Enrollment	Date of Retirement	3
119	Pending Retirement	Date of Separation	7
123	Enroll Direct Pay	Equal to the date of the layoff	7
129	Special Enrollment Employees	Date determined by CalPERS	5
131	COBRA - Reduction in Hours	Date hours reduced	7
132	COBRA - Loss of Employment	Date employment terminates	7
133	COBRA - Div./Sep/Move from Household	Date of divorce, separation or move from household	1(M)
134	COBRA - Death of Employee	Date of Death	1(M)
135	COBRA - Dep Cont.-Subscriber on Medicare	Date of subscribers 65 th birthday	1(M)
136	COBRA - Loss of Dependent Status	Date dependent loses dependent status	1(M)
146	Re-enroll SES/PA FFPO Survivor	Date of Death	3

Reason Codes Guide, Continued

New Enrollment, Continued

Reason Code	Description	Event Date	Effective Date Method
148	Enroll less than half-time employee	Date of Appointment	2
160	Return from off pay status	Date of return to pay status	1(M)
163	New contracting survivor without benefits	Date of new contract	8
167	Re-employment	Equal to the date of the appointment	2
169	Pending Retirement – Deferred Retirees (Internal Use Only)	Date of Separation	7
170*	OE Enroll < half time Employee New Enrollment	First date of Open Enrollment	4

Adding Dependents

Reason Code	Description	Event Date	Effective Date Method
200	Adding Newborn or Newly Adopted Child	Date of birth, date of adoption or placement for adoption	1(M)
201	Adding New Spouse or Step-children due to Marriage	Date of Marriage	2
202	Adding child due to Change in Custody	Date dependent is acquired	2
203	Adding "miscellaneous" child who lives in parent-child relationship with employee	Date dependent is acquired	2
204	Adding dependent due to loss of non-CalPERS health coverage	Date other coverage terminates	2

Reason Codes Guide, Continued

Adding Dependents, Continued

Reason Code	Description	Event Date	Effective Date Method
205	Adding dependent due to return from Military Leave	Date of return from Military leave	2
206	Adding dependent during Open Enrollment	First date of Open Enrollment	4
207	Adding dependent upon return from off pay status during Open Enrollment	Date of return to pay status	6
208	Adding dependent due to Court Order	Date of Court Order	1(M)
213	Special Enrollment Dependent	Date determined by CalPERS	5
215	Adding Domestic Partner	Date of Domestic Partner Registration	2
216	Adding Domestic Partner Children	Date of Domestic Partner Registration or date dependent is acquired	2

Deleting Dependents

Reason Code	Description	Event Date	Effective Date Method
300	Deleting dependent due to death	Date of death	1(M)
301	Deleting dependent who reaches age 26	Dependent's 26 th birth date	1(M)
302	Deleting dependent(s) due to divorce	Date of divorce	1(M)
303	Deleting child due to marriage	Date of child's marriage	1(M)
304	Deleting dependent who is enrolling in their own CalPERS health plan	The day before the effective date	1(M)
305	Deleting dependent who is no longer disabled	Date determined no longer disabled	1(M)
306	Deleting ineligible dependent	Date determined ineligible as a dependent	1(M)
307	Deleting dependent who obtains other coverage	Date other coverage begins	1(P)
308	Deleting dependent due to Legal Separation	Date of legal separation	1(P)

Reason Codes Guide, Continued

Deleting Dependents, Continued

Reason Code	Description	Event Date	Effective Date Method
309	Deleting dependent who goes on Military leave	Date of military leave	1(P)
310	Deleting dependent due to loss of eligibility as "miscellaneous" child	Date dependent loses eligibility	1(M)
311	Deleting all dependents	Date of request	1(P)
312	Deleting dependent due to Change in Custody	Date custody changes	1(P)
313	Deleting dependent who moves out of household	Date of move	1(P)
318	Deleting Domestic Partner	Date Domestic Partnership terminates	1(M)
319	Deleting Domestic Partner children	Date Domestic Partnership terminates	1(M)
320	Deleting dependent during Open Enrollment	First date of Open Enrollment	4
324	Deleting 26-year-old	Date of dependent's 26 th birth date	1(M)

Eligibility Zip Code Change

Reason Code	Description	Event Date	Effective Date Method
480	Add Eligibility ZIP Code	Administratively determined	3
481	Terminate Eligibility ZIP Code	Administratively determined	3

Changing Health Plans

Reason Code	Description	Event Date	Effective Date Method
400	Open Enrollment Change in Health Plans	First date of Open Enrollment	4
401	Changing health plans upon return from off pay status during Open Enrollment	Date of return to pay status	6
402	Change in physical address (Move)	Date of move	1(P)
403	Gain Association Membership	Date of membership	1(P)
404	Lose Association Membership	Date loses membership	1(M)
405*	Special Open Enrollment	Administratively determined	3

Reason Codes Guide, Continued

Direct Pay

Reason Code	Description	Event Date	Effective Date Method
704	LOA	Date of last day on pay status	7
705	Workers' Comp/Claim Pending	Date of claim pending	7
712	Change to deduction – return to work	Date of return to work	1(M)
713	Change to deduction other	Date of event	1(M)
714	Change to Direct Pay Other	Date of event	1(M)
715	Change to deduction – FMLA	Date of event	1(M)
716	Change to deduction – Retirement	Date of event	1(M)

Cancel

Reason Code	Description	Event Date	Effective Date Method
501	Change in Appointment to Non-Participating Bargaining Unit	Date of change in appointment	1(M)
502	Employment status changes to non-qualifying	Date status changes	7
504	Delay in Retirement Roll Placement	Administratively determined	1
505	Voluntary Request to Cancel Coverage	Date of Request	1(P)
507	Appeal Denied	Date of Appeal Denied	1(M)
515	Cancel: Permanent Separation	Date of Permanent Separation	7
516	Layoff cancel	Date of Layoff	7
526	Subscriber Death	Date of Death	1(M)
530	Cancel coverage during Open Enrollment	First date of Open Enrollment	4
532	Survivor dependent no longer eligible	Date determined ineligible as a dependent	1(M)
533	Off Pay Status – Cancel Coverage	Date of Off Pay Status	7
534	Military Leave	Date of Military Leave	1(P)
535	Reinstatement (Non-PERS)	Date of Reinstatement	1(M)
536	Subscriber Request - COBRA	Date of Request	2
546	STRS decline health into retirement	Date of Permanent Separation	7

Reason Codes Guide, Continued

Coverage Change

Reason Code	Description	Event Date	Effective Date Method
709	Insufficient Earnings	Date of Insufficient Earnings	7
710	Pending NDI	Date Participant goes on NDI	7
904	Change Medical Group	User Defined	1(M)
908	Opt in Vesting	Date of Request	2
909	Opt out Vesting	Date of Request	2

*Processed by CalPERS

Effective Date Key

Effective Date Method	Effective Date Description
1	1 st day of the month following the Event Date (Mandatory Event) or HBO Received Date (Permissive).
2	1 st day of the month following the HBO Received Date if within 60 days of the Event Date. If HBO Received Date is beyond the 60 th day, the effective date is the 1 st day of the month following a 90-day waiting period from the HBO Received Date (Permissive Event).
3	Administratively determined.
4	Open Enrollment effective date (January 1 of contract year).
5	Special Open Enrollment effective date determined by CalPERS. HBO Received Date must be within special enrollment dates established by CalPERS.
6	1 st day of the month following HBO Received Date or most recent Open Enrollment effective date, whichever is latest.
7	1 st day of the 2 nd month following the Event Date.
8	1 st day of the month following HBO Received Date if within 60 days of the Contract Date. If HBO Received Date is beyond the 60 th day, the effective date is the 1 st day of the month following a 90-day waiting period from the HBO Received Date (Permissive Event).

****Note:** When processing health transactions in my|CalPERS, you will use Health Event Reasons in lieu of the Reason Codes. For more information, see the online [my|CalPERS Health Aid \(PDF\)](#).

Summary of Benefits and Coverage & Uniform Glossary

Purpose

The Affordable Care Act (ACA) requires health plans and other responsible parties to make available a Summary of Benefits and Coverage (SBC) and a uniform glossary (Glossary) of common health insurance terms. Together, these documents provide important information to help individuals better understand their health benefit coverage and more easily compare health plan options.

Newly Eligible Employees

The SBC's implementing regulations require responsible parties to provide SBC and Glossary information to newly eligible employees no later than the first date on which they are eligible to enroll in coverage.

To meet the SBC and Glossary notification requirements, employers must insert their agency letterhead at the top of the [Summary of Benefits and Coverage Notice \(PDF\)](#) (or create their own) and include it in their hiring or benefits package.

Current Members

CalPERS and its health plans currently notify existing members how to access and obtain copies of these documents during Open Enrollment.

Penalties

Failure to provide SBC and uniform glossary information, as described in the regulations, could yield penalties of up to \$1,000 for each failure.

Additional Information

California State University Health Benefits Officers:

Please refer to the August 16, 2018 [Circular Letter 600-053-18 \(PDF\)](#) titled Distribution of 2018 Summary of Benefits and Coverage Notice to New Employees.

State Health Benefits Officers:

Please refer to the [California Department of Human Resources Policy Statement #1402](#) Affordable Care Act.

Direct Payment Authorization

When an employee may be eligible

An employee may be eligible to elect to continue their health coverage in the following situations:

- Leave of absence without pay
- On temporary disability leave and do not use leave credits for supplementation
- Pending approval of disability retirement or service retirement
- Pending approval of Non-Industrial or State Disability Insurance benefits
- Suspended from their job or they institute legal proceedings appealing a dismissal from their job
- State Permanent Intermittent employee eligible for health benefits but in a non-pay status

Upon the death of an employee while in State service, the law requires the State employer (except CSU) to continue to pay contributions for all enrolled dependents' health coverage for 120 days under direct pay.

When an Employee elects to enroll

When an employee elects to enroll in direct pay:

- A [Direct Payment Authorization \(PDF\)](#) form must be completed and signed by you and the employee
- You must update the employee's appointment in Personnel Information Management System (PIMS) and employee's status in my|CalPERS
- You must update the employee's health enrollment to reflect enrollment in direct pay or cancellation due to off-pay status
- The employee must pay 100 percent of the premium directly to the health plan by the established due dates
- The employee may elect to delete dependents before starting Direct Pay and must submit a [Health Benefits Plan Enrollment \(PDF\)](#) form to you
- The employee may add newly acquired dependents while on Direct Pay
- The employee must contact you if they wish to discontinue their direct pay
- There is no limitation on how long they can be enrolled unless it is due to a layoff
 - A new [Direct Payment Authorization \(PDF\)](#) form would need to be completed if the employee extends their leave past the original direct pay end date provided on the original form.
 - An employee who is laid off may use direct pay up to one year.

When an employee **does not** elect to enroll in direct pay, a [Health Benefits Plan Enrollment \(PDF\)](#) form must be completed and signed by you and the employee to cancel off-pay status coverage.

Direct Payment Authorization, Continued

Employee returns to work

Upon the employee's return to work, you must:

- Update the employee's status in my|CalPERS
- Update the employee's appointment in PIMS
- Update the employee's health enrollment to reflect their return to work status
- Schedule health deductions to resume the 1st of the month following the employee's return if they elect to re-enroll.
 - Payment must be made for the month in which the employee returns to work.
 - Complete HBD-12 enrollment form

[Circular Letter 600-050-14 \(PDF\)](#) Off – Pay Status: Health Enrollment Procedures

Consolidated Omnibus Budget Reconciliation Act (COBRA)

Background

Consolidated Omnibus Budget Reconciliation Act (COBRA) is a federally mandated program which requires continuation of health coverage when an event occurs that normally would have terminated coverage for an employee or dependent. This section is intended to provide basic information regarding COBRA. It is general in nature and not designed to render legal advice.

The employer must provide employees with COBRA rights within 45 days of separation from employment, or for dependents losing coverage, within 45 days of notification of dependent's ineligibility for coverage.

It is each employer's responsibility to meet the requirements of the COBRA Federal law. For notice requirements, or if legal or other expert assistance is required, the services of a competent professional should be sought.

Forms

[COBRA Election Form \(PDF\)](#) (PERS-HBD-85)

[COBRA Election Form – Retirees Only \(PDF\)](#) (HBD-85R)

COBRA

As the employer, you are responsible for:

- Providing COBRA information to the employee and/or their eligible family members
- Informing the employee that up to 102 percent of the health premium is to be paid by them, directly to the health plan for the coverage period
- Collecting completed [Group Continuation Coverage \(PDF\)](#) (*COBRA Election*) form within 60 days of the qualifying event if they elect to continue coverage
- Update my|CalPERS to reflect COBRA enrollment and/or COBRA changes

COBRA Qualifying Events

The following table lists COBRA qualifying events and their coverage period:

Qualifying Events	Coverage Period
Separation from employment	18 months
Reduction in work hours (including layoff)	18 months
Military leave	24 months
Divorce or domestic partnership termination	36 months
Legal separation	36 months
Child that ceases to be dependent	36 months
Death of an employee or annuitant (unless dependent qualifies for continued coverage as a survivor)	36 months

COBRA, Continued

California COBRA (Cal-COBRA)

Under certain conditions, California law permits an extension of COBRA continuation coverage known as Cal-COBRA:

- If the employee exhausts federal COBRA coverage and had less than 36 months of coverage, COBRA coverage may extend the benefit up to a total of 36 months, but cannot exceed 36 months.
- Employee must have been continuously enrolled and paid premiums for the original 18 or 24 months of coverage
- Employee must request an extension through the health plan
- Employee must pay premiums directly to the health plan
- Health premiums may not exceed 110 percent

Note: Cal-COBRA is directly handled by the health carriers.

Legal References

- 1985 Consolidated Omnibus Budget Reconciliation Act (COBRA).
- A.B. 1401, 2002, Thomson
- Individual Conversion Policy, CCR 599.507 and CCR 599.508

Employee Separations

Reporting

Employers must update the appointment status of their employees in PIMS.

Always report the separation date.

Accurate reporting of employee separations will ensure correct billing on a monthly basis. Transactions that update the member's enrollment status with the health plan, update the billing as well. During these status changes, timely and accurate information will ensure a smooth transition for your employee and his/her dependents. The agency's responsibility in each type of separation is listed below.

Employee Separation (NOT Retiring)

Effective Date

Termination of the health insurance coverage as an active employee is the first of the second month following the date of separation. Since this is prepaid health coverage and payroll deductions are taken the month preceding the coverage month, the employee is entitled to coverage for the month following the dismissal or resignation date (CCR 599.506).

Consolidated Omnibus Budget Reconciliation Act (COBRA)

Provide employee with COBRA election forms. Please see the *COBRA* section of this guide for more information.

Cancelling Coverage

If the employee does NOT want the coverage for the month following his/her separation, the employee must sign an HBD-12 electronically or physically electing to voluntarily cancel his/her coverage. If the employee cancels coverage, he/she will NOT be eligible for group continuation benefits (COBRA).

Temporary Leave of Absence

Continuing or Cancelling Coverage while on Leave of Absence

An employee who is not on regular pay status for a full pay period or more may elect to either cancel their health benefits coverage or continue coverage by paying the premium directly to the health plan (Direct Payment). The effective date is the last day of the second month following the Begin Leave date. Please refer to *Direct Payment Authorization* section of this guide for more information.

Employee Separations, Continued

Death of Employee Reporting

Employers must report the death of their employees in my|CalPERS or contact the CalPERS Customer Contact Center at **888-CalPERS** (or **888-225-7377**).

Effective Date

The effective date of the termination of the health insurance coverage is the first day of the month following the date of death. Provide dependents, if any, with COBRA election forms. COBRA, if elected, will begin after the 120 days of the employer paid Direct Pay is exhausted. Please see the *COBRA* section of this guide for more information.

Separation for Service Retirement Reporting

- Employees must apply for Service Retirement from their respective retirement systems
 - PERS members must file a BSD-369-S ([Application for Service Retirement PDF](#)) which can be done online through my|CalPERS member self-service. If possible, the employee should submit this form to PERS at least 90-days prior to retirement date
- Employers must update the appointment status (permanent separation) for their employees in PIMS
- For CalPERS members, employers also submit a:
 - [Report of Separation and Advance Payroll Information \(PDF\)](#) form
 - Your agency will receive the form when CalPERS acknowledges receipt of the Application for Service Retirement from the member.
- Please see the *Health into Retirement* section in this guide for more information.

Effective Date

Termination of the health insurance coverage as an active employee is the first day of the second month following the date of separation.

Direct Payment

While it is not necessary to submit a [Direct Payment Authorization \(PDF\)](#) (HBD-21) form when an application for service retirement is being processed, it may be done if a delay in receiving retirement benefits is anticipated. Please refer to the *Direct Payment Authorization* section of this guide for a more information.

Employee Separations, Continued

Separation for Disability Retirement Reporting

- Employees must apply for disability retirement from their respective retirement systems by filing a BSD-369-D ([Application for Disability Retirement \(PDF\)](#))
- Employers must update the appointment status for their employees in my|CalPERS and submit the [Report of Separation and Advance Payroll Information \(PDF\)](#) form
- Employees must provide a Medicare card (if applicable)

Effective Date

Termination of the health insurance coverage as an active employee is the first day of the second month following the date of separation.

Continuing Coverage (Direct Pay)

Applications for Disability Retirement can take a long time to process (months), resulting in a delay of retirement benefits. It is strongly recommended that employees submit a [Direct Payment Authorization \(PDF\)](#) form when a Disability Retirement is pending. Otherwise, the member will be **not covered** until the retirement account is established. If the member requires health services during this time they will be denied. Please refer to the *Direct Payment Authorization* section of this guide for more information.

Legal References

- Retroactive Reimbursement
 - CCR 599.502(f)(2)(C)
 - CCR 599.506(c)(1)

Health Benefits into Retirement

Retiree Eligibility

An employee must meet all the following requirements to be eligible to enroll or continue enrollment in our health plan as a retiree:

- Separate and retire within 120 days
- Receive a monthly retirement allowance
- Be eligible for Health Benefits at separation

If an employee separates, with no intent to retire, health coverage will be terminated the first of the second month following the date of separation.

Note: Once an employee retires, CalPERS becomes the Health Benefits Officer. Retirees should be directed to the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**) with any questions.

Option Upon Retirement After Reinstatement

Government Code 22838 allows a retiree who reinstates and retires a second time to receive health benefits from the employer from which the retiree first retired, provided the retiree was eligible for post-retirement health coverage with the first employer and has separated and retired within 120 days from the second employer. The Government Code applies to retirees who, after reinstatement subsequently retire on or after January 1, 2014 if all the following criteria are met.

- The retiree was eligible for retiree health coverage prior to reinstatement from retirement, *and*
- The employee then retires a second time within 120 days of separation, *and*
- The post-retirement employer contribution of the first employer is higher than the second employer, *and*
- The request must be sent to CalPERS by the retiree.

A retiree meeting these eligibility requirements may elect to enroll in health under the former employer during the following times:

- Within 60 days of the annuitant's re-retirement date, or
- During an Open Enrollment period where no prior election has been made

Medicare

Medicare

Medicare is a federal health insurance program for individuals:

- Age 65 or older
- Under age 65 with certain disabilities
- With End-Stage Renal Disease (ESRD)

The [Social Security Administration](http://www.ssa.gov) (SSA) is the federal agency responsible for Medicare eligibility determination, enrollment, and premiums. For more information contact the SSA at (800)772-1213 or TTY (800) 325-0778, or visit their website at www.ssa.gov.

The Centers for Medicare & Medicaid Services (CMS) regulates the Medicare program. For more information contact CMS at (800) 633-4227 or TTY (877) 486-2048, or visit their website at www.cms.gov.

Medicare Enrollment (Turning Age 65)

Four months prior to the active or retired member's and/or dependent(s) 65th birth month, they will receive notification from CalPERS of the requirements to continue CalPERS health coverage after turning age 65. The notification includes:

- Ineligibility of Medicare Certification form
- Medicare Plan Options

When a member is actively employed past age 65 and their health coverage is based on this employment, they will remain enrolled in a CalPERS basic health plan.

- An active member and/or dependent who are working past the age of 65 may defer Medicare enrollment through the SSA if they are covered under an active employer group health plan (EGHP).
- An active member and/or dependent may enroll in Medicare; however, the basic health plan is the primary payer while the member is actively working and covered by an EGHP.
- When a member is retired and is turning age 65, the member and/or dependent turning age 65 must enroll in Medicare if they are Medicare eligible or provide supporting documentation from the SSA that they are ineligible for Medicare. This action must be taken prior to their 65th birthday or their CalPERS health coverage will be cancelled.

Medicare Enrollment (Under Age 65)

If you are under the age of 65 and Medicare eligible you must provide your Medicare Part A and Part B information to CalPERS by submitting a copy of your Medicare card and then transfer to a CalPERS Medicare health plan. Your enrollment into a CalPERS Medicare health plan will be processed and effective upon approval by the CMS.

For more information regarding CalPERS Medicare health plans please visit our website at www.calpers.ca.gov.

Separation and Retirement Dates

When Health Premiums are paid

When an active state employee permanently separates to retire, the premiums are paid as follows:

- Separation date is between the 1st – 10th of the month
 - Retiree health coverage begins the first of the month following the retirement date
- Separation date is between the 11th – 31st of the month
 - Retiree health coverage begins the first day of the second month following retirement date
 - **Note:** Since this is prepaid health coverage and payroll deductions are taken the month preceding the coverage month, the employee is entitled to coverage for the month following the dismissal or resignation date (CCR 599.506) group.

Separation and Retirement Dates

To determine the effective date of a new retiree enrollment, please refer to the table below.

If separation and retirement dates are...	and...	then health coverage...	Note
within 30 days of each other	the employee is enrolled in a health plan at the time of separation	will continue into retirement without a break	If the employee does not want to continue health benefits into retirement, they must cancel health coverage through the employer.
between 31 and 120 days of each other	the employee is enrolled in a CalPERS health plan at the time of separation	will not automatically continue. The employee may request to re-enroll with CalPERS as follows: <ul style="list-style-type: none"> ● Within 60 days of the retirement date ● During Open Enrollment ● Due to the 90-day HIPAA Late Enrollment 	When the health coverage lapses they may be eligible for COBRA.
more than 120 days apart	regardless of whether they are enrolled in a CalPERS health plan at the time of separation	cannot be reinstated. They are no longer eligible for CalPERS health benefits.	There are some exceptions to the rule. (Deferred Retirees only, must meet the required criteria for enrollment)

Post – Retirement Health Vesting

Employer Contribution

The amount of credited "State service" required to receive a percentage of the employer contribution toward the cost of the monthly health premium during retirement.

- The monthly employer contribution or "State's Share" is specified by California Government Code section 22871.
- The employer contribution is adjusted annually.
- The amount the State contributes toward a retiree's health coverage depends on State Health Vesting requirements.
- Some bargaining units are subject to dependent health vesting where the State provides new employees a reduced health benefits contribution toward dependent vesting.
 - Refer to [CalHR](#) for additional detailed information

Note: If the health plan premium is more than the State's share, the retiree will be responsible to pay any amount above that.

Health Vesting

- The amount of credited "State service" required to receive a percentage of the employer contribution toward the cost of the monthly health premium during retirement.
- "State service" is defined as service rendered as an employee or officer of the state, the university, a school employer, or a contracting agency for compensation. (Gov. Code section 20069)
- **Fully vested:** A State member has enough years of State service to receive 100 percent of the State contribution towards the health plan's premium upon retirement.
- **Partially vested:** A State member's service years are enough to cover at least 50 percent of the state contribution.
 - State health vesting criteria does not allow for an employer contribution less than 50 percent.
- **Not vested:** A State member does not have enough years of State service to receive a state contribution.
 - A retiree may be enrolled in a CalPERS health plan, even if they are not vested. However, they would be responsible for paying 100 percent of the health plan premium.

Post – Retirement Health Vesting, Continued

First hired by the State before 1/1/1985:

- No vesting criteria required
- Eligible for 100 percent of the State's share of health plan premium

First hired by the State 1/1/1985 through 1/1/1989 (Gov. Code section 22873):

- For purposes of vesting under Gov. Code 22873, the definition of state service in Gov. Code 20069 is used to define "State service" and includes service with a:
 - State agency
 - Contracting agency
 - School employer

Years of Credited State Service	Percentage of State's Share of Health Plan Premium
Less than 5 years	0 percent
5 through 10 years	50 percent + (Prorated based on years of service)
10 years or more	100 percent

Example: 5.600 years of service = 56 percent of the State's share

Note: Legislative and California State University (CSU) employees are exempt from Gov. Code section 22873 State health vesting requirements; however, they must meet the definition of an annuitant under Gov. Code section 22760 and retire from that specific agency. There are also no State health vesting requirements for State disability retirees and a family member who qualifies as a surviving annuitant due to the active member's death.

First hired by the State after 1/1/1989 (Gov. Code section 22874):

- "State service" is defined in this section of the law to only include service with a state agency.

Years of Credited State Service	Percentage of State's Share of Health Plan Premium
Less than 10 years	0 percent
10 years	50 percent
11 through 19 years	50 percent + 5 percent for each completed year over 10 years
20 years or more	100 percent

Example: 12.900 years of State agency service = 60 percent of the State's share

Note: Legislative, California State University (CSU), and Judicial Branch employees are exempt from Gov. Code section 22874 State health vesting requirements; however, they must meet the definition of an annuitant under Gov. Code section 22760 and retire from that specific agency. There are also no State health vesting requirements for State disability retirees and a family member who qualifies as a surviving annuitant due to the active member's death.

Post – Retirement Health Vesting, Continued

Important Dates First Hired by the State based on Bargaining Unit

"State service" is defined in this section of the law to only include service with a state agency.

Some bargaining units have a 25-year vesting schedule for State employees that are hired on or after certain dates. These bargaining units and hire dates are as follows:

- Bargaining unit 12 - January 1, 2011 (Gov. Code section 22874.1)
- Bargaining units 9 and 10 - January 1, 2016 (Gov. Code section 22874.2)
- Bargaining units 1, 2, 3, 4, 6, 7, 8, 11, 13, 14, 15, 17, 18, 19, 20, 21 and the Judicial Branch - January 1, 2017 (Gov. Code sections 22874.3 and 22874.4)
- Bargaining unit 16 - April 1, 2017 (Gov. Code section 22874.5)

If you are a member of one of these bargaining units and were hired on or after the dates indicated for your bargaining unit above, then once you reach 25 years of State service, you are fully vested and qualify for 100% of the State's contribution toward your health premium.

Years of Credited State Service	State Contribution
Less than 15 years	0 percent
15 years	50 percent
15 through 24 years	50 percent + 5 percent for each completed year after the 15 th year
25 years or more	100 percent

Example: 24.500 years of State service = 95 percent of the State's share

Note: Legislative employees are exempt from State health vesting requirements; however, they must meet the definition of an annuitant under Gov. Code section 22760 and retire from that specific agency. There are also no State health vesting requirements for State disability retirees and a family member who qualifies as a surviving annuitant due to the active member's death.

CSU Vesting

Some CSU bargaining units hired on or after certain dates are subject to a 10-year health vesting period for retiree health benefits. Once you reach 10-years of state service, you are fully vested and qualify for 100 percent of the State's contribution towards your health premium. The bargaining units and hire dates are as follows:

- Bargaining unit 3 – July 1, 2017
- Non-represented employees – July 1, 2018
- Bargaining units 1, 2, 4, 5, 6, 7, 9 and 10 – July 1, 2018

(Gov. Code sections 22874.6 and 22874.7)

Post – Retirement Health Vesting, Continued

Vesting Exception

Employees of the Judicial Branch are subject to the 10-year vesting requirement under Gov. Code section 22873 unless they are hired after January 1, 2017. After January 1, 2017, employees of the Judicial Branch are subject to the vesting requirements of Gov. Code section 22874.4 requiring 25 years of credited state service to receive 100 percent of the state contribution towards health premiums as a retiree.

Survivor Benefits

Eligibility

A survivor of a deceased active employee may be eligible for health and dental coverage if all criteria below are met:

- Enrolled or eligible to enroll as dependent at the time of death
- Qualify for a monthly survivor retirement benefit

Surviving family members who do not meet the above requirements may be eligible for Consolidated Omnibus Budget Reconciliation Act (COBRA) continuation coverage once the employer paid Direct Pay benefit is exhausted.

Possible survivors include:

- Spouse or domestic partner
- Employee's natural or adopted child up to age 26
- Disabled child age 26 or older*
- Step-child or domestic partner's child*
- Child in an established Parent-Child Relationship up to age 26*

* These eligible surviving children must have been enrolled prior to the employee's death.

Survivor Benefits, Continued

Enrollment

Upon the death of an employee while in State service, the law requires you, as the State employer, to pay the total amount of the health premium for up to 120 days of coverage for all enrolled dependents covered at the time of death. You may elect to bill the survivor for the amount that exceeds the State Contribution.

If this occurs, you must:

- Complete the [Direct Payment Authorization \(PDF\)](#) form
 - The survivor **does not** have to sign the form as it is an employer-paid benefit
- Process the direct payment enrollment in my|CalPERS
- Process the health cancellation after 120 days
- Retain the form in the employee's file

If an eligible surviving family member was not enrolled at the time of death, they may request enrollment from CalPERS within 60 days from the date of death. The effective date of enrollment is the first day of the month following the date CalPERS receives the request.

Eligible survivors have the same rights and responsibilities as active members such as:

- Requesting to change plans due to a move or during Open Enrollment
- Deleting dependents
- Informing CalPERS of their Medicare eligibility

Surviving dependent children will be automatically deleted at age 18, 22 or 26 depending on the monthly survivor benefit. A certified disabled child may continue past the age of 26 if they are entitled to a lifetime monthly survivor retirement benefit.

Note: CalPERS staff will determine if the surviving family members are eligible for continued health benefits, if eligible, CalPERS will enroll the survivor(s) effective the first of the month following the expiration of the 120-day Direct Pay benefit.

Ineligible Enrollment

An eligible survivor can only enroll dependents that were eligible for health or dental benefits at the time of the active employee's death.

The following individuals are **not** eligible for CalPERS health or dental benefits:

- New spouse or domestic partner
- New step-child, domestic partner child or newly adopted child
- Subsequent child born to the survivor who was not the employee's child
- Child in a newly established Parent-Child Relationship

Legal Reference

Gov. Code section 22831

Retiree Dental and Vision Coverage

Retiree Dental Administrators

State of California employees or retirees and family members may be eligible for a State-sponsored dental insurance plan. The following are administrators of the State-sponsored dental insurance plans:

- California Department of Human Resources (CalHR) administers the State's Dental Program
- California State University (CSU) Chancellor's Office administers the CSU Dental Program
- California Association of Highway Patrolmen (CAHP) administers the CAHP dental plan
 - CAHP dental is for dues paying members only.

CalHR and the CSU Chancellor's Office determine and provide information regarding the Open Enrollment period. For inquiries regarding coverage or benefits, refer to CalHR or CSU websites.

Dental Eligibility

Retired eligibility criteria:

- Separate and retire within 120 days
- Receive a monthly retirement allowance
- Retire from CSU or a State agency

Prior to an employee's separation date, you must do the following:

- Have employee complete CalHR's [Dental Plan Enrollment Authorization \(PDF, 2.75 MB\)](#) form (STD-692)
- CSU retiree's must complete the following dental enrollment form when requesting to enroll as a retiree: [Retiree Dental Open Enrollment Change Request Form \(PDF\)](#)
- Process the dental enrollment in my|CalPERS
- Retain the form in the employee's file

Note: If the employee declines retiree dental coverage, then no action is required.

Retiree Dental Coverage

CalPERS maintains the enrollment information and premium deduction for retirees.

Dental vesting applies to some employees hired by the State after 7/1/1998 in certain bargaining units. Refer to the State Employees' Dental Care Act Gov. Code section 22958 for more information. Dental vesting applies to some CSU employees hired on or after 7/1/2017 in certain bargaining units. Refer to your bargaining unit contract for more information.

Retiree Dental and Vision Coverage, Continued

Retiree Vision Coverage

State of California retirees and family members may be eligible to enroll in the Vision Care Program insured through Vision Service Plan (VSP).

- CalHR administers the State's Vision Care Program
- CSU Chancellor's Office administers the CSU's Vision Care Program

For inquiries regarding eligibility, enrollment, coverage or benefits, for CalHR or CSU, refer to VSP at (800) 877-7195 or [VSP](#).

Legal References

State Employees Dental Care Act Gov. Code sections 22950 & 22958.

Resources

General Resources

- Obtain information on the [CalPERS website](#)
 - Contains health plan premium rates, eligibility and enrollment information
 - View and download single health forms/publications, current/archived Circular Letters and Health Plan Evidence of Coverage
 - Health Plan Search by ZIP Code
 - Find a Medical Plan
 - Video and Web Event Center
- Contact the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**) for assistance with:
 - Completion of enrollment form
 - Health related questions
- To receive a bulk order of CalPERS health forms and publications employers may [email us](#).

California Department of Human Resources

The California Department of Human Resources (CalHR) administers the dental, vision and other benefit programs for state employees. CalHR uses Policy Memos to inform state agency's human resources personnel staff about new policies, procedures or other important information. Refer to [CalHR](#) for additional information.

CSU Chancellors Office

The CSU Chancellors Office administers the dental, vision and other benefit programs for CSU employees. The CSU Chancellors Office uses Policy Memos to inform CSU agency's human resources personnel staff about new policies, procedures or other important information. Refer to the CSU Chancellors Office for additional information.

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