

# State Health Benefits Guide

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August 2024

California Public Employees' Retirement System



# Table of Contents

<b>Topic</b>	<b>Page</b>
<a href="#"><u>Introduction</u></a>	3
<a href="#"><u>Contact Information</u></a>	4
<a href="#"><u>Summary of Health Benefit Forms &amp; Publications</u></a>	12
<a href="#"><u>Health Benefits Officer (HBO) — Roles &amp; Responsibilities</u></a>	14
<a href="#"><u>CalPERS Communication</u></a>	16
<a href="#"><u>Health Plan Options</u></a>	18
<a href="#"><u>Health Eligibility Requirements</u></a>	21
<a href="#"><u>Summary of Benefits and Coverage &amp; Uniform Glossary</u></a>	39
<a href="#"><u>Health Enrollment</u></a>	40
<a href="#"><u>Retroactive Refund</u></a>	56
<a href="#"><u>Health Event Reasons</u></a>	58
<a href="#"><u>Health Insurance Portability &amp; Accountability Act (HIPAA)</u></a>	70
<a href="#"><u>Direct Payment Authorization</u></a>	79
<a href="#"><u>Consolidated Omnibus Budget Reconciliation Act (COBRA)</u></a>	85
<a href="#"><u>Employee Separations</u></a>	89
<a href="#"><u>Health Benefits Into Retirement</u></a>	92
<a href="#"><u>Medicare</u></a>	96
<a href="#"><u>Post-Retirement Health Vesting</u></a>	102
<a href="#"><u>Survivor Benefits</u></a>	106
<a href="#"><u>Retiree Dental &amp; Vision Coverage</u></a>	108
<a href="#"><u>Resources</u></a>	110
<a href="#"><u>Health Education &amp; Events</u></a>	111

## Introduction

The **State Health Benefits Guide (Guide)** is designed to assist you and your agency 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 decisions.

**Note:** This guide is administrative in nature. In the event of unintentional conflict between the guide and PEMHCA regulations, PEMHCA regulations will prevail.

## Contact Information

### CalPERS General

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 on the [CalPERS](#) website.

### Circular Letters/Forms & Publications

Go to the CalPERS website, select the Employers tab, then go to:

- [Circular Letters](#) under Resources
- [Forms & Publications](#)

Circular Letters are emailed within CalPERS Employer Bulletins if you are a subscriber. They are also archived on the CalPERS website. Most 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 Publications
- 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)

## Contact Information, Continued

### **Anthem Blue Cross**

Customer Service 1-855-839-4524 (HMO)  
1-877-737-7776 (PPO)  
1-855-251-8825 (Medicare)

Website [www.anthem.com/ca/calpers](http://www.anthem.com/ca/calpers)

Direct Pay Payee\*Anthem Blue Cross

Mailing Address Anthem Blue Cross, Attn: Cash Operations  
P.O. Box 4445  
Atlanta, GA 30302-4445

\*Use this Direct Pay information for all Anthem Blue Cross plans. Send the [Direct Payment Authorization Form \(PERS-HBD-21\) \(PDF\)](#) along with a check. Include the name and SSN or member health account ID number on the check to avoid delay in processing and/or risk of return.

### **Blue Shield of California**

Customer Service 1-800-334-5847

Website [www.blueshieldca.com/calpers](http://www.blueshieldca.com/calpers)

Pharmacy [Blue Shield Pharmacy Benefits](#)

Direct Pay Payee Blue Shield of California

Mailing Address Blue Shield of California  
Attn: Cash Receiving  
P.O. Box 51827  
Los Angeles, CA 90051-6127

### **California Association of Highway Patrolmen (CAHP)**

Customer Service 1-800-734-2247

Website [www.thecahp.org](http://www.thecahp.org)

### **California Correctional Peace Officers Association (CCPOA)**

Customer Service 1-800-468-6486

Website [www.ccpoabt.org](http://www.ccpoabt.org)

### **OptumRx**

Customer Service 1-855-505-8110 (Basic)  
1-855-505-8106 (Medicare)

Website [www.optumrx.com/oe\\_calpers/landing](http://www.optumrx.com/oe_calpers/landing)

### **Health Net of California**

Customer Service 1-888-926-4921

Website [www.healthnet.com/calpers](http://www.healthnet.com/calpers)

Direct Pay Payee Health Net of California

Mailing Address Health Net of California  
P.O. Box 894702  
Los Angeles, CA 90189-4702

## Contact Information, Continued

### 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/>

Direct Pay Payee Kaiser Permanente

Mailing Address Kaiser Foundation Health Plan  
P.O. Box 7141  
Pasadena, CA 91109-7141

### Sharp Health Plan

Customer Service 1-855-995-5004 (Basic)  
1-833-499-8239 (Medicare)

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

Direct Pay Payee Sharp Health Plan

Mailing Address Sharp Health Plan  
P.O. Box 57248  
Los Angeles, CA 90074-7248

### UnitedHealthcare

Customer Service 1-877-359-3714 (Basic)  
1-888-867-5581 (Medicare)

Basic Website [www.uhc.com/calpers](http://www.uhc.com/calpers)

Medicare Website [www.uhcretiree.com/calpers](http://www.uhcretiree.com/calpers)

Direct Pay Payee UnitedHealthcare

Mailing Address UnitedHealthcare  
P.O. Box 740221  
Atlanta, GA 30374-0221

### Western Health Advantage

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

Website [www.westernhealth.com/CalPERS](http://www.westernhealth.com/CalPERS)

Direct Pay Payee Western Health Advantage

Mailing Address Western Health Advantage  
Dept. 34668  
P.O. Box 39000  
San Francisco, CA 94139

## 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**

Joanna Movinsky  
Account Service Manager

(916) 203-9907 Office  
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#### **Blue Shield**

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#### **OptumRx**

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## Contact Information (for Employers Only), Continued

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## Contact Information (for Employers Only), Continued

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### UnitedHealthcare

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## Contact Information, Continued

### 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.

#### Delta Dental Premier & Delta Preferred Option (State)

Website: [www.deltadentalins.com](http://www.deltadentalins.com)

#### Delta Dental Basic & Enhanced (CSU)

Website: [www1.deltadentalins.com/group-sites/csu](http://www1.deltadentalins.com/group-sites/csu)

#### DeltaCare USA (state & CSU)

Website (State Retirees): [www.deltadentalins.com](http://www.deltadentalins.com)

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

#### Premier Access

Website: [www.premierlife.com/](http://www.premierlife.com/)

#### Safeguard Enhanced

Website: [www.metlife.com/safeguard/soc/](http://www.metlife.com/safeguard/soc/)

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

#### Western Dental

Website: <https://www.westerndental.com/en-us/western-dental-group-insurance/for-members/state-of-ca-employees>

#### CAHP Dental Trust (Anthem Blue Cross)

Website: [www.theca hp.org](http://www.theca hp.org)

## Summary of Health Benefit Forms & Publications

Form	CalPERS Form Name	Description
HBD-12	<a href="#">Health Benefits Plan Enrollment for Active Employees (PDF)</a>	For active employees, to enroll, change, or cancel enrollment in a CalPERS health plan
HBD-30	<a href="#">Health Benefits Plan Enrollment for Retirees/Survivors (PDF)</a>	For retirees or survivors, to enroll, change, or cancel enrollment in a CalPERS health plan
HBD-34	<a href="#">Disabled Dependent Member Questionnaire and Medical Report (PDF)</a>	For enrollment or continuation of a disabled child over age 26. This form provides medical information to CalPERS and is to be completed and submitted directly to CalPERS by a medical doctor.
CalPERS HBD-40	<a href="#">Affidavit of Parent-Child Relationship (PDF)</a>	To establish eligibility to enroll dependents of a parent-child relationship
PERS-HBD-85	<a href="#">COBRA Election (PDF)</a>	To continue coverage under COBRA provisions and authorize direct payment for enrollment in a group continuation plan.
PERS-HBD-21	<a href="#">Direct Payment Authorization (PDF)</a>	To apply for continuation of enrollment while employee is on "off-pay" status
PERS-HBD-1965	<a href="#">Affidavit of Marriage/Domestic Partnership (PDF)</a>	A subscriber is unable to produce a government-issued marriage certificate or domestic partnership registration due to extenuating circumstances, a member may execute and submit a signed and notarized affidavit.
	<a href="#">Health Plan's Evidence of Coverage</a>	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	<a href="#">Health Program Guide (PDF)</a>	Provides an overview of the CalPERS Health Program
HBD-110	<a href="#">Health Benefit Summary (PDF)</a>	A comprehensive summary of all CalPERS health plans
HBD-65	<a href="#">CalPERS Medicare Enrollment Guide (PDF)</a>	A practical guide to understanding how CalPERS and Medicare work together
	<a href="#">Summary of Benefits and Coverage (SBC) Notice (PDF)</a>	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 CalPERS at **888 CalPERS** (or 888-225-7377)

### Other Forms for CalPERS Members

#### Personnel Transactions for CalPERS Members

Many of the transactions listed below may be completed online via myCalPERS for members and retirees. Otherwise, report the following types of personnel transactions on the specified form indicated. The forms listed below pertain to CalPERS members only.

Form	Transaction	Division
PERS-BSD-194	<a href="#">Report of Separation and Advance Payroll (PDF)</a>	Disability & Survivor Benefits
PERS-BSD-369-S	<a href="#">Application for Service Retirement (PDF)</a>	Retirement Benefits
PERS-BSD-369-D	<a href="#">Application for Disability Retirement (PDF)</a>	Disability & Survivor Benefits
myCalPERS 0697	<a href="#">Report of Separation for Death – Request for Payroll Information (PDF)</a>	Disability & Survivor Benefits
PERS-OSS-138	<a href="#">Special Power of Attorney (PDF)</a>	Retirement Benefits

# Health Benefits Officer (HBO) — Roles & 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.

Qualified and trained HBOs or assistant HBOs are authorized to sign required enrollment forms on behalf of your agency. Active employees must go through the designated HBO for all their eligibility and enrollment requests.

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

## Roles & 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 about disabled dependent certification requirements upon an employee's initial enrollment in CalPERS health benefits
- Provide all required disabled dependent certification forms to the employee if they request CalPERS disabled dependent benefit information when their child is nearing age 26 or nearing their disabled dependent recertification end date
- Inform employees that a review of eligibility can occur at any time
- Inform employees of their obligation to advise you if they have a change of address, if incorrect health premiums are being deducted from their paycheck, or if dependents lose eligibility (e.g., divorce)
- Stay up to date on communications from us regarding changes in law or policies
- Be familiar with California Public Employees' Retirement Law (PERL), State Employees' Dental Care Act, PEMHCA provisions, California Government Codes (Gov. Code), and California Code of Regulations (CCR)
- Have knowledge of available resources

## Health Benefits Officer (HBO) — Roles & Responsibilities, Continued

### Eligibility Determination and Enrollment Processing

- Ensure only eligible employees and family members are enrolled in the CalPERS Health Benefits Program and are in compliance with all provision of PEMHCA
- Obtain required supporting documentation as proof of eligibility prior to enrollment
- Ensure 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 the HBO and the employee electronically or physically
- Retain enrollment forms and supporting documentation in employee's official personnel files throughout duration of employment with the employer
- Approve enrollments for employees and/or their dependents
- Process health transactions timely and accurately once all required documentation is received

### 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
  - Government-issued marriage certificates
  - Divorce Decrees
  - Birth certificates
  - Declaration of Domestic Partnership
- Monitoring ongoing eligibility and enrollment opportunities for employees and their eligible family members
  - Including tenure and time base, direct pay, and COBRA requirements
- Maintain HBO contact information in myCalPERS

PEMHCA prohibits the enrollment of any ineligible family member. If this occurs the employee will be liable for all costs incurred during the ineligibility period.

### Dependent Demographic Changes or Corrections

You may add or correct dependent demographics in myCalPERS. For a dependent child who was added without an SSN, add their SSN within 90 days after the enrollment is processed. If an SSN is not added within 90 days, there may be future impacts during CalPERS audits or potential issues with health carriers. For retiree and other dependent demographics changes, contact CalPERS at **888 CalPERS** (or **888-225-7377**).

# CalPERS Communication

## Introduction

We communicate to business partners through several channels, including:

- CalPERS website
- Circular Letters
- CalPERS Employer Bulletin
- myCalPERS
- CalPERS Employer News

## CalPERS Website

This is a key source of information for you regarding the CalPERS Health Program, such as eligibility rules, covered services, available health plans, and premium rates.

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

## Circular Letters

These are issued to keep you informed of changes in health policies and procedures. These letters provide documentation for reference to administer CalPERS benefit programs. Circular Letters are emailed within Employer Bulletins to those who subscribe.

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

## CalPERS Employer Bulletin

These emails tailored to employers provide the latest news and information regarding Circular Letters, Board of Administration information, and other communications. Agency personnel (i.e., accounting and payroll staff, health benefits officers, city managers, administrators, etc.) and other interested parties can benefit from this service by receiving CalPERS news as soon as it is released. Each CalPERS Employer Bulletin contains direct links to employer information on the CalPERS website.

Stay informed by signing up for the [CalPERS Employer Bulletin](#) on the CalPERS website.

## CalPERS Employer News

CalPERS produces Employer News monthly. This digital publication provides important information and a calendar of upcoming events for employers doing business with CalPERS. CalPERS Employer News will be sent directly to your inbox. Make sure you receive your monthly edition by keeping your contact information up to date in your myCalPERS account.



## CalPERS Communication, Continued

### myCalPERS

[myCalPERS](#) is a secure internet application which provides access to your agency's information and online services. It is the tool for viewing, processing, and generating reports. Employers who participate in **PEMHCA** can access billing rosters, view current and past employer health contributions, and more.

### Accessing myCalPERS

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

An organization's myCalPERS [System Access Administrator \(SAA\)](#) is the key point of contact. For existing organizations, this individual will be accountable for providing myCalPERS access to any additional contacts (users). This involves utilizing system administrator pages in myCalPERS 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).

### myCalPERS SAA Resources

- [myCalPERS System Access Administrators](#) page
- [myCalPERS System Access Administration \(PDF\)](#) student guide
- [myCalPERS System Privileges for Business Partner Roles \(PDF\)](#) student guide

## Health Plan Options

### Coverage Types

- Basic (non-Medicare): A CalPERS Basic plan that provides health benefit coverage to members who are under age 65 or who are over age 65 and still working.
- Medicare: A CalPERS Medicare health plan that provides health benefit coverage to members who are over age 65, retired, and are enrolled in Medicare Parts A and B with the Social Security Administration.
- Medicare under age 65: A CalPERS Medicare health plan that provides health benefit coverage to members or dependents who are under age 65 with qualifying conditions as determined by the Social Security Administration.
- A combination enrollment means at least one family member is enrolled in a CalPERS Medicare health plan and at least one family member is enrolled in a CalPERS Basic health plan. CalPERS requires that all covered family members are enrolled with the same health carrier.

### Medicare-Eligible Members

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 (ESRD) or Amyotrophic Lateral Sclerosis (ALS).

Prior to or soon after retirement, an employee 65 or over should enroll in Medicare Parts A and B with the Social Security Administration to ensure they transfer into a CalPERS Medicare health plan without a lapse in coverage.

### 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 residential move. If a member moves and the plan an active member is enrolled in isn't available where the member moves to, they may use the employer ZIP code if the health plan is available in that service area.
- 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. Note: If a retired member is working after retirement for a CalPERS or non-CalPERS covered employer, they may use the employer ZIP code for eligibility until they become eligible for Medicare.

## Health Plan Options, Continued

**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
  - Upon a move
- Working retirees may use the ZIP code of their current employer for Basic health plan eligibility. If enrolled in a CalPERS Medicare health plan, the member's residential address must be used.

Enrolled employees can log into myCalPERS and use the Premium Search Tool to view the plans in their ZIP code area, view premiums, compare benefits, and verify if a provider is associated with the health plans.

### **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 plan features include:

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

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.

## Health Plan Options, Continued

### CalPERS HMO Basic Health Plans, Continued

HMO plans include:

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

HMOs are available in designated California service areas except for Kaiser which is available in parts of other states.

### 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

A calendar year deductible applies to PPO plans.

### PPO Basic Health Plans

PPO plans include:

- PERS Platinum
- PERS Gold
- California Association of Highway Patrolmen (CAHP)\*
- Peace Officers Research Association of California (PORAC)\*

\*Must be a dues-paying member of the association

The PPO plans are administered by Anthem Blue Cross and available throughout California. PERS Platinum and PORAC are available in California and throughout the world.

### CalPERS Exclusive Provider Organization (EPO) Basic Health Plans

- Blue Shield Access+ EPO serves 18 counties.
- Anthem Blue Cross EPO serves Del Norte County.

EPO plans offer the same covered services as an HMO. Services must be obtained from the statewide EPO network of preferred providers.

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

## Health Eligibility Requirements

### Employees

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

- Employees are eligible if they meet the following requirements:
- Have a permanent appointment or a limited-term appointment with a duration of more than six months
- 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 227722 (a)(4)).

Enrollment must be requested within 60 days from the date of the qualifying appointment, during any future Open Enrollment, or due to a HIPAA special or late enrollment period. Enrollment due to a HIPAA late enrollment is effective the first of the month after a 90-day wait period.

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](#) 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 (see Permanent Intermittent (PI) Employment and Control Periods within this section)

### Retirees

Retirees are eligible to enroll in a CalPERS retiree health plan if they meet the following requirements:

- Retire within 120 days of permanent separation from employment
- Receive a monthly retirement warrant
- Are eligible for health benefits upon separation

Enrollment must be requested within 60 days from retirement, involuntary loss of coverage, during any future open enrollment period, or HIPAA special or late enrollment period. The effective date is the first of the month following the date the request is received by CalPERS. Enrollment due to a HIPAA late enrollment is effective the first of the month after a 90-day wait period.

## Health Eligibility Requirements, Continued

### Family Members/Dependents

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

### Spouse

A spouse can be added to the health plan during initial health enrollment, within 60 days after the date of marriage, or during Open Enrollment, involuntary loss of coverage, or HIPAA special or late enrollment period.

Required documentation:

- Copy of the government-issued marriage certificate and spouse's SSN
  - If an employee is unable to locate their government-issued marriage certificate, they must request a duplicate copy from the county clerk's office where the marriage was performed.
  - If the marriage certificate is in a foreign language and the Human Resources office is unable to interpret it, the employee will need to obtain a certified translated copy of the marriage certificate and provide to their HBO.
  - If the HBO determines the employee is unable to produce a government-issued marriage certificate or domestic partnership registration due to extenuating circumstances, the employee may execute and submit a signed and notarized [Affidavit of Marriage/Domestic Partnership \(PERS-HBSD-1965\) \(PDF\)](#).
  - If a spouse is pending an SSN, the spouse can still be added by contacting CalPERS.
- Copy of the *Divorce Decree* to delete a spouse due to divorce

### Registered Domestic Partner

The following are eligible for domestic partnership and must register with the Secretary of State:

- Same-sex domestic partnerships between persons who are both at least 18 years of age
- Opposite-sex domestic partnerships between persons who are both at least 18 years of age
- Domestic partnerships validly formed in another jurisdiction that are substantially equivalent to registered domestic partnerships in California

A domestic partner 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 special or late enrollment period. Required:

- Copy of the *Declaration of Domestic Partnership* registered with the California Secretary of State or a comparable agency in another jurisdiction and the domestic partner's SSN. If no SSN is available for the domestic partner, contact CalPERS.
- Copy of the *Termination of Domestic Partnership* form to delete a domestic partner due to dissolution of a partnership

## Health Eligibility Requirements, Continued

### Registered Domestic Partner, Continued

Domestic Partnership Law prohibits a person who has filed a Declaration of Domestic Partnership from filing a new declaration until at least six months has elapsed from the date that a Notice Termination of Domestic Partnership was filed with the Secretary of State. This relates to the termination of the most recent domestic partnership except where the previous domestic partnership ended because the two people got married or one of the partners died.

### Children Under Age 26

The employee's natural-born or adopted children, domestic partner's children, 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.
- During a future Open Enrollment, involuntary loss of coverage, or HIPAA special or late enrollment

The coverage will become effective the first day of the month following the date the HBO receives the completed [Health Benefits Plan Enrollment for Active Employees \(HBD-12\) \(PDF\)](#) form.

Eligible children can be enrolled regardless of their marital, student, or employment status up until the month of their 26th birthday.

### Notification of Deletion of 26-Year-Old Dependents

Twelve months prior to the 26th birthday of a dependent child enrolled in CalPERS health benefits, CalPERS will mail a disabled dependent informational letter to the employee notifying them of the disabled dependent eligibility and enrollment process.

Three 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. A similar notice will also be mailed out one month prior to the dependent's 26th birthday. The notices provide:

- Current enrollment data
- Dependent deletion information
- Disabled dependent eligibility and enrollment process

## Health Eligibility Requirements, Continued

CalPERS will notify the health plan of the pending deletion during the month the dependent reaches age 26. COBRA notification and forms will also be mailed during this month. To view the roster of pending 26-year-old deletions, download the Employer Health Event Transaction report in myCalPERS which will show the 26-year-old deletion transaction. Note: It is required to offer COBRA to deleted dependents.

If you have a new employee who adds a 25-year-old child, the automatic deletion system and the disabled dependent notification may not work if the enrollment is not in 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.

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 reaches age 26.

### Continuation of Coverage of Certified Disabled Dependent

The deletion of a 26-year-old dependent is mandatory unless the dependent is incapable of self-support because of a physical or mental disability. If the 26-year-old qualifies as a Certified Disabled Dependent, the dependent may be eligible for continued coverage. Dependents of active employees, who are enrolled in dental only, can remain enrolled in dental as a disabled dependent. However, the dependent cannot later enroll in CalPERS health as a disabled dependent. The certification process for active health and dental are separate. CalPERS determines if the dependent is certified as disabled to continue coverage on active and retiree members CalPERS health. Refer to the "[Certification of Disabled Dependent Age 26 and Over](#)" section of this guide for further information.

### Continuation of Benefits

Dependent's age of 26 and over are eligible to continue their coverage through the federal COBRA provision. Your agency is responsible for offering COBRA continuation coverage under federal guidelines. Refer to the "[Consolidated Omnibus Budget Reconciliation Act \(COBRA\)](#)" section of this guide for further information.

### Circular Letter 600-043-10

For more information, refer to [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

### Certification of Disabled Dependent Age 26 and Over

A child aged 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 their portion of the [Disabled Dependent Member Questionnaire and Medical Report \(HBD-34\) \(PDF\)](#) and the [Authorization to Disclose Protected Health Information \(PERS-BSD-35\) \(PDF\)](#) form and submit both forms to the dependent's physician.

### CalPERS Approval of a Certified Disabled Dependent Enrollment

The physician must complete and submit the [Disabled Dependent Member Questionnaire and Medical Report \(HBD-34\) \(PDF\)](#) directly to CalPERS for approval. The initial certification of the disabled dependent must occur during one of the following two eligibility periods (whichever applies):

- Within 90 days before and ending 60 days after the child's 26th birthday (employee and dependent currently enrolled)
- 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, complete an HBD-12 and include the employee and any other eligible family members.

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

You will process the enrollment of the employee and all other dependents and submit the HBD-12 to CalPERS. CalPERS will determine eligibility of the disabled dependent.

Upon approval of eligibility by CalPERS, the disabled dependent's health enrollment will continue without a gap in coverage and a notification stating the certification period will be mailed to the employee and employer. If the HBD-34 is not received by CalPERS within specified timeframes, the dependent will be deleted and will not be eligible for future reinstatement.

**Note:** Retirement is not a qualifying event to add a disabled dependent. The two qualifying events to add a disabled dependent are listed above in bullet points.

## Health Eligibility Requirements, Continued

### Recertification of a Disabled Dependent Age 26 and Over

Upon certification of eligibility, the dependent's CalPERS health coverage must be continuous and without lapse. For a dependent already enrolled as a disabled dependent, CalPERS will mail recertification reminder notices along with the HBD-34 and Authorization to Disclose Protected Health Information form to the employee 90 and 60 days prior to the recertification end date. The completed HBD-34 must be submitted to CalPERS by the dependent's physician and received no earlier than 90 days prior to the expiration date, and no later than the expiration date. It is the employee's responsibility to ensure timeframes are met. The recertification process for active health and dental are separate. CalPERS manages the recertification process for active health and retirees with health and/or dental.

A dependent enrolled as a parent-child relationship (PCR) is eligible to enroll as a disabled dependent, but they must be recertified as a PCR annually. If a PCR disabled dependent is not recertified as a PCR, they will no longer be eligible for CalPERS health benefits even if their disabled dependent certification is still current.

### Medicare-Eligible Members

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 member has End Stage Renal Disease (ESRD) or Amyotrophic Lateral Sclerosis (ALS).

Prior to or soon after retirement, an employee 65 or over should enroll in Medicare Parts A and B with the Social Security Administration to ensure they transfer into a CalPERS Medicare health plan without a lapse in coverage.

### 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
- Dependent children whose CalPERS health and/or dental coverage was not continuous

### Circular Letter 600-016-22

For more information, refer to [Eligibility Criteria and Updated Disabled Dependent Benefit Certification Forms \(PDF\)](#).

## Health Eligibility Requirements, Continued

### Certified Parent-Child Relationship (PCR) Eligibility & Supporting Documentation

An employee or annuitant may enroll a child as a PCR under age 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 \(CalPERS HBD-40\) \(PDF\)](#)
- Submits specific documents that substantiate their parental role within that PCR

Qualified and trained HBOs or assistant HBOs are authorized to sign required enrollment forms on behalf of your agency along with signature from the personnel manager.

### The following groups are not eligible to enroll in the CalPERS health program:

- Foster children\*
- Spouses of adopted, step, and recognized natural children

\*Foster children may be eligible as a PCR if the employee has gained legal guardianship.

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

- Sign the [Affidavit of Parent-Child Relationship \(CalPERS HBD-40\) \(PDF\)](#), 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
- Provide required supporting documentation

Employees are required to fully complete the CalPERS HBD-40 form and submit required supporting documents for new and recertification requests. All subscribers recertifying a PCR dependent **age 18 and under** must submit a copy of the first page of their most recent federal or state income tax return form, such as IRS Form 1040 listing the child as a tax dependent. **The only exception allowed is for employees that can provide documented evidence that they are not required to file a tax return.**

A dependent enrolled as a PCR is eligible to enroll as a disabled dependent, however, they must be recertified as a PCR annually. If a PCR disabled dependent is not recertified as a PCR, they will no longer be eligible for CalPERS health benefits even if their disabled dependent certification is still current.

## Health Eligibility Requirements, Continued

### Supporting Documentation Required for PCR Dependents Age 18 and Under (599.500)(o)(1)

Required supporting documentation for a PCR dependent for a PCR dependent age 18 and under include the following:

- A copy of the first page of the subscriber's federal or state income tax return from the previous tax year listing the child as a tax dependent, **OR**
- **In lieu of a tax return, for a time not to exceed one tax filing year**, and only during the child's initial enrollment as a PCR, the subscriber may submit other Supporting PCR Documentation (CalPERS HBD-40, Section 4) that substantiates the child's financial dependence upon the subscriber.
  - **If the child resides with the subscriber rent free for more than 50% of the time: two supporting documents are required.**
  - **If the child doesn't reside with subscriber: three or more supporting documents are required.**
  - **A minimum of ONE of the following Primary Supporting PCR Documents is required: (CalPERS HBD-40, Section 4, Category A)**
    - Current legal judgments or court documents showing subscriber's legal parental status or guardianship over the child
    - Current child's driver's license or state identification showing common residency
    - Current rental or lease agreements
    - School or college records (current school year) listing the subscriber as the child's guardian or indicating common residency
    - Other verifiable documents showing common residency
    - Bank Statements or other financial documentation reflecting rent payment(s) for the child who does not reside with the subscriber along with proof of payment made by the subscriber
  - **The following Secondary Supporting PCR Documentation may be submitted: (CalPERS HBD-40, Section 4, Category B)**
    - Tuition payment(s), car insurance, credit card statements, or other billing statements along with proof of payments made by the subscriber
    - Joint or child's bank statement showing reoccurring deposits made by the subscriber
    - Medical and dental bills for the child along with proof of payment(s) made by the subscriber
    - Vehicle registration along with proof of payment(s) made by the subscriber

### Supporting Documentation for PCR Dependents Age 19 Up to 26 (599.500) (o)(1)

- A copy of the first page of the subscriber's federal or state income tax return from the previous tax year listed the child as a tax dependent, **OR**
- Other Supporting PCR Documentation (CalPERS HBD-40, Section 4) that substantiates that the child is dependent on the subscriber for more than 50% of their financial support:

**If the child resides with the subscriber rent free for more than 50% of the time: two supporting documents are required.**

## Health Eligibility Requirements, Continued

- **If the child resides with the subscriber and pays rent OR is a full-time student and doesn't reside with the subscriber: three supporting documents are required.**
- **A minimum of ONE of the following Primary Supporting PCR Documents is required: (CalPERS HBD-40, Section 4, Category A)**
  - Current legal judgments or court documents showing subscriber's legal parental status or guardianship over the child
  - Current child's driver's license or state identification showing common residency
  - Current rental or lease agreements
  - School or college records (current school year) listing the subscriber as the child's guardian or indicating common residency
  - Other verifiable documents showing common residency
  - Bank Statements or other financial documentation reflecting rent payment(s) for the child who does not reside with the subscriber along with proof of payment made by the subscriber
- **The following Secondary Supporting PCR Documentation may be submitted: (CalPERS HBD-40, Section 4, Category B)**
  - Tuition payment(s), car insurance, credit card statements, or other billing statements along with proof of payments made by the subscriber
  - Joint or child's bank statement showing reoccurring deposits made by the subscriber
  - Medical and dental bills for the child along with proof of payment(s) made by the subscriber
  - Vehicle registration along with proof of payment(s) made by the subscriber

All supporting documents must have the child's name printed on them by the issuer. Except for legal judgements, court documents, driver's licenses, state identification, vehicle registrations, and rental/lease agreements, all other supporting documents may not be older than 60 calendar days from the date of signature of the Affidavit of Parent-Child Relationship.

Employees and annuitants that are not required to file an income tax return must submit three or more supporting documents as defined above. In addition, employees and annuitants not required to file an income tax return must provide information from the Internal Revenue Services, Franchise Tax Board, certified public accountant, tax preparer, or other tax professional indicating that a tax return is not required.

**Note: When submitting copies of tax documents, household bills or account statements, subscribers should blackout sensitive information, such as bank, credit card, and other financial account numbers, driver's license number, and passport number. Also, mark each document "Not for Official Use."**

## Health Eligibility Requirements, Continued

### Employer Signature, Documentation & Processing Requirements

- HBOs and Human Resource (HR) managers must sign the Affidavit of Parent-Child Relationship (CalPERS HBD-40) once the employee submits it for processing.
- In the absence of the HBO and/or HR manager, a formal written delegation for affidavit signatures should be on file at the employer's location.
- Employers must maintain documentation of HR personnel authorized to sign the CalPERS HBD-40.
- Documentation of HR personnel authorized to sign the CalPERS HBD-40 and all formal written delegations must be available to CalPERS upon request.
- The CalPERS HBD-40 along with all supporting documents must be reviewed and processed within 30 calendar days from the employer-received date.
- The PCR certification and recertification should be processed only after all required documents have been received.
- Timely processing of forms and document may help prevent unnecessary deletions, retroactive enrollments, and setup of accounts receivables for access premiums.
- Completed and processed CalPERS HBD-40s and all supporting documents must be retained in the employee's file.

### Certifying a New Parent-Child Relationship

Once you have determined based on the CalPERS HBD-40 and supporting documents that the dependent is eligible for the PCR benefit, process the transaction in myCalPERS as follows:

- 1) If the affidavit and all supporting documents are received within 60 days of the event date (date of legal custody or date the dependent is acquired), then the effective date of the enrollment is the first of the month following the received date.
- 2) If the affidavit and all supporting documents are received more than 60 days from the event date (date of legal custody or date the dependent is acquired), then the effective date of the enrollment is the first of the month following a 90-day waiting period.

## Health Eligibility Requirements, Continued

### Recertifying and Confirming a Parent-Child Relationship

Once you have determined based on the CalPERS HBD-40 and supporting documents that the dependent is eligible to continue the PCR benefit, process the transaction in myCalPERS as follows:

- 1) If the affidavit and all supporting documents are received before the deletion effective date, then the effective date of the enrollment is the first of the month following the employee's birth month.
  - If the PCR deletion is already in myCalPERS, you will have to rescind the deletion in order to recertify the dependent.
- 2) If the affidavit and all supporting documents are received after the deletion effective date, then the effective date of the recertification is the first of the month following a 90-day waiting period.
  - Do not rescind the PCR deletion.
  - The dependent will have a gap in coverage. Provide the member with COBRA information.
- 3) Make certain that the relationship type and demographic information on the CalPERS-HBD-40 matches in myCalPERS. If it does not, contact CalPERS to correct the information in myCalPERS.

PCR deletions in myCalPERS should only be rescinded if all required documents to recertify the dependent(s) are received before the deletion effective date.

If the CalPERS HBD-40 and required documents are received after the deletion effective date the dependent can be reenrolled as a HIPAA late enrollment, which requires a 90-day waiting period.

Examples:

Event date (Date assumed primary parental status)	Documents received date	Effective date
March 16	April 1	May 1
March 16	June 1	October 1

For more information, refer to [Circular Letter 600-046-23](#) titled, Eligibility Criteria for Dependents in a Parent-Child Relationship and Updated Affidavit.

## Health Eligibility Requirements, Continued

### Restrictions

The CalPERS Health Program does not permit:

- **Dual coverage:** Members cannot be enrolled in a CalPERS health plan in their own right ("self") **and** as a dependent of another member enrolled in a CalPERS health plan. Upon discovery, dual enrollments are cancelled on a retroactive basis and the health plans will bill the employee for services provided on behalf of ineligible family members.
- **Split enrollments:** If two parents are enrolled in a CalPERS health plan, all dependents must be enrolled on a single CalPERS health plan. You cannot split these dependents among two different CalPERS health plans.

### Exclusions

Family member exclusions are allowed on a voluntary basis when a family member is one of the following:

- Covered under a non-CalPERS sponsored health plan
- A spouse not living in the employee's household
- A child over 18
- In military service

These family members may be enrolled later during the Open Enrollment period, HIPAA special or late enrollment, or involuntary loss of coverage.

### Ineligible Dependents

- Children age 26 and over
- Children's spouses
- Disabled children over age 26, who were never enrolled or were deleted from coverage
- Former spouses/former domestic partners
  - Former spouses/former 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.
- Stepchildren of former spouses or domestic partners\*
- Parents
- Grandparents
- In-laws
- Other relatives\*
- Foster children

\*The child may be enrolled as a dependent in a PCR if such relationship exists and can be substantiated.

Dependents should be enrolled with their SSNs. If the SSN is unavailable for children, it is your responsibility to establish a follow-up process to obtain the SSN and update myCalPERS no later than 90 days after the enrollment is processed.



## Health Eligibility Requirements, Continued

### Dependent Eligibility Verification (DEV)

Gov. Code section 22843.1 requires 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 myCalPERS accordingly.

### Eligible Dependents

Recurring dependent verification is required for:

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

### Ineligible Family Members

The following are considered ineligible family members:

- 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
- Spouses of adult children
- Parents
- Grandparents
- Foster children

**PEMHCA prohibits enrollment of an ineligible family member. If this occurs, the member is liable for all costs incurred during the ineligibility period.**

## Health Eligibility Requirements, Continued

### Verification Cycle

The verification cycle is based on an employee's birth month. This three-year cycle repeats. If employees enroll family members within six months of their birth month, their eligibility will be verified during the next cycle. Visit our website to view a [schedule](#) of the verification process.

### Notices

In 2018, CalPERS mailed letters to each employee. Every three years based on the employee's birth month; CalPERS mails up to three notification letters to every employee with at least one dependent.

<b>Letter</b>	<b>When</b>	<b>What</b>
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 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 requests the following supporting documentation to verify dependent eligibility:

##### \*Spouse:

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

- First page of the most recent federal or state tax return form such as IRS Form 1040 confirming dependent as the spouse
- A combination of other documentation, such as a recurring household bill or joint statement of account. The document must list the employee's name, the name of the spouse, and address. In the situation of spouses who keep their finances separate, the employee may provide separate household bills or account statements if the documents show the same address. Household bills and account statements older than 60 calendar days are unacceptable.

##### \*Registered Domestic Partner:

A copy of the Declaration of Domestic Partnership form registered with the California Secretary of State or a comparable agency in another jurisdiction and a copy of one of the following documents:

- Front page of the most recent federal or state tax return confirming dependent as the domestic partner
- A combination of other documentation, such as a recurring household bill or joint statement of account. The document must list the employee's name, the name of the partner, and address. In the situation of registered domestic partners who keep their finances separate, the employee may provide separate household bills or account statements, if the documents show the same address. Household bills and account statements older than 60 calendar days are unacceptable.

\*The first document establishes the life event allowing the enrollment of the dependent (i.e., marriage or registering as domestic partners). The second document substantiates the relationship is current.

##### \*\*Natural-Born, Adopted, Step, or Registered Domestic Partner's Children Up to Age 26:

A copy of one of the following documents:

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

#### Health Event Reasons

To facilitate this verification process in myCalPERS, use the following health event reasons.

Health Event Reason	Description
Verification of dependent	When all documentation has been received before the cancellation date
Re-enrollment of verified dependent	To re-enroll dependents on a prospective basis if the supporting documents are received on or after the cancellation date
Delete dependent – did not verify - online	To preemptively delete dependents who were not verified during the recertification process. However, if HBOs do not process a deletion, myCalPERS will automatically process a deletion batch if a dependent is not verified.
Delete dependent – did not verify - batch	This health event reason updates when an employee fails to verify their dependent. It is an automated deletion batch in myCalPERS.

Do not manually rescind the Delete Dependent – Did Not Verify – Batch transaction. myCalPERS will automatically rescind this deletion when the Verification of Dependent transaction is processed. Manual rescissions of the Delete Dependent – Did Not Verify – Batch transaction cause enrollment issues with the health carrier.

#### Reports

The following Cognos reports are available in myCalPERS to assist HBOs with identifying employees who fall under this verification process:

- Dependent Verification End Date Employer Report – Displays the employee's dependent(s) requiring verification by the selected verification end date.
- Dependent Verification Health Event Employer Report – Displays a list of dependents 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 with Past Due or No End Date Active Health Report – Displays dependents that remain enrolled despite their certification being either past due or missing.

[Circular Letter 600-040-18](#) - Dependent Eligibility Verification Employer Responsibilities

Attachment 1: [State Employee Dependent Verification Letter \(PDF\)](#)

Attachment 2: [State Employee Dependent Cancellation Letter \(PDF\)](#)

Attachment 3: [CSU Employee Dependent Verification Letter \(PDF\)](#)

Attachment 4: [CSU Employee Dependent Cancellation Letter \(PDF\)](#)

Attachment 5: [CSU Employee Dependent Cancellation Affidavit \(PDF\)](#)

[myCalPERS Health Dependent Eligibility Verification \(PDF\)](#) student guide

## Health Eligibility Requirements, Continued

### Dependent Eligibility Verification (DEV), Continued

#### 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 Period	Effective Date
January 1 – June 30	August 1
July 1 – December 31	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 on 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 need to be cancelled by the employer through myCalPERS if there are insufficient earnings, unless the employee elects direct pay (see the "[Direct Payment Authorization](#)" section).

This direct pay option may be offered during the qualifying control period only, and must end as of January 31 or July 31, respective to the associated effective date of the control period.

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 cancelled with an effective date of February 1 or August 1, whichever aligns with the control period.

Following the cancellation of coverage, the PI employee is then eligible for the COBRA continuation coverage. Refer to the "[Consolidated Omnibus Budget Reconciliation Act \(COBRA\)](#)" section of this guide.

## Health Eligibility Requirements, Continued

### PI Continued Enrollment

An enrolled employee may continue coverage into a position with tenure of less than six months if 1) the time base is half time or more and 2) 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 six 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.

### PI Continued Enrollment

To be eligible for health into retirement, a PI employee nearing retirement must meet the hours requirement and be eligible for health benefits prior to separation. If they do not meet the hours requirements of a control period, a PI employee nearing retirement must enroll in COBRA upon active health cancellation resulting from insufficient hours. The COBRA enrollment while the PI employee is still active will establish continued enrollment in CalPERS health benefits prior to separation. Upon retirement, the PI employee's COBRA enrollment will be cancelled and health into retirement will be processed if they meet all retiree health eligibility requirements. The employer is responsible for informing a PI employee of these requirements.

### Legal Reference

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

## 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 information to help individuals better understand their health benefit coverage and more easily compare health plan options.

### Newly Eligible Employees

The SBC regulations require responsible parties to provide a 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 Subscribers

CalPERS and its health plans currently notify existing subscribers 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

For final regulations and additional information about SBC requirements, visit the [Department of Labor](#) website.

State Health Benefits Officers:

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

## Health Enrollment

### New Enrollment

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

The effective date of the enrollment is the first of the month following the date the employer receives the [Health Benefits Plan Enrollment for Active Employees \(HBD-12\) \(PDF\)](#) form. Note: PI employees have 60 days from the end of the qualifying control period to enroll.

If an employee elects no coverage within the 60-day time limit, a subsequent enrollment can only be requested upon:

- HIPAA special or late enrollment period
- Open Enrollment
- Involuntary loss of coverage
- Loss of coverage for any reason where the employee is a dependent of another CalPERS member (CCR section 599.502 (f) (4))

### Dependent Health Vesting

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 the [CalHR](#) website for additional detailed information.

### CalPERS Health Open Enrollment

Employers are responsible for educating employees on CalPERS Health Open Enrollment. Each year, prior to Open Enrollment, our website is updated with information regarding:

- Open Enrollment for Employers webpage
- Types of Open Enrollment event options (e.g., enroll, change health plans, etc.)
- Key dates (Open Enrollment period and deadline for processing)
- Open Enrollment Flyer for Employers

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

- Enroll
- Change health plans
- Add/delete eligible dependents
- Cancel coverage

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

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



## Health Enrollment, Continued

### Health Benefits Plan Enrollment for Active Employees (HBD-12) — Enrolling, Changing, Adding/Deleting Dependents, Cancelling, or Declining Coverage

The [Health Benefits Plan Enrollment for Active Employees \(HBD-12\) \(PDF\)](#)

- Is used to report enrollment transactions (or declining coverage) for active employees
- Must be submitted within 60 days of the date of a qualifying appointment/event
- Should be kept on file with the agency and a copy given to the employee
- Is used for **single transactions** with few exceptions. When multiple transactions are necessary, have the employee submit as a package, stapled together.
- Includes a **Remarks** box for explanations that resulted in the submission of the form

Forms can be signed electronically. See [Circular Letter 600-010-19 \(PDF\)](#) for more information regarding electronic signatures.

HBOs are responsible for the accuracy of all enrollment documents. View [HBD-12 Instructions \(PDF\)](#).

#### Required Health Enrollment Documents

The following table below lists the necessary forms and supporting documentation required for various demographic changes.

Enrollment Type	CalPERS Forms	Copies of Supporting Documentation
Birthdate validation	Health Benefits Plan Enrollment	<ul style="list-style-type: none"> <li>• Birth certificate/Delayed birth certificate</li> <li>• Border crossing card with I-94</li> <li>• Driver's license or identification card</li> <li>• Foreign passport with I-94</li> <li>• Naturalization or U.S. passport</li> <li>• Social Security certification</li> </ul>
Gender change validation	Health Benefits Plan Enrollment	<ul style="list-style-type: none"> <li>• Driver's license or identification card</li> <li>• Birth certificate</li> <li>• Court order to change gender</li> <li>• U.S. passport or U.S. passport card</li> </ul>
Name change validation	Health Benefits Plan Enrollment	Corrected Social Security card
Social Security number validation	Health Benefits Plan Enrollment	Social Security card

## Health Enrollment, Continued

### Health Benefits Plan Enrollment for Retirees and Survivors (HBD-30) – Enrolling, Changing, Adding/Deleting Dependents, or Cancelling Coverage

The [Health Benefits Plan Enrollment for Retirees/Survivors \(HBD-30\) \(PDF\)](#):

- Is used to report enrollment transactions for retirees or survivors
- Must be submitted within 60 days of the date of a qualifying event
- Is provided to CalPERS by the retiree or survivor

If a retiree or survivor elects no coverage within the 60-day limit, a subsequent enrollment can be requested upon:

- HIPAA special or late enrollment period
- Open Enrollment
- Involuntary loss of coverage
- Loss of coverage for any reason where the annuitant is dependent of another CalPERS member (CCR 599.502 (f) (4))

Retirees or survivors enrolling in a CalPERS *Supplement to Medicare* or *Managed Medicare* plan must provide a copy of the Medicare card for each Medicare eligible enrollee (subscriber and/or dependent).

#### Live/Work Rule

The availability of health plans to a subscriber is determined by their eligibility ZIP code.

- Active employees can use either their residential ZIP code or their employer's ZIP code to qualify for a health plan (upon initial enrollment, Open Enrollment, or a residential move).
- Retirees can use either their residential ZIP code or their employer's ZIP code to qualify for a health plan if they are enrolled in a non-Medicare plan. A working retiree in a Medicare plan must use their residential ZIP code to determine health plan eligibility.
- P.O. boxes cannot be used to determine eligibility.

#### Medical Identification Cards

Enrollees should receive their medical identification cards (ID cards) within two to three weeks after submission of the enrollment or after the health coverage effective date. ID cards are sent out by the health plan and not by CalPERS. Active employees can log in to their myCalPERS to confirm enrollment.

If not, the HBO should confirm the transaction. If the transaction is confirmed, the employee should contact the health plan directly to inquire about their ID card(s).

## Health Enrollment, Continued

### Changes to Health Plan and/or Dependents

- Active employees need to submit the [Health Benefits Plan Enrollment for Active Employees \(HBD-12\) \(PDF\)](#) to their HBO during Open Enrollment, HIPAA special or late enrollment, or a qualifying event.
- Retirees can make most changes online using myCalPERS or they can contact CalPERS at **888 CalPERS** (or **888-225-7377**).

### Demographic Changes or Corrections

- HBOs can key active employee profile changes and corrections, and dependent SSNs directly into myCalPERS. Any demographic changes required to be processed in the Personnel Information Management System (PIMS) must be processed in PIMS prior to any changes made in myCalPERS.
- For a dependent child who was added without an SSN, add their SSN within 90 days after the enrollment is processed.
- For retiree and all other dependent demographic changes: contact CalPERS at **888 CalPERS** (or **888-225-7377**).

### Changes to Primary Care Physicians or Medical Group

Subscribers must contact the health plan directly.

### Communication

All mail concerning the CalPERS Health Program should be directed to the following:

Enrollment forms, related documents, and correspondence:

CalPERS Health Account Management Division  
P.O. Box 942715  
Sacramento, CA 94229-2715

FedEx or UPS for mailing purposes:

CalPERS Health Account Management Division  
400 Q Street, Second Floor LPN  
Sacramento, CA 95811

Remittance of billing invoice payment and coupon:

California Public Employees' Retirement System  
P.O. Box 4032  
Sacramento, CA 94812-4032

## Health Enrollment, Continued

### Specific Provider Needs

If a specific doctor, medical group, or hospital is preferred, a health plan must be selected which allows access to the specific provider. Each enrollee should contact the health plan(s) and/or provider directly to inquire about the availability of the specific provider **before** enrolling.

**IMPORTANT:** When employees enroll in a health plan, services are provided through the health plan's delivery system and the continued participation of any one doctor, hospital, or other provider **cannot be guaranteed**. The provider network may change during the plan year. Employees may be permitted to select another provider but not another plan. If the health plan is unable to offer a satisfactory physician/patient relationship with the enrollee for reasons such as a limited provider network in an area, an active employee must have their employer submit the request for a plan change outside of Open Enrollment to CalPERS for review. A retiree would submit the request to CalPERS directly.

### Special Medical Needs

Health plan benefit designs are not identical. Current or anticipated medical needs must be considered in choosing a plan to minimize out-of-pocket expenses and fulfill individual needs. Individual *Evidence of Coverage* publications are available from each health plan, which explain benefits, limitations, and exclusions.

### Out-of-Pocket Expenses

These vary greatly between the plans. In addition to the monthly premium (if any employee share applies), there may be deductibles and co-payments to meet. Not all plans require deductibles and co-payments. The [Health Benefit Summary \(HBD-110\) \(PDF\)](#) provides more information on these expenses.

### Evidence of Coverage (EOC)

This provides detailed information about the benefits, limitations, and exclusions of the health plan.

EOC publications are sent to all new enrollees and are also available:

- For download or order online at the [CalPERS](#) website
- By contacting the health plan directly

## Health Enrollment, Continued

### Member Claims and Appeals

Any disputes about medical benefits, coverage, or claims should be resolved through the health plan. This includes requests for a change in primary care provider, the referral process, and clarification about co-payments. If the health plan denies a benefit that is listed in the EOC publication, the enrollee should follow the grievance procedure outlined in the EOC. If that is not successful, the employee may contact CalPERS at **888 CalPERS** (or **888-225-7377**) or in writing for assistance.

CalPERS can assist if the enrollee has made every reasonable effort to resolve the dispute with the health plan **first** and is requesting a benefit that is listed in the EOC publication. Requests for additional benefits which are not listed in the EOC publication or requests by the enrollee for plan changes because a provider is no longer available **cannot** be resolved by the claim's assistance officer (CCR section 599.518).

### Mandatory Transactions

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

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

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 mandatory transactions, the effective date is the first 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 section 599.502).

## Health Enrollment, Continued

### Permissive Transactions

Permissive transactions are additions or deletions to a health enrollment at the voluntary request of the enrolled member and not required by law. Permissive transactions include events such as:

- Adding a spouse due to marriage
- Adding a child due to custody or a parent-child relationship
- Adding a family member due to loss of other coverage
- Deleting a child who reaches age 18
- Deleting a family member who enters the military
- Deleting a family member who gains other coverage
- Deleting a spouse or domestic partner who vacates the household
- Optional delete
- Court Order

For permissive transactions, the effective date is the first of the month after the HBO receives the enrollment form(s) and applicable supporting documentation. Permissive transactions for adding a dependent must be submitted within 60 days of the qualifying event. HIPAA late enrollment requiring a 90-day waiting period would apply for enrollments submitted after the 60-day period.

### Changing Health Plans

Health plans may be changed at the following times:

- CalPERS Open Enrollment period
- Within 60 days of the following events:
  - Change in residence or employment
  - Retirement
  - Becoming a survivor
  - Court order
  - When a dependent moves out of the service area
  - COBRA enrollment
  - Enrollment in Medicare by a subscriber or their dependent due to Amyotrophic Lateral Sclerosis (ALS) or End Stage Renal Disease (ESRD)

**Note:** Financial hardship is not a qualifying event to change health plans.

## Health Enrollment, Continued

### 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 if adding as a dependent
  - Employee must notify the HBO
- Divorce/termination of domestic partnership
  - A former spouse or registered domestic partner is no longer eligible to receive health benefits under the employee's coverage
  - Employee must notify the HBO.
- Death of an employee
  - The employer, surviving spouse, registered domestic partner, or a family member must contact CalPERS to report the death.
  - After CalPERS processes the death report, the health coverage for the employee and all enrolled dependents will automatically cancel the first of the month following the date of death.
- Death of a family member enrolled in CalPERS health benefits
  - Employee must notify the HBO.
- The parent-child relationship dependent is no longer financially dependent on the employee
  - Employee must notify the HBO.
- Change or residential address
  - An employee must contact the HBO when they move to ensure the correct ZIP code is used to establish eligibility in a health plan.
- Medicare eligibility
  - Once an employee or their dependent becomes eligible for Medicare due to age, a disability, ESRD, or ALS, the employee should notify CalPERS immediately to receive further guidance.
- Court order
  - When a court order is received, the employer or CalPERS must verify eligibility and enroll or add an eligible dependent according to the court order date.
  - Upon receipt of a court order advising that the subscriber is no longer required to enroll or add an eligible dependent according to the court order date.
  - Upon receipt of a court order advising that the subscriber is no longer required to enroll the dependent(s), the employer or CalPERS can delete the dependent according to the court order.

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 tables below list the necessary forms and supporting documentation required for the various types of enrollments or changes to enrollment. For more information, refer to the "[Health Eligibility Requirements](#)" section of this guide.

SSNs are required for all dependents upon initial enrollment or upon change of enrollment.

If the SSN is unavailable for children, it is your responsibility to establish a follow-up process to obtain the SSN and update myCalPERS no later than 90 days after the enrollment is processed.

If a spouse or domestic partner does not have a SSN, contact CalPERS for assistance with their enrollment.

Enrollment Type	CalPERS Forms	Copies of Supporting Documentation
Active employee – new enrollment	Health Benefits Plan Enrollment*	<ul style="list-style-type: none"> <li>• Birth Certificate</li> <li>• Driver License/ID Card</li> <li>• Foreign Passport with 1-94</li> <li>• U.S. Passport</li> <li>• Certificate of Naturalization</li> </ul>
Adding a registered domestic partner	Health Benefits Plan Enrollment*	<ul style="list-style-type: none"> <li>• Declaration of Domestic Partnership from the California Secretary of State's Office</li> <li>• Medicare card (if applicable)</li> </ul>
Adding a spouse	Health Benefits Plan Enrollment*	<ul style="list-style-type: none"> <li>• Government-issued marriage certificate</li> <li>• Medicare card (if applicable)</li> </ul>
Adding/deleting a dependent child	Health Benefits Plan Enrollment*	<ul style="list-style-type: none"> <li>• Birth certificate</li> <li>• Medicare card (if applicable)</li> <li>• Reason for add/delete</li> </ul>

\*Used to enroll, change, cancel, or decline health plan enrollment



## 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	<ul style="list-style-type: none"> <li>• Affidavit of Parent-Child Relationship</li> <li>• Health Benefits Plan Enrollment*</li> </ul>	<p>Required supporting documentation for a PCR dependent under <b>age 18 and under</b> include the following:</p> <p>A copy of the first page of the subscriber's federal or state income tax return from the previous tax year listing the child as a tax dependent, <b>OR</b>  <b>In lieu of a tax return, for a time not to exceed one tax filing year</b>, and only during the child's initial enrollment as a PCR, the subscriber may submit other supporting PCR documentation (CalPERS-HBD-40, section 4) that substantiates the child's financial dependence upon the subscriber.</p> <ul style="list-style-type: none"> <li>• <b>If the child resides with the subscriber rent free for more than 50% of the time: TWO supporting documents are required</b></li> <li>• <b>If the child doesn't reside with subscriber: THREE or more supporting documents are required</b></li> <li>• <b>A minimum of ONE of the following Primary Supporting PCR Documents is required: (CalPERS-HBD-40, Section 4, Category A).</b></li> </ul>

\* Used to enroll, change, cancel, or decline health plan enrollment

# 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"> <li>• Affidavit of Parent-Child Relationship</li> <li>• Health Benefits Plan Enrollment*</li> </ul>	<ul style="list-style-type: none"> <li>- Current legal judgments or court documents showing the subscriber's legal parental status or guardianship over the child</li> <li>- Current child's driver's license or state identification showing common residency</li> <li>- Current rental or lease agreements</li> <li>- School or college records (current school year) listing the subscriber as the child's guardian or indicating common residency</li> <li>- Other verifiable documents showing common residency</li> <li>- Bank statements or other financial documentation reflecting rent payment(s) for the child who does not reside with the subscriber along with proof of payment made by the subscriber.</li> </ul> <ul style="list-style-type: none"> <li>• <b>The following Secondary Supporting PCR documentation may be submitted; (CalPER-HBD-40, section 4, category B)</b> <ul style="list-style-type: none"> <li>- Tuition payment(s), car insurance, credit card statements, or other billing statements along with proof of payments made by the subscriber</li> </ul> </li> </ul>

\* Used to enroll, change, cancel, or decline health plan enrollment

# 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"> <li>• Affidavit of Parent-Child Relationship</li> <li>• Health Benefits Plan Enrollment*</li> </ul>	<ul style="list-style-type: none"> <li>- Joint or child's bank statement showing reoccurring deposits made by the subscriber</li> <li>- Medical and dental bills for the child along with proof of payments (s) made by the subscriber</li> <li>- Vehicle registration along with proof of payment(s) made by the subscriber</li> </ul> <p>Required supporting documentation for a PCR dependent from age <u>19</u> up to age <u>26</u> include the following:            A copy of the first page of the subscriber's federal or state income tax return from the previous tax year listed the child as a tax dependent,  <b>OR</b>            Other Supporting PCR Documentation (CalPERS-HBD-40, section 4) that substantiates that the child is dependent on the subscriber for more than 50% of their financial support:</p> <ul style="list-style-type: none"> <li>• <b>If the child resides with the subscriber rent free for more than 50% of the time: TWO supporting documents are required</b></li> <li>• <b>If the child resides with the subscriber and pays rent OR is a full-time student and doesn't reside with the subscriber: THREE supporting documents are required</b></li> </ul>

\* Used to enroll, change, cancel, or decline health plan enrollment

# 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"> <li>• Affidavit of Parent-Child Relationship</li> <li>• Health Benefits Plan Enrollment*</li> </ul>	<ul style="list-style-type: none"> <li>• <b>A minimum of ONE of the following primary supporting PCR documentation is required: (CalPER-HBD-40, section 4, category B)</b> <ul style="list-style-type: none"> <li>- Current legal judgments or court documents showing the subscriber's legal parental status or guardianship over the child.</li> <li>- Current child's driver's license or state identification showing common residency</li> <li>- Current rental or lease agreements</li> <li>- School or college records (current school year) listing the subscriber as the child's guardian or indicating common residency</li> <li>- Other verifiable documents showing common residency</li> <li>- Bank statements or other financial documentation reflecting rent payment(s) for the child who does not reside with the subscriber along with proof of payment made by the subscriber.</li> </ul> </li> </ul>

\* Used to enroll, change, cancel, or decline health plan enrollment.

## 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"> <li>• Affidavit of Parent-Child Relationship</li> <li>• Health Benefits Plan Enrollment*</li> </ul>	<ul style="list-style-type: none"> <li>• <b>The following Secondary Supporting PCR documentation may be submitted: (CalPERS-HBD-40, section 4, category B)</b> <ul style="list-style-type: none"> <li>- Tuition payments(s), car insurance, credit card statements, or other billing statements along with proof of payments made by the subscriber</li> <li>- Joint or child's bank statement showing recurring deposits made by the subscriber</li> <li>- Medical and dental bills for the child along with proof of payment(s) made by the subscriber</li> <li>- Vehicle registration along with proof of payment(s) made by the subscriber</li> </ul> </li> </ul>
Birthdate Validation	<ul style="list-style-type: none"> <li>• Health Benefits Plan Enrollment*</li> </ul>	<ul style="list-style-type: none"> <li>• Birth certificate/Delayed birth certificate</li> <li>• Border crossing card with I-94</li> <li>• Driver's license or identification card</li> <li>• Foreign passport with I-94</li> <li>• Naturalization of U.S. passport</li> <li>• Social Security certification</li> </ul>

\* Used to enroll, change, cancel, or decline health plan enrollment

## Health Enrollment, Continued

### Required Health Enrollment Documents, Continued

Enrollment Type	CalPERS Forms	Copies of Supporting Documentation
Deleting a spouse due to divorce	<ul style="list-style-type: none"> <li>• Health Benefits Plan Enrollment*</li> </ul>	<ul style="list-style-type: none"> <li>• Divorce Decree</li> </ul>
Deleting a registered domestic partner due to termination of partnership	<ul style="list-style-type: none"> <li>• Health Benefits Plan Enrollment*</li> </ul>	<ul style="list-style-type: none"> <li>• Termination of Domestic Partnership submitted to the California Secretary of State's Office</li> </ul>
Enrolling self or dependents due to loss of other health coverage	<ul style="list-style-type: none"> <li>• Health Benefits Plan Enrollment*</li> </ul>	<ul style="list-style-type: none"> <li>• Proof of loss of coverage</li> <li>• Government-issued marriage certificate (spouse)</li> <li>• Declaration of Domestic Partnership (domestic partner)</li> <li>• Birth certificate (child)</li> <li>• Medicare card (if applicable)</li> </ul>
Disabled child over age 26 – certification	<ul style="list-style-type: none"> <li>• Disabled Dependent Member Questionnaire and Medical Report</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>
Death of employee, retiree, or family member	<ul style="list-style-type: none"> <li>• Health Benefits Plan Enrollment*</li> </ul>	<ul style="list-style-type: none"> <li>• Death certificate</li> </ul>
Gender change validation	<ul style="list-style-type: none"> <li>• Health Benefits Plan Enrollment*</li> </ul>	<ul style="list-style-type: none"> <li>• Driver license or identification card</li> <li>• Birth certificate</li> <li>• Court order to change gender</li> <li>• U.S. passport card</li> </ul>
Change plans due to address change	<ul style="list-style-type: none"> <li>• Health Benefits Plan Enrollment*</li> </ul>	<ul style="list-style-type: none"> <li>• Include both old and new addresses</li> </ul>

\* Used to enroll, change, cancel or decline health plan enrollment

The birth certificate for newborns is due at the time of enrollment or within 60 days of the effective date. Until the birth certificate is available, the employee must provide an official hospital birth record of the child.

## Health Enrollment, Continued

### Required Health Enrollment Documents, Continued

Enrollment Type	CalPERS Forms	Copies of Supporting Documentation
Name change validation	<ul style="list-style-type: none"> <li>• Health Benefits Plan Enrollment*</li> </ul>	<ul style="list-style-type: none"> <li>• Corrected Social Security card</li> </ul>
Off-pay status – continue coverage	<ul style="list-style-type: none"> <li>• Direct Payment Authorization</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>
Off-pay status – cancel coverage	<ul style="list-style-type: none"> <li>• Health Benefits Plan Enrollment*</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>
COBRA	<ul style="list-style-type: none"> <li>• Group Continuation Coverage (COBRA election)</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>
Social Security number validation	<ul style="list-style-type: none"> <li>• Health Benefits Plan Enrollment*</li> </ul>	<ul style="list-style-type: none"> <li>• Social Security card</li> </ul>

\*Used to enroll, change, cancel or decline health plan enrollment

Search CalPERS Health Program forms on the [Forms & Publications](#) page. These forms are revised periodically.

#### Legal References

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

## Retroactive Refund

### Retroactive Transactions

Retroactive transactions occur when the eligibility status of an employee or dependent changes due to death, marital status, changes in employment, or other circumstances, and the **change is not reported prior to the State Controller's Office or to CalPERS 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. Underpaid premiums are required to be collected.

### Retroactive Refund

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

If the enrollment is updated on a prospective basis, **there will not be any refunds of health premiums.**

When dual CalPERS coverage or a split enrollment is discovered, the enrollment that caused the dual coverage or split enrollment must be retroactively cancelled. 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, subscribers, and CalPERS. When enrolling in the CalPERS Health Program, subscribers certify that all dependents are eligible family members. Employers are responsible for accurately reporting changes for subscribers 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 enrollees.

Subscribers who fail to report an enrollment change could be liable for retroactive payment 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 process the transaction timely are entitled to a refund of retroactive benefit premiums **up to six months** from the date the deletion or cancellation is processed and recorded. Employers who enter a permanent separation for a member who is enrolled in a health plan must confirm that benefits were cancelled and provide the member with COBRA information, if applicable. Employers are responsible for performing internal reviews on a monthly basis to ensure only eligible subscribers and dependents remain enrolled.



## Retroactive Refund, Continued

### Example 1

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

An employee gets a divorce, on December 12, 2018; however, the employee does not report the divorce until December 6, 2021. This is a *mandatory* deletion with an effective date of January 1, 2019. If the employee had reported the divorce in a timely manner, the former spouse's coverage would have been cancelled, and they would have received COBRA group continuation information.

Because the member reported the event late, a retroactive health benefit premium overpayment for 36 months (January 2016–December 2018) is created. The reimbursement of excess premiums is calculated for the last six months (July 2018–December 2018), and the health plan may bill the member for any claims submitted for the former spouse subsequent to January 1, 2019.

### 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, 2019; however, the employer does not report the separation until December 6, 2021. This is a *mandatory* cancellation with an effective date of March 1, 2019. If the employer had reported the separation in a timely manner, the former employee's coverage would have been cancelled, and they would have received COBRA group continuation information.

Because the employer reported the event late, a retroactive health benefit premium overpayment was created for 34 months (March 2019–December 2021). The reimbursement of excess premiums is calculated for the last six months (July 2021–December 2021), and the health plan may bill the member for any claims submitted subsequent to March 1, 2019.

### Circular Letter 600-215-05

For more information, refer to [Limiting Retroactive Reimbursement Liability for Health Premiums \(PDF\)](#) and Attachment: [FAQs for Employers \(PDF\)](#)

## Health Event Reasons

### Reason Guide

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

Select the type of action in box 11 and the permitting event in box 12 of the Health Benefits Plan Enrollment for Active Employees (HBD-12) form.

### Using the Guide

When processing health transactions, the health event reasons are grouped within health event types such as New Enrollment, Add Dependent or Delete Dependent, Change Health Plan, Cancel Coverage, and Open Enrollment.

When adding or deleting dependents, make note if the event is *mandatory* or *permissive*. This will affect effective dates and COBRA rights. The Reason Guide has an Effective Date Method column for each transaction. Refer to the Effective Date Key for an explanation of the effective date method.

### Mandatory Transactions (M)

These are additions to or deletions from health enrollments **due to a requirement by law**. Events such as divorce, death of a dependent, 26 birthday of a dependent child, and birth of a newborn are all mandatory transactions. **The effective date is the first of the month following the event date.**

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

### Permissive Transactions (P)

These are 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.**

## Health Event Reasons, Continued

### **State Pay Period Exceptions and Active Health Cancellation Dates**

When the first day of a calendar month is the last day of the previous pay period due to the monthly payroll period for a state department not coinciding with the calendar month, and the event date that terminates health benefits is the last day of that pay period, myCalPERS will cancel the employee's health benefits effective the 1st of the 2nd month most closely corresponding to the payroll month in which the event resulting in the termination occurs. For example, if November 1 is part of the October pay period, and November 1 is the last day on payroll, the health cancellation effective date is December 1.

## Health Event Reasons

### Health Event Type: New Enrollment

Reason	Description	Event Date	Effective Date Method
Time base & tenure	New qualifying appointment	Date of appointment	2
Time base, tenure, hours	PI who met the qualifying hours	January 1 or July 1	2
Late or loss of coverage (employee)	Loss of other health coverage	Date other coverage ends	2
Enroll own right employee	Employee enrolling in their own CalPERS health plan after deletion as a dependent from a CalPERS health plan	Date dependent coverage terminates	2
Return from off-pay status	Return from a temporary leave	Date of return to pay status	1(M)
BU 06 PI Cadet new Enroll	BU 6 employee is hired	Date of appointment	2
State retiree-dental enrollment	State employee continuing dental into retirement	Last day of employment	3
Non-Enrolled Emp Acquiring a Dep (Active)	Employee acquires a new dependent through marriage, birth, adoption, placement for adoption, or child in a parent-child relationship	Date dependent is acquired	2
Reinstatement	Employee re-enrolling after reinstating from retirement	Date of appointment	2
Military - New Enrollment	Employee has returned to work (health benefits were cancelled while on military duty)	Date employee returns to work	2
Off Pay eligible PI	<b>State</b> PI employee who was on leave	Date of return to pay status	2

Reason	Description	Event Date	Effective Date Method
Off Pay during O/E	Employee who was on leave during the Open Enrollment period	Date of return to pay status	6
Pending Retirement	Direct pay for an employee whose retirement is being delayed. They will be responsible for making direct payments to their health carrier until they go on retirement roll.	Date of separation	3
Appealing dismissal	Direct pay for an employee to continue their health benefits while appealing their employment dismissal.	Date after prior termination date	1(M)
Layoff: Enroll Direct Pay	Direct pay for an employee to continue their health benefits while laid off from employment	Date of layoff	7
Special Enrollment Employees	Employee enrolling due to a special enrollment period. Use only when authorized by CalPERS. CalPERS will communicate all special enrollment periods to employers with applicable dates.	User provided	5
Survivor Benefits Paid by ER	<b>State</b> employees' survivors labor code 19849.15. Direct pay for the enrolled dependents on an active state safety employee's death. The state employer pays for 120 days of premiums in a lump sum to the health carrier. The employer should also cancel this enrollment effective the first of the month after the 120 days at the same time, so that the enrollment doesn't continue	Date of member's death	1(M)
Re-enroll SES/PA FFPO Survivor	<b>State Employee Survivor (SES)/Public Agency (PA) Firefighter Police Officer (FFPO).</b> <i>Contact CalPERS to determine eligibility and to process</i>	Date of member's death	3

<b>Reason</b>	<b>Description</b>	<b>Event Date</b>	<b>Effective Date Method</b>
Re-employment	Employee re-enrolling after an administrative remedy to return to work, e.g., a disability retired employee who by administrative remedy had their retirement voided and is returning to work	Date of appointment	2
Pending Retirement - Deferred Retirees	Direct pay for certain groups who separate and retire more than 120 days from each other, e.g., members of the legislature, constitutional officers, etc.	Date of separation	3

**Health Event Type: Add Dependent**

<b>Reason</b>	<b>Description</b>	<b>Event Date</b>	<b>Effective Date Method</b>
Birth/placement	Adding newborn or newly adopted child	Date of birth, date of adoption or placement for adoption	1(M)
Marriage	Adding new spouse or step- children due to marriage	Date of marriage	2
Custody	Adding child due to change in custody	Date dependent is acquired	2
Parent-child relationship	Adding child who lives in parent-child relationship with employee	Date dependent is acquired	2
Loss of coverage	Adding dependent due to loss of non-CalPERS health coverage	Date other coverage terminates	2
Return from military leave – dependent	Adding dependent due to return from military leave	Date of return from military leave	2
Court order	Adding dependent due to court order	Date of court order	2
Domestic Partner Add	Adding a domestic partner due to a new domestic partner relationship	Date of registration of domestic partnership	2

Reason	Description	Event Date	Effective Date Method
Domestic Partner Child Add	Adding a domestic partner's child due to a new domestic partner relationship	Date of registration of domestic partnership	2
Off pay Open Enrollment	Adding a dependent due to Open Enrollment after they return to work after being off pay during the OE period	Date of return to pay status	6
Special Enrollment Dependent	Adding a dependent due to a CalPERS approved Special Enrollment period	User provided	6
Dependent Eligibility Verification Re-Enrollment	Re-adding a dependent who has been verified to remain as a dependent and was previously deleted due to the Dependent Eligibility Verification (DEV) process	Effective date the dependent was deleted	1(P)
Re-Enrollment of Verified Dependent	<b>State</b> myCalPERS user added a dependent after the employee provided documentation to verify their relationship with their dependent. This is after the dependent deletion due to the employee not verifying timely.	Date of request	1(P)

## Reason Guide, Continued

### Health Event Type: Delete Dependent

Reason	Description	Event Date	Effective Date Method
Death of dependent	Deleting dependent due to death	Date of death	1(M)
Divorce	Deleting dependent(s) due to divorce	Date of divorce	1(M)
Enroll own right dependent	Deleting dependent who is enrolling in their own CalPERS health plan	The day before the effective date	1(M)
Gains other coverage	Deleting dependent who obtains other coverage	Date other coverage begins	1(P)
Legal separation	Deleting dependent due to legal separation	Date of legal separation	1(P)

<b>Reason</b>	<b>Description</b>	<b>Event Date</b>	<b>Effective Date Method</b>
Military – delete dependent	Deleting dependent who goes on military leave	Date of military leave	1(P)
Optional delete	Delete dependent(s)	Date of request	1(P)
Change of custody	Deleting dependent due to change in custody	Date custody changes	1(P)
Vacates household	Deleting dependent who moves out of household	Date of move	1(P)
Domestic partnership term	Deleting domestic partner	Date domestic partnership terminates	1(M)
Domestic partnership child term	Deleting domestic partner children	Date domestic partnership terminates	1(M)
Loss Parent-Child Relationship	Employee deleting a child who is no longer in a parent-child relationship	Date dependent loses eligibility	1(M)
26-year-old delete	Employee deleting a 26-year-old child if dependent isn't automatically deleted in myCalPERS	Dependent's 26th birth date	1(M)
Dependent Eligibility Verification	Employee deleting a dependent due to not providing documentation, e.g., copy of a marriage certificate, birth certificate, tax records, etc. required of the Dependent Eligibility Verification (DEV) process	User defined	1(M)
Did not Verify - Online	State myCalPERS user deleted a dependent because the employee did not provide documentation to verify their relationship with their dependent	Verification end date	1(M)

**Health Event Type: Change Health Plan**

<b>Reason</b>	<b>Description</b>	<b>Event Date</b>	<b>Effective Date Method</b>
Move	Change in physical address (move)	Date of move	1(P)
Off-pay during Open Enrollment	Changing health plans upon return from off-pay status during Open Enrollment	Date of return to pay status	6



Association membership	Gain association membership	Date of membership	1(P)
Out of assoc. plan	Lose association membership	Date loses membership	1(M)
Change plan due to eligibility ZIP code change	Changing health plans due to health carrier no longer providing services in the eligibility ZIP code change	Date of request	1(P)
Special Enrollment - Change Health Plan	Changing plans due to CalPERS granting a special enrollment period	User provided	5

**Health Event Type: Cancel Coverage**

<b>Reason</b>	<b>Description</b>	<b>Event Date</b>	<b>Effective Date Method</b>
Subscriber request	Voluntary request to cancel coverage	Date of request	1(P)
Gains Other Coverage (Cancel Coverage)	Voluntarily canceling due to enrolling in other health benefits	Date of request	1(P)
Insufficient hours	PI loses eligibility because they didn't work enough hours	End of the control period	3
Time base/tenure change	Loss of eligibility due to an ineligible time base appointment	Date of appointment status change	1(M)
Change in appointment outside bargaining unit	Change in appointment to non-participating bargaining unit	Date of change in appointment	1(M)
Appeal denied	Denial of appeal of employment termination	Date of appeal denied	1(M)
Cancel: Perm Separation	Cancelling due to a permanent separation if it isn't automatically cancelled in myCalPERS	Last day of employment (permanent separation date minus one day)	7

Layoff Cancel	Lay off from employment	Date of layoff	7
Subscriber Death	Employee who passed away	Date of death	1(M)
Off Pay Status Cancel	Cancelling while on a leave of absence	Date of off pay status	7
Military Leave	Employee serving in the military (optional)	Date of military leave	1(M)
Subscriber Request - COBRA	COBRA subscriber voluntarily canceling	Date of request	1(P)

## Reason Guide, Continued

### Health Event Type: Change Premium Payment Method

Reason	Description	Event Date	Effective Date Method
LOA	Direct pay for employee on a temporary leave	Date of last day on pay status	7
PI/Off-pay	Direct pay for PI employee on off-pay status	Date of last day on pay status	7
Worker comp/claim pending	Direct pay for an employee pending a claim	Date of claim pending	7
Change to deduct – return to work	If myCalPERS didn't automatically change employee from direct pay to standard deduction, manually use this reason	Date of return to work	1(M)
Suspension	Direct pay for an employee who was suspended	Last day on pay status	7
Insufficient earnings	Direct pay for an employee who didn't work enough to cover their portion of the premium	Date of insufficient earnings	7
Pending NDI	Direct pay for an employee who is waiting for approval of NDI	Date NDI begins	7

Reason	Description	Event Date	Effective Date Method
CSU Inactive	<b>State</b> CSU employee who is on a leave of absence and going on direct pay	Date of CSU Inactive	7
Change to deduct-FMLA	Standard deduction (employer is being billed). When an employee is on Family Medical Leave (Act) (FMLA) and the employer should still be paying for their health premiums. myCalPERS will continue to bill the employer for an employee on FMLA; however, if this doesn't occur, the employer can process using this reason. For example, if the employee was on an LOA that got corrected/changed to FMLA, the billing needs to change to the employer.	Date on FMLA	1(M)
Change to deduct-Auth Strike	Employee continuing active health benefits while they are on leave due to an authorized strike and not receiving pay	Last day on pay status	1(M)

## Reason Guide, Continued

### Health Event Type: COBRA New Enrollment

Reason	Description	Event Date	Effective Date Method
COBRA loss of employment	Employee enrolling due to a permanent separation	Date of when employment terminates	7
COBRA reduction in hours	Employee enrolling after health was cancelled due to an appointment change to an ineligible time base	Effective date of appointment changed to reduced hours	7
COBRA subscriber loss of employment - dependent	Dependent enrolling due to the employee's permanent separation	Date of when employment terminates	7
COBRA divorce/separation / move from household	Dependent enrolling due to divorce, separation of marriage, or move out of household	Date of divorce, separation, or move from household	1(M)
COBRA loss of dependent status	Dependent enrolling due to losing eligibility	Date dependent loses dependent status	1(M)
COBRA Death of Subscriber	Dependent enrolling due to loss of coverage after the subscriber passes away	Date of death	1(M)
COBRA Dependent Eligibility Verification	Dependent enrolling due to losing eligibility (employee didn't provide required documentation, e.g., copy of a marriage certificate, birth certificate, etc.) as a result of the Dependent Eligibility Verification (DEV) process	Effective date of cancellation of coverage	1(M)

## Reason Guide, Continued

### Health Event Type: Open Enrollment

Reason	Description	Event Date	Effective Date Method
Open Enrollment employees' new enrollment	Employee enrolling during the Open Enrollment period	Date within the Open Enrollment period	4
Open Enrollment add dependent	Employee adding a dependent during the Open Enrollment period	Date within the Open Enrollment period	4
Open Enrollment change health plan	Employee changing plans during the Open Enrollment period	Date within the Open Enrollment period	4
Open Enrollment delete dependent	Employee deleting a dependent during the Open Enrollment period	Date within the Open Enrollment period	4
Open Enrollment cancel coverage	Employee cancelling coverage during the Open Enrollment period	Date within the Open Enrollment period	4

### Health Event Type: Update Enrollment

Reason	Description	Event Date	Effective Date Method
Change eligibility ZIP employer	Changing eligibility ZIP code	Date of request	3
Cancel eligibility ZIP	Terminating eligibility ZIP code	Date of request	3
Relationship Update	A dependent's relationship type had changed, e.g. Other child to Adopted Child, Domestic Partner to Spouse, etc.	The receive date must be the date you are entering the transaction	1(p)

## Reason Guide, Continued

### Health Event Type: Recertify Dependent

Reason	Description	Event Date	Effective Date Method
Recertification of parent-child relationship	Recertifying a dependent in a parent-child relationship to remain covered	First day of the month following the employee's birth date	1

### Health Event Type: Dependent Address Change

Reason	Description	Event Date	Effective Date Method
Address update	Adding or changing a dependent's address	Day before the effective date	1

### Health Event Type: Verify Dependent

Reason	Description	Event Date	Effective Date Method
Verification of dependent	Use this reason when all documentation has been <b>received before</b> the deletion date and the dependent(s) is/are verified. This reason can be used up to 30 days after the deletion date. The system will automatically rescind the deletion transaction.	Dependent verification end date	1

## Reason Guide, Continued

### Health Event Type: Verify Dependent, Continued

Reason	Description	Event Date	Effective Date Method
Re-enrollment of verified dependent	<p>To re-enroll dependents on a prospective basis with a gap in coverage if any of the supporting documents are <b>received on or after</b> the deletion date.</p> <p>Also, this reason is used to re-enroll dependents without a gap in coverage if supporting documents were <b>received before</b> the deletion date, but the verification was <u>not processed</u>, and it is more than 30-days after the deletion date.</p>	Dependent verification end date	2
Delete dependent – did not verify online	<p>To preemptively delete dependents who were not or cannot be verified during the reverification process. However, do not process a deletion, the system will automatically process the deletion batch if a dependent is not verified.</p> <p>The delete dependent – did not verify transaction should not be manually rescinded.</p>	Dependent verification end date or an earlier date selected by the member that falls within the 120-days of the member's verification timeframe.	1

## Reason Guide, Continued

### Effective Date Key

Effective Date Method	Effective Date Description
1	1st day of the month following the event date (mandatory event), or HBO received date (permissive event).
2	1st day of the month following the HBO received date if within 60 days of the event date. If HBO received date is beyond the 60th day, the effective date is the 1st 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	1st day of the month following HBO received date or most recent Open Enrollment effective date, whichever is latest.
7	1st day of the 2nd month following the event date.
8	1st day of the month following HBO received date if within 60 days of the contract date.  If HBO received date is beyond the 60th day, the effective date is the 1st day of the month following a 90-day waiting period from the HBO received date (permissive event).

For assistance in processing health transactions in myCalPERS, refer to the [myCalPERS Health Enrollment \(PDF\)](#) student guide and the myCalPERS [Health Enrollment Supplement \(PDF\)](#) student guide.



## Health Insurance Portability & Accountability Act (HIPAA)

### Implementation

In 1996, Congress enacted the Health Insurance Portability and Accountability Act (HIPAA). This section's focus of HIPAA is on the portability of health insurance. The requirements of HIPAA took effect January 1, 1998, and changed enrollment practices and policies for employees and family members eligible to enroll in a CalPERS health plan.

### Implications

These changes did not eliminate or alter current enrollment rules and procedures except for the elimination of the Health Statement, which was replaced with **special enrollment** and **late enrollment** periods. These enrollment periods allow employees and their dependents specific opportunities to enroll in the CalPERS Health Program.

In all instances, the employee and dependent must be eligible for enrollment in a CalPERS-sponsored health plan as defined by Part 5, the Public Employees' Medical and Hospital Care Act (PEMHCA).

### Special Enrollment

The employee may request **enrollment for self or self and all eligible family members**. The request must include proof of loss of other coverage and be received within 60 days after the other coverage ends. The effective date is the first of the month following the request to enroll.

#### A. Enrollment Decisions After January 1, 1998

On or after January 1, 1998, employees who were not provided written notice by the employer of the consequences of **declining or cancelling** coverage are eligible to enroll. The effective date of enrollment is the first of the month following receipt of the request to enroll.

#### B. Loss of Other Coverage

If an employee **declines or cancels** enrollment for self or dependents because of other coverage (employer-sponsored or other insurance coverage), the employee can enroll when the other coverage is no longer available. Involuntary loss of other coverage is defined as:

- Termination of employment of the individual through whom the employee or dependent was covered
- Termination of the other plan's coverage
- COBRA continuation coverage has been exhausted
- Termination of employer's contribution toward employee or dependent coverage
- Death, divorce, or legal separation of a person through whom the employee or dependent was covered

## HIPAA, Continued

### Special Enrollment, Continued

#### C. Non-Enrolled or Enrolled Employee Acquiring a Dependent

If an employee **declines or cancels** enrollment and later acquires a dependent through marriage, birth, adoption, or placement for adoption (parent-child relationship), the employee can enroll for self, spouse, and all eligible dependent(s).

If an **enrolled employee declines or cancels enrollment for their spouse** and later acquires a dependent through marriage, birth, adoption, or placement for adoption (parent-child relationship), the employee can enroll the spouse or spouse and all eligible dependent(s).

The request must be received within 60 days of acquiring the dependent. The effective date is the first of the month following the request to enroll.

For a loss of coverage qualifying event, the request must include proof of loss of other coverage and be received within 60 days after the other coverage ends. The effective date is the first of the month following the request to enroll.

#### D. Court-Ordered Coverage

1. **Child of an enrolled employee:** A court has ordered coverage be provided for a child under an **enrolled** employee's health plan. If the employee's current health plan has a restricted geographical service area and is not available in the child's residential area, the employee must change to a health plan that will cover the child. If the employee refuses to change health plans, the **employer must** enroll the employee and dependent child in PERS Platinum. The effective date is the first of the month following the court order date (unless the court order specifies a specific effective date of coverage).
2. **Child of a non-enrolled employee:** A court has ordered coverage be provided for a child under a **non-enrolled** employee's health plan. The employee can enroll in a health plan available in the child's residential area. If the employee refuses to enroll, the **employer must enroll** the employee and child in PERS Platinum. The effective date is the first of the month following the court order date (unless the court order specifies a specific effective date of coverage).
3. **Spouse of an enrolled employee:** A court has ordered that coverage be provided for a spouse under an **enrolled** employee's health plan. If the employee's current health plan has a restricted geographical service area and the health plan is not available in the spouse's residential area, the employee must change to a health plan that will cover the spouse. The effective date is the first of the month following the court order date (unless the court order specifies a specific effective date of coverage). This does not apply to a former spouse.

## HIPAA, Continued

### Late Enrollment

Employees who **decline or cancel** enrollment for self or dependents (including spouse) and who do not qualify for a special enrollment may enroll during Open Enrollment or at **any time** may request enrollment as a **Late Enrollee**. Employees who request **Late Enrollment** for self or dependents must normally wait a minimum of 90 days before they are enrolled in a CalPERS-sponsored health plan. The effective date is the first of the month following the 90-day waiting period or the Open Enrollment effective date, whichever comes first.

### Certification of Group Health Plan Coverage

HIPAA requires that employees and their dependents receive a *Certification of Group Health Plan Coverage* notice when health coverage terminates. Health plans contracting with CalPERS will be responsible for providing a *Certification of Group Health Plan Coverage* when enrollees or dependents who were covered under the plan lose coverage. The *Certification of Group Health Plan Coverage* will be mailed to the enrollee's last known address and will be provided when one of the following occurs:

- Individual ceases to be covered under the plan and has a right to elect COBRA continuation coverage
- Individual ceases to be covered under the COBRA continuation provisions
- A request is made by an individual not later than 24 months after the date of termination of coverage

# HIPAA Reasons Guide

## Special Enrollment – Enrollment Decisions After January 1, 1998

The employer cannot produce an HBD-12 indicating the employee declined coverage for an eligible but non-enrolled employee or a non-enrolled dependent of an enrolled employee. **Note: Applies to employees who declined or canceled enrollment or deleted a dependent on or after January 1, 1998. THIS SECTION DOES NOT APPLY TO RETIREES.**

Description	Reason	Event Date	Time Limit of Request	Effective Date	Instructions
<b>Employee enrolling new</b> <b>Note:</b> Employer cannot produce HBD-12 indicating the employee declined coverage for employee eligible 1/1/98 or later.	Time base & tenure (enrolling new)	Date employee requests enrollment	Anytime	1st of the month following receipt of HBD-12 in the employing office	Remarks: HIPAA no doc. (HBD-12)
<b>Enrolled employee adding dependent(s)</b> <b>Note:</b> Employer cannot produce HBD-12 indicating the employee declined coverage for dependents eligible 1/1/98 or later.	Marriage (adding dependents)	Date employee requests enrollment	Anytime	1st of the month following receipt of HBD-12 in the employing office	Remarks: HIPAA no doc. (HBD-12)

## HIPAA Reasons Guide, Continued

### Special Enrollment – Loss of Other Coverage

An eligible *non*-enrolled employee/retiree or eligible *non*-enrolled dependent(s) of an enrolled employee/retiree may enroll when they lose other health insurance coverage. An employee/retiree provides proof of loss of other coverage and employee/retiree requests to enroll within 60 days of the date of loss of other coverage.

Description	Reason	Event Date	Time Limit of Request	Effective Date	Instructions
<b>Eligible employee/retiree enrolling new for self or for self and all eligible dependents that lose other coverage</b>	Late or loss of coverage (employee)	Date employee loses other coverage	60 days from the loss of coverage	1st of the month following receipt of HBD-12 in the employing office or retiree notification to CalPERS	New enrollment due to loss of other coverage
<b>Enrolled employee/retiree adding <i>non</i>-enrolled dependent(s) that lose other coverage</b>	Loss of coverage (adding dependents)	Date employee loses other coverage	60 days from the loss of coverage	1st of the month following receipt of HBD-12 in the employing office or retiree notification to CalPERS	Remarks: HIPAA special enrollment - loss of other coverage

## HIPAA Reasons Guide, Continued

### Special Enrollment – Non-Enrolled Employee/Retiree Acquiring A Dependent or Enrolled Employee/Retiree's Non-Enrolled Spouse

An eligible *non*-enrolled employee/retiree may enroll if the employee/retiree acquires a new dependent by marriage, birth, adoption, or placement for adoption (parent-child relationship). An employee/retiree can enroll self or self and all eligible dependents.

An enrolled employee/retiree may enroll a *non*-enrolled spouse when the employee/retiree acquires a dependent by birth, adoption, or placement for adoption (parent-child relationship). An employee/retiree can enroll spouse, newly acquired dependent(s), and all other eligible dependent(s).

**The time limit is 60 days from the event date to request enrollment (except for newborns or newly adopted children who are effective the 1st of the month following date of event).**

Description	Reason	Event Date	Time Limit of Request	Effective Date	Instructions
<b>Eligible non-enrolled employee/retiree enrolling new for self only or for self and all eligible dependents(s) due to newly acquired dependents(s) by marriage, birth, adoption, or placement for adoption</b>	Time base & tenure (enrolling new)	Date employee/retiree acquires dependent by marriage, birth, adoption/placement for adoption	60 days from the date employee/retiree acquires dependent	1st of the month following receipt of HBD-12 in the employing office or retiree notification to CalPERS	Remarks: HIPAA special enrollment non-enrolled employee/retiree acquiring a dependent
<b>Enrolled employee/retiree adding non-enrolled eligible dependent(s) (spouse/children) due to newly acquired dependent by birth, adoption, or placement for adoption</b>	Marriage (adding spouse and/or dependents)	Date employee/retiree acquires dependent by birth, adoption, or placement for adoption	60 days from the date employee/retiree acquires dependent	1st of the month following submission of HBD-12 to employer or retiree notification to CalPERS	Remarks: HIPAA <b>enrolled</b> employee/retiree acquiring a dependent

## HIPAA Reasons Guide, Continued

### Special Enrollment – Court Ordered Coverage

#### Dependent (Spouse/Child) of an Eligible but Non-Enrolled Employee/Retiree

If a court orders coverage for a dependent of an eligible but non-enrolled employee/retiree, the employee/retiree must enroll in a plan that is available in the dependent's area. **The employer or CalPERS must enroll the employee/retiree and the dependent in PERS Platinum if the employee/retiree refuses enrollment.**

#### Dependent (Spouse/Child) of an Enrolled Employee/Retiree

If a court orders coverage for a dependent of an enrolled employee/retiree and the employee/retiree is enrolled in a geographically restricted plan, which is not available in the dependent's service area, the employee/retiree must change to a plan that will cover the dependent. **The employer or CalPERS must change the employee's plan to PERS Platinum if the employee/retiree refuses to change plans.**

Description	Reason	Event Date	Time Limit of Request	Effective Date	Instructions
Court ordered coverage for a dependent (spouse/child) of an eligible but <i>non-enrolled</i> employee. <b>Employee/retiree must enroll in a plan that will cover the dependent.</b>	Time base & tenure (employee/retiree enrolling new)	Date the court order is received by employer or CalPERS	Anytime	1st of the month following receipt of court order in employing office or CalPERS	Remarks: court ordered coverage
Court ordered coverage for a dependent (spouse/child) of an enrolled employee/retiree. <b>Employee/retiree must change to a plan that is available in the dependent's area.</b>	Court order (adding spouse or child)	Date the court order is received by employer or CalPERS	Anytime	1st of the month following receipt of court order in employing office or CalPERS	Remarks: court ordered coverage

## HIPAA Reasons Guide, Continued

### Special Enrollment – Court Ordered Coverage, Continued

Description	Reason	Event Date	Time Limit of Request	Effective Date	Instructions
Court orders coverage for a dependent (spouse/child) of an enrolled employee/retiree. <b>Employee/retiree must change to a plan available in the spouse's or child's area.</b>	Special enrollment-change health plan	Date the court order is received by employer or CalPERS	Anytime	1st of the month following receipt of court order in employing office or CalPERS	Remarks: HIPAA court ordered coverage <b>Note:</b> Provide dependent's ZIP code



## HIPAA Reasons Guide, Continued

### Late Enrollment

An eligible employee/retiree can request **late** enrollment for themselves and/or their dependent(s) at any time if the employee/retiree or dependents do not qualify for a special enrollment or any other enrollment provided by PEMHCA. The **late enrollee** must wait 90 days from the date the request to enroll was received by the employer or by CalPERS. The effective date is the first of the month following the 90-day waiting period.

Request for late enrollment during the Open Enrollment period will be effective the first of the month following the 90-day waiting period or the Open Enrollment effective date, whichever is earliest.

Description	Reason	Event Date	Time Limit of Request	Effective Date	Instructions
<b>Employee/retiree, who declined or cancelled enrollment, is enrolling new</b> Employee/retiree does not qualify for <i>Special</i> or PEMHCA enrollment	Time base & tenure (enrolling new)	Date of employee's initial eligibility	Anytime	1st of the month following 90-day waiting period	Remarks: HIPAA late enrollment
<b>Employee/retiree, who declined or cancelled enrollment of dependents, is enrolling dependents.</b> Dependents do not qualify for special or PEMHCA enrollment	Marriage (adding dependents)	Date of dependent's initial eligibility	Anytime	1st of the month following 90-day waiting period	Remarks: HIPAA late enrollment

## Direct Payment Authorization

### Direct Payment

An employee who is not on regular pay status for a full pay period or longer may elect to either cancel their health benefits coverage or continue coverage by paying the full monthly premium directly to the health plan. The employee does not receive any employer contribution.

### 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
- Leave of absence for military duty
- Temporary disability leave and does not use leave credits for supplementation
- Pending approval of disability retirement or service retirement
- Pending approval of Non-Industrial or State Disability Insurance benefits
- Suspension from their job or they initiate legal proceedings appealing a dismissal from their job
- State Permanent Intermittent employee eligible for health benefits but in a non-pay status

Legal Reference: CCR section 599.504

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. The direct pay process for this benefit is included in the "[Survivor](#)" section.

### When an Employee Elects to Enroll

The HBO must update the employee's appointment in Personnel Information Management System (PIMS). Non-central agencies will update the employee's status in myCalPERS. You must update the employee's health enrollment to reflect enrollment in direct pay.

For the instances listed above, the employee:

- Must complete and sign the [Direct Payment Authorization \(PERS-HBD 21\) \(PDF\)](#) form and submit it to the employer
- Must pay 100% of the premium directly to the health plan by the established due dates (see Health Plan Resources under the "[Contact Information](#)" section for the health plan payee name and address). If payment is not made, health benefits will be cancelled.
- May elect to delete dependents before starting direct pay and must submit a [Health Benefits Plan Enrollment for Active Employees \(HBD-12\) \(PDF\)](#) form to the employer. Returning to work is not a permitting event to re-add deleted dependents. Deleted dependent(s) can be re-added due to a qualifying event or during Open Enrollment.
- May add newly acquired dependents while on direct pay
- Must contact the HBO if they wish to discontinue their direct pay
- May elect to add dependents and/or change plans during Open Enrollment. If the employee is on an off-pay status during Open Enrollment, the employee may defer making changes until they return to regular pay status. The deferred Open Enrollment changes must be requested within 60 calendar days upon return to pay status.

## Direct Payment Authorization, Continued

### When an Employee Elects to Enroll, Continued

- May use direct pay for up to one year. There is now limitation on how long the employee can be enrolled in direct pay unless it is due to a layoff.
- Must complete a new [Direct Payment Authorization \(PERS-HBD-21\) \(PDF\)](#) form if the employee extends their leave past the original direct pay end date provided on the original form

The employer must:

- Update the employee's appointment in PIMS to reflect their leave of absence or permanent separation (for an employee retiring). Non-central agencies will update the employee's appointment status in myCalPERS.
- Complete and sign the PERS-HBD-21 form and give a copy to the employee
- Update the employee's health enrollment to reflect enrollment in direct pay
- Retain the PERS-HBD-21 form in the employee's file

### PERS-HBD-21

To elect direct payment, an employee must complete a Direct Payment Authorization (PERS-HBD-21) form within 30 days of their last day on pay status.

1. The employer must update the employee's appointment status in PIMS or myCalPERS.
2. The employer must process the PERS-HBD-21 information in myCalPERS: update the health enrollment to reflect enrollment in direct pay or cancellation due to off-pay status.
3. The health plan will then bill the employee directly monthly.
4. The employee must send payments directly to the health plan.
  - The remittance address will be provided on the bill.
  - Checks are payable to the health plan.

Failure to submit the payment timely will result in cancellation and a lapse in coverage.

### How to Complete the PERS-HBD-21

#### Part A

**ITEMS 1-4:** Complete with employee information.

#### Part B

**ITEMS 5A-6a:** Enter name, address, plan code, and gross premium of the carrier.

**ITEMS 6b-6c:** Enter the ALPHABETICAL month and NUMERICAL year to which the first direct pay premium is to be applied.

## Direct Payment Authorization, Continued

**ITEMS 6d-6e:** Employee must sign and date the form.

### Part C

**ITEMS 7-14:** Check reason for the direct payment authorization. If box 14 is checked, an explanation must be entered.

### Part D

**ITEMS 15A-15b:** Enter agency name and employee position information.

**ITEM 16:** Enter the NUMERICAL beginning and ending dates that must correspond with the dates reflected on the employment history database. If the ending date is not available, such as for reasons 8, 13 and 14, allow one full year for direct pay.

**Example:** Employee applies for disability retirement and is separated on October 15, 2020, which is the **FROM** date in box 16. The employer pays the November 2020 premium out of the October 2020 pay period. The employee starts the direct pay beginning with the December 2020 premium, and it may continue through November 30, 2021, which is the **TO** date. The coverage may be extended after November 2021 if the disability retirement is still pending at that time.

If the direct pay dates are extended through myCalPERS, a member will remain covered unless the employer contacts CalPERS.

**ITEM 17:** Enter the ALPHABETICAL month and NUMERICAL year of the last pay period from which a payroll deduction was taken.

If the employee enters non-pay status on April 10, April should be entered in Item 17, and June in Part B, Item 6b. The appropriate year must also be entered. Deductions from the April pay period pay the May premium.

**ITEMS 18-20:** HBO or assistant HBO must complete and sign.

### When an Employee Declines to Direct Pay

A [Health Benefits Plan Enrollment for Active Employees \(HBD-12\) \(PDF\)](#) form must be completed and signed by the HBO and the employee to cancel off-pay status coverage. The HBO must update the appointment and process the cancellation of the employee's health enrollment with the health event reason: Off-Pay Status Cancel.

## Direct Payment Authorization, Continued

### Example of:

#### Change in Pay Status (Leave of Absence)

1. The employee will go on unpaid leave on March 15. The employee submits to the employer the HBD-12 electing to cancel coverage before they go on leave.
2. The employer updates the employee's appointment in PIMS to reflect their leave of absence or permanent separation (for an employee's retiring). Non-central agencies will update the employee's appointment status in myCalPERS. *March pay period pays the April premium; therefore, April is the last month of coverage.*

#### How to Complete the PERS-HBD-12 Due to Off-Pay Status Voluntary Cancellation of Coverage

ITEMS 1-4: Employee must complete with appropriate information.

ITEM 11: Select the checkbox for Cancel All Coverage.

ITEM 13: Enter last paid date for employee.

ITEMS 18-19: Employee must sign and date the form.

ITEMS 20-32: Enter agency specific information.

ITEM 28: Enter second month following the event date.

ITEM 33: Enter "EE elects to cancel coverage while off-pay status."

The HBO or assistant HBO must sign the PERS-HBD-12 and retain it in the employee's file.

#### When an Employee Returns to Work

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

- Update the employee's appointment in PIMS. Non-central agencies will update in myCalPERS.
- Confirm the employee's appointment in myCalPERS

#### If the Employee Was on Direct Pay

- After the appointment is updated to reflect the employee has returned to work, myCalPERS will change their premium payment status to a standard deduction. Dependents deleted before or during enrollment in direct pay can only be re-added due to a qualifying event or during Open Enrollment.
- Schedule health deductions to resume the 1st of the month following the employee's return
- Payment must be made for the month in which the employee returns to work

## **Direct Payment Authorization, Continued**

### **If the Employee Who Declined or Later Declines Direct Pay Wants Their Health Benefits to Resume**

- The employee completes and returns the PERS-HBD-12 form.
- Process the new health enrollment with the health event reason: Return from Off-Pay Status with the same dependents who were enrolled up until the employee's off-pay status cancellation (unless the dependents were deleted before or during enrollment in direct pay) and the same health plan
- Schedule health deductions to resume the 1st of the month following the employee's return
- Payment must be made for the month in which the employee returns to work

Timely completion and processing of the cancellation and resumption of coverage is necessary to avoid premium discrepancies and retroactive adjustments. If the employee does not elect to resume coverage upon return to active pay status a request for re-enrollment will be allowed during the Open Enrollment period or HIPAA special or late enrollment.

### **"Off-Pay" Pending Disability Retirement or a Delay in Warrants**

Direct payment may be made by any enrolled employee when the employee is on an "off-pay" status and is awaiting approval for a disability retirement. If a retiring employee knows there will be a delay in their retirement warrants, the employee may elect to direct pay until on retirement roll.

Any enrollee in this situation is in a state of limbo: separated but not yet a retiree. The member's situation may remain unresolved for a lengthy period of time. To ensure continuation of services and prompt payment of claims while a disability retirement is pending, prepare a PERS-HBD-21 for the employee's signature within 30 days of their last day on pay status.

### **If Disability Retirement Is Approved**

The member is placed on the retirement roll and CalPERS will verify payments made to the health plan by the member. If payments were made, the agency will be billed for the employer share of the premiums paid by the member. The health plan will then refund the member.

### **If Disability Retirement Is Denied**

The member who has been paying directly to the health plan will be entitled to group coverage until the last day of the month in which the denial is issued. If the member becomes ineligible because of a denial for disability retirement, the member will be entitled to COBRA.

## Direct Payment Authorization, Continued

### Off-Pay Other Reason

Direct payment may be made by any enrolled employee when the employee is in an "off-pay" status for more than 30 days, such as a leave of absence, pending a workers' compensation claim, suspension, FMLA, or termination due to layoff.

An employee who is laid off may elect to use direct payment for up to one year or continue coverage for up to 36 months under the provisions of the COBRA. If the employee elect's direct payment, they may forfeit their COBRA rights, as COBRA must be elected within 60 days of COBRA notification. Refer to the "[Consolidated Omnibus Budget Reconciliation Act \(COBRA\)](#)" section of this guide for further information.

### Adding or Deleting Dependents and Changing Health Plan

While on direct pay, the employee may add newly acquired dependent(s) or delete dependents. They may also request a plan change due to a move. When a dependent is deleted before or during enrollment in direct pay, they cannot be re-added when the employee returns to regular pay status. Deleted dependent(s) can only be re-added due to a qualifying event or during the annual Open Enrollment period. Health plan changes can also be made during Open Enrollment. If the employee is on an "off-pay" status during the Open Enrollment period, the employee may defer changing their health plan and/or adding dependent(s) until they return to regular pay status. Deferred Open Enrollment requests must be made within 60 calendar days of returning to regular pay status.

Refer to [Circular Letter 600-050-14 \(PDF\)](#), titled Off-Pay Status: Health Enrollment Procedures.

# Consolidated Omnibus Budget Reconciliation Act (COBRA)

## Background

The 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. COBRA mandates continued coverage for a maximum of 18-36 months for qualifying events. If the original event provided less than 36 months of continued coverage, a second qualifying event during the initial period of coverage may permit an extension of coverage up to a maximum of 36 months.

In certain circumstances, if a disabled employee and non-disabled dependents are qualified Social Security Administration (SSA) beneficiaries, they are eligible for up to an 11-month extension of COBRA continuation coverage, for a total of 29 months.

There cannot be a break in coverage between the end of CalPERS coverage and the beginning of COBRA enrollment.

CalPERS will mail COBRA notification and form when a deletion or cancellation is processed in myCalPERS.

The employer must also 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. This section is intended to provide basic information regarding COBRA. It is general in nature and not designed to provide legal advice.

## Forms

[COBRA Election Group Continuation Coverage \(PERS-HBD-85\) \(PDF\)](#)

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

## COBRA

The employer is responsible to:

- Providing COBRA information to the employee and/or their eligible dependents
- Informing the employee that up to 102% of the health premium is to be paid by them directly to the health plan for the coverage period
- Collecting a completed [Group Continuation Coverage \(PERS-HBD-85\) \(PDF\)](#) (*COBRA Election*) form within 60 days of the qualifying event if they elect to continue coverage
- Updating myCalPERS to reflect COBRA enrollment and/or changes



## COBRA, Continued

### 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
Social Security Administration disability beneficiaries	29 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

### Applicability

COBRA allows the employee or dependent to continue identical health coverage, regardless of pre-existing conditions. COBRA is mandated by the federal government for employers with 20 or more employees.

### Benefits & Rates

COBRA enrollees' coverage (medical benefits, deductibles, and co-payments) is identical to regular coverage under the Public Employees' Medical and Hospital Care Act (PEMHCA). COBRA enrollees retain all benefits under their previous coverage, including Open Enrollment plan changes, addition of family members, etc.

Enrolling in COBRA is a qualifying event to change health plans.

### Payment

As an employer under PEMHCA, the agency does not collect premiums from the COBRA enrollee or maintain any record keeping for the health plans. Once the COBRA form is processed through myCalPERS, the COBRA enrollee interacts **directly with the health plan carrier**, unless the enrollee has future changes, (e.g., changing plans, adding, or deleting dependents, etc.).

- The health plan will then bill the employee directly monthly.
- The employee must send payments directly to the health plan.
- The remittance address will be provided on the bill.
- Checks are payable to the health plan.
- Failure to submit the payment timely will result in cancellation and a lapse in coverage.

Coverage is continuous, so **payment for premiums must be made from the date group coverage is lost**. Therefore, timely distribution of COBRA election materials is critical.

### Secondary Events

An extension of the 18-month continuation period can occur, if during the 18 months of continuation coverage, a second event takes place.

## COBRA, Continued

### Secondary Events

An extension of the 18-month continuation period can occur, if during the 18 months of continuation coverage, a second event takes place.

Secondary events include:

- Divorce
- Legal separation
- Death
- Medicare coverage
- Dependent child ceasing to be a dependent

The original 18 months of continuation would be extended to 36 months from the date of the original qualifying event for the qualified beneficiary spouse and/or children. Since this "second event" is mandated by COBRA, the additional 18 months will be at **102%** of the health plan premium. It is the responsibility of the qualified beneficiaries to notify the employer or CalPERS of the second event within 60 days of the event. Coverage cannot extend beyond 36 months from the original COBRA event.

### Disabled Enrollees

Determination of a disabled individual (employee or dependent) must be made by the SSA. The plan administrator (former employer) must be informed within 60 days following the determination but prior to the end of the original 18-month enrollment.

Individuals who become disabled within the first 60 days of COBRA may qualify for an **additional 11 months** of COBRA coverage up to a total of 29 months. The premium is **150%** of the applicable group rate for the additional 11 months (months 19-29). Generally, Medicare begins in the 30th month and COBRA will end. If coverage needs to be extended further, California COBRA (Cal-COBRA) (see the next page for Cal-COBRA information) provides **seven additional months** of coverage for a total of 36 months.

### Termination of COBRA Coverage

The following events will terminate COBRA coverage:

- Termination of employer contracted health benefits coverage
- Failure to pay the premium in a timely manner
- Eligibility for Medicare coverage; but coverage for dependents may continue
- Coverage as an employee under another group health plan, except if the other plan excludes a pre-existing condition which the COBRA coverage does not
- Expiration of the applicable coverage period

Upon involuntary expiration of the COBRA coverage, the enrollee may apply for a conversion policy.

## **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 150%.

Cal-COBRA is directly handled by health carriers.

### **Individual Conversion Policy**

An individual conversion policy is an alternative to COBRA, or it can follow COBRA coverage. If an employee loses their CalPERS health benefits or COBRA coverage, they can request an individual conversion policy through their prior health plan, which is then underwritten by the plan. Individuals must request this new policy within 30 days of losing coverage. All CalPERS health plans offer this individual conversion policy option. The cost and benefits will differ from the cost of your previous coverage.

### **Legal References**

- 1985 Consolidated Omnibus Budget Reconciliation Act (COBRA)
- Assembly Bill 1401 (Chapter 794, 2002)
- Individual Conversion Policy, CCR section 599.507 and CCR section 599.508

## Employee Separations

### Reporting

Employers must update the appointment status of their employees in PIMS. Non-central state employers will update appointments in myCalPERS.

### Reporting the Separation Date

Accurate reporting of employee separations will ensure correct billing on a monthly basis. Permanent separations cancel the subscriber's enrollment with the health plan and update the billing as well. During these appointment changes, timely and accurate information will ensure a smooth transition for your employee and their dependents. The agency's responsibility in each type of separation is listed below.

### Employee Separation (Not Retiring – CCR Section 599.506)

#### 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.

myCalPERS will cancel an employee's health benefits the first day of the second month following the permanent separation. If the member separates between the 1st–10th of the month, the employee may not have earned enough to cover their portion of the health premium. The employee may in this instance voluntarily cancel their health benefits, so they won't be billed later for their portion.

**Amendments to CCR sections 599.502(f) (2) and 599.506(c) (1) limit the liability of health plans to refund of premiums to six months. See the "[Retroactive Refund](#)" section of this guide for more information.**

### COBRA

Provide employee with COBRA election forms. See the "[Consolidated Omnibus Budget Reconciliation Act \(COBRA\)](#)" section of this guide for more information.

### Cancelling Coverage

If the employee does not want coverage for the month following their separation, the employee must sign an HBD-12 electronically or physically electing to voluntarily cancel their coverage. **If the employee cancels coverage, they will not be eligible for group continuation benefits (COBRA).**

## Employee Separations, Continued

### 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 first day of the second month following the Begin Leave date. Refer to "Direct Payment Authorization" section of this guide for more information.

### Death of Employee Reporting

Employers must report the death of an employee in myCalPERS or contact 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 with COBRA election forms. If elected, COBRA will begin after the 120 days of the employer-paid direct pay is exhausted. See the "[Consolidated Omnibus Budget Reconciliation Act \(COBRA\)](#)" section of this guide for more information.

### Separation for CalPERS Service Retirement Reporting

- Employees must apply for service retirement from their respective retirement systems.
  - CalPERS members must file a [Service Retirement Election Application \(PERS-BSD-369-S\) \(PDF\)](#), which can be done online through the member's myCalPERS account. If possible, the employee should submit this form to CalPERS not more than 120 prior to their selected retirement date.
  - Employers must update the appointment status with a permanent separation for their employees in PIMS. Non-central agencies must update the permanent separation in myCalPERS.
- Employers also submit a:
  - [Report of Separation and Advance Payroll Information \(PERS-BSD-194\) \(PDF\)](#) form

Your agency will receive the form when CalPERS acknowledges receipt of the member's Service Retirement Application. See the [Health Benefits Into Retirement](#) section in this guide for more information.

### Effective Date

If the member separates between the 1st – 10th of the month, and the employee has not earned enough to cover their portion of the active health premium, then the active health will cancel the following month. Otherwise, active health will cancel the first of the second month. If the member separates between the 11th – 31st of the month, the active health will cancel the first of the second month.

## Employee Separations, Continued

### Direct Payment

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

### Separation for Disability Retirement Reporting

- Employees must apply for disability retirement from their respective retirement systems by filing a [Disability Retirement Election Application \(PERS-BSD-369-D\) \(PDF\)](#).
- Employers must update the appointment status for their employees in myCalPERS and submit the [Report of Separation and Advance Payroll Information \(PERS-BSD-194\) \(PDF\)](#).

### Effective Date

If the member separates between the 1st – 10th of the month, the active health will cancel the following month. If the member separates between the 11th – 31st of the month, the active health will cancel the first of the second month.

### Continuing Coverage (Direct Pay)

Applications for disability retirement may take months to process, resulting in a delay of retirement benefits. It is strongly recommended that employees submit a [Direct Payment Authorization \(PERS-BSD-21\) \(PDF\)](#) form when a disability retirement is pending. Otherwise, the member will **not be covered** until the retirement account is established. If the member requires health services during this time they will be denied. Refer to the "Direct Payment Authorization" section of this guide for more information.

## Health Benefits Into Retirement

### Retiree Eligibility

An employee must meet all the following requirements to be eligible to enroll or continue CalPERS health benefits as a retiree:

- Separate and retire within 120 days
- Receive a monthly retirement allowance from CalPERS, CalSTRS, or other retirement system (**Note:** Retirees who elect a lump sum payment are not eligible for health benefits.)
- 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.

### CalPERS as HBO

CalPERS is the HBO for retirees. Retirees should be directed to CalPERS at **888 CalPERS** (or **888-225-7377**) for any health and dental benefits questions.

### Complimentary Annuitant Premium Program (CAPP)

CAPP provides annuitants the option to remain enrolled in a CalPERS-sponsored health plan when their retirement warrant does not cover the full health premium.

CAPP is a prepaid program which requires a monthly health premium payment.

The annuitant must elect to enroll in CAPP by checking the Continue Health Coverage box on the mailed CAPP Election form, and then sign and return it to CalPERS along with the payment required on the election form. If CAPP is not elected, health coverage will be cancelled. The annuitant will not be allowed to re-enroll until the next Open Enrollment period, HIPAA special enrollment, or a qualifying event.

## **Health Benefits Into Retirement, Continued**

### **Separation and Retirement Dates**

#### **When Health Premiums are Paid**

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

- Last day with the agency is between the 1st–10th of the month
  - Retiree health coverage begins the first of the month following the retirement date
  
- Last day with the agency is between the 11th–31st of the month
  - Retiree health coverage begins the first day of the second month following retirement date

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 dismissal or resignation date (CCR section 599.506).



## Health Benefits Into Retirement, Continued

### Separation and Retirement Dates, Continued

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

<b>If separation and retirement dates are...</b>	<b>and...</b>	<b>then health coverage...</b>	<b>Note</b>
within 30 days of each other	the employee is enrolled in a CalPERS health plan at the time of separation	will continue automatically 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"> <li>• Within 60 days of the retirement date</li> <li>• During Open Enrollment</li> <li>• Due to the 90-day HIPAA late enrollment</li> </ul>	When there is a lapse in health coverage, the employee 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.	The exception to the rule is for exempt and legislative retirees. They must meet the required criteria for enrollment.

## **Health Benefits Into Retirement, Continued**

### **Option Upon Retirement After Reinstatement**

Gov. Code section 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:

- Retiree was eligible for retiree health coverage prior to reinstatement from retirement
- Employee then retires a second time within 120 days of separation
- Post-retirement employer contribution of the first employer is higher than the second employer
- Request is sent to CalPERS by the retiree

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

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

# Medicare

## Medicare Fundamentals

Medicare is a federal health insurance program regulated by the Centers for Medicare & Medicaid Services (CMS) and administered by the Social Security Administration (SSA). SSA determines eligibility, enrollment, and Part B premiums. To be eligible for Medicare, a subscriber and/or dependent must be:

- Age 65 or older
- Under age 65 with certain SSA-qualified disabilities
- Any age with a diagnosis of End-Stage Renal Disease (ESRD) or Amyotrophic Lateral Sclerosis (ALS)

**Note:** ESRD requires a 30-month coordination of benefit period before transitioning into Medicare.

Medicare benefits are categorized in four parts:

<b>Part A</b>	Medicare Part A is hospital insurance that covers inpatient hospital stays, skilled nursing facilities, some home health care, and hospice care.
<b>Part B</b>	Medicare Part B is medical insurance that covers outpatient care, doctor visits, some home health care, durable medical equipment, preventative service, ambulance, laboratory, and X-ray services.  <b>Note:</b> Medicare Parts A and B are commonly referred to as <i>Original Medicare</i> .
<b>Medicare Advantage</b>	Medicare Advantage is a combination of Medicare Parts A, B, and D and was previously known as <i>Medicare Part C</i> .
<b>Part D</b>	Medicare Part D is prescription drug coverage. CalPERS subscribers and dependents <b>do not</b> need to enroll in a non-CalPERS Part D program as CalPERS coverage includes enrollment in a Medicare Part D plan.  <b>Note:</b> Enrollment in a non-CalPERS Part D program will cause cancellation of CalPERS health benefits.

## CalPERS Medicare Enrollment Requirements

Each member's individual circumstances will determine when the time is right for them to enroll in a CalPERS Medicare health plan. There are scenarios when enrollment in a CalPERS Medicare health plan is optional and other scenarios is when enrollment is required.

## Exclusion From Basic Health Plan

Pursuant to Government Code Section 22844 and California Code of Regulations Section 599.517, retirees over age 65 who are eligible for premium-free Medicare Part A and premium-based Medicare Part B, shall not be enrolled in a CalPERS Basic health plan. To maintain CalPERS health coverage, members must enroll in Medicare Part A and Part B and transfer into a CalPERS Medicare health plan.

## Medicare, Continued

### Voluntary Enrollment

The following subscribers and dependents may enroll in a CalPERS Medicare health plan:

- Retired from a California State Teachers' Retirement System (CalSTRS) employer and are eligible for the CalSTRS Medicare Premium Payment Program.
- Retirees and/or dependents who do not qualify for premium-free Medicare Part A may elect to pay SSA for Medicare Part A. They also must enroll in Medicare Part B with SSA.
- Retired and either they/or their dependents have an SSA-qualified disability.

For active employees and their dependents, federal law limits enrollment into a CalPERS Medicare health plan to those diagnosed with ALS or ESRD who have completed any applicable coordination of benefit periods.

### CalPERS Notifications

To assist members in staying informed of their eligibility options, CalPERS sends notifications as follows:

- Active subscribers and their dependents under 65

Enrollment in a CalPERS Medicare health benefits plan prior to age 65 is voluntary. Subscribers and dependents under 65 who have enrolled in Medicare Parts A and/or B through SSA and who are enrolled in a CalPERS Basic health benefits plan will receive a notification letting them know they may be eligible to enroll in a CalPERS Medicare health plan. For active employees and their dependents, federal law limits enrollment in a CalPERS Medicare health plan to those diagnosed with AALS or ESRD that have completed any applicable coordination periods. Eligible active subscribers and/or dependents choosing to enroll in a CalPERS Medicare health plan will need to contact CalPERS for assistance with the enrollment.

- Subscribers and dependents turning 65 and retiring beyond age 65

Subscribers will receive a notification from CalPERS four months prior to the month they or their dependent turns 65. This notification informs them of CalPERS requirements to continue their health coverage. Medicare Enrollment and Eligibility Information, Medicare Plan Options, and includes an Ineligibility of Medicare Certification form. Members working beyond age 65 will receive an additional notice when they retire.

The following table describes CalPERS notification process for active and retired subscribers and the timeframe of mailings.

## Medicare, Continued

Member Profile	First Notice	Second Notice	Final Reminder Notice	Cancellation Notice
Active subscriber working beyond age 65 & newly retired subscriber over 65	4 months prior to age 65	1 month following retirement date	1 month later	1 month later
Retired subscriber turning 65	4 months prior to age 65	2 months prior to age 65	1 month prior to age 65	65th birth month

**Example:** An active subscriber who is working beyond age 65 would have received a first notice four months prior to their 65th birth month, a second notice in the month following retirement, and a reminder notice one month later. If no action is taken, they will receive a cancellation notice one month later.

### Working Beyond 65

To avoid a late enrollment penalty with SSA, employees working beyond age 65 must communicate their working status to SSA and CalPERS.

### Deferring Enrollment in Medicare Part B With SSA

Medicare-eligible subscribers and/or their dependents may enroll in Medicare Part A and defer Part B enrollment when they continue working after age 65. They may continue health coverage through their or their spouse's employer group health plan. When the subscriber or their spouse retires, they can sign up for Medicare Part B during the Special Enrollment Period (SEP). Subscribers and dependents planning on deferring enrollment in Medicare Part B *must* contact SSA to inform them of the deferment.

Subscribers and dependents who choose to enroll in a Medicare Part B while still actively working will remain in a CalPERS Basic (non-Medicare) health benefits plan. Federal rule requires the CalPERS Employer Group Health Plan to be the primary payer, and Medicare secondary payer. The subscriber and dependents must remain enrolled in the CalPERS Basic plan until retirement.

**Note:** Subscribers and dependents who have deferred their Medicare Part B enrollment and whose group health coverage ends will need to enroll in Medicare during their SEP and transfer to a CalPERS Medicare plan.

### Deferring Enrollment in Medicare Part B With CalPERS

If the subscriber or dependent is deferring enrollment in Medicare Part B, they must complete the [Ineligibility of Medicare Certification \(PDF\)](#) form. To continue health coverage, the form must be submitted to CalPERS with copies of supporting documentation prior to their 65th birth month to prevent cancellation of their CalPERS health coverage.

## Medicare, Continued

### California State University Faculty Early Retirement Plan (FERP)

FERP participants are retired even though they continue to work after their CalPERS retirement. Therefore, they do not have the option to defer Medicare Part B enrollment. These participants receive health insurance through their participation in the CalPERS “retirement group-provided health plan.” FERP participants must enroll in Medicare Parts A and B and transfer to a CalPERS Medicare health plan at the time of retirement.

### CalPERS Enrollment Process

Subscribers and dependents eligible to transition into a CalPERS Medicare health plan need to take the following steps:

1. Enroll in Medicare Parts A and B with SSA
2. Transition to a CalPERS Medicare health plan

These steps are explained in detail below.

### Step 1 - Enroll in Medicare Parts A and B With SSA

Subscribers and dependents must enroll in Medicare Parts A and B with SSA, during one of three enrollment periods before transitioning to a CalPERS Medicare health plan. An individual’s circumstances will determine which enrollment period is available to them. To apply for Medicare, enrollees can contact SSA at (800) 772-1213, visit the [SSA](#) website, or go to an SSA office.

<b>Initial Enrollment Period</b>	The Initial Enrollment Period (IEP) is a seven-month period that begins three months prior to an individual’s 65th birth month and ends three months after the 65th birth month. If enrolled during any of the first three months, coverage begins on the first day of the birth month. If enrolled during the birth month or in the last 3 months of the IEP, coverage begins the next month after enrollment.
<b>Special Enrollment Period</b>	<p>The Special Enrollment Period (SEP) for Part B is for those who are eligible at age 65 but receive health coverage from an employer group health plan (EGHP) from active employment or through a spouse's active employment. The SEP is eight months following the end of employment or the end of coverage through the EGHP. Coverage begins the month employment or EGHP coverage ends.</p> <p>Effective January 1, 2023, Centers for Medicare &amp; Medicaid Services (CMS) is establishing special enrollment periods for individuals that meet exceptional conditions created by emergency or disaster, health plan or employer error, prior incarceration, termination of Medicaid coverage, and other exceptional conditions that are evaluated on a case-by-case basis.</p> <p>For subscribers and/or dependents applying for Medicare during a SEP, the SSA requires the employer to verify when the enrollee’s employer-provided coverage ended. Provide your enrollee with a completed <a href="#">Request for Employment (CMS-L564)</a> form and instruct them to file for Medicare immediately upon retirement.</p>

## Medicare, Continued

<b>Special Enrollment Period, Continued</b>	<b>Important Note:</b> Subscribers and/or dependents should contact SSA whether they are enrolling in or deferring enrollment into Part B to avoid a late enrollment penalty.
<b>General Enrollment Period</b>	<p>The General Enrollment Period (GEP) is an annual three-month enrollment period from January 1 through March 31 and is for those that missed the IEP and SEP. When enrolling during the GEP, health coverage begins the next month after enrollment.</p> <p><b>Important Note:</b> Disadvantages of this enrollment period include a potential lapse in Medicare and CalPERS health coverage and a SSA late enrollment penalty.</p>

### Late Enrollment Penalties

Medicare-eligible subscribers and dependents who do not sign up for Medicare Part B when first eligible can sign up later, but a federal late enrollment penalty may apply. A 10% late enrollment penalty will be added to the Medicare Part B monthly premium for every 12-month period that the individual qualified to sign up for Medicare but did not enroll. Subscribers and dependents may also be subject to the late enrollment penalty if they voluntarily terminate their enrollment from Part B and enroll in Part B later. Late enrollment penalties are paid by the individual and CalPERS does not reimburse for these penalties.

### New CMS Medicare Enrollment Requirements

Effective January 1, 2023, the Centers for Medicare & Medicaid Services (CMS) is requiring Medicare enrollment requests to include race and ethnicity data fields. This requirement is part of CMS' commitment to address health inequities and underlying inequities in the health care system.

CalPERS is fulfilling the requirement to ask for race and ethnicity information by incorporating new language into letters sent to members nearing age 65. The new language directs members and dependents to submit their race and ethnicity information by completing their [Health Demographic Profile](#) either through their myCalPERS account or the CalPERS website. Providing race and ethnicity data is at the discretion of the member and their dependent(s). CalPERS cannot deny coverage if information is not provided.

### Step 2 – Transition to a CalPERS Medicare Health Plan

For subscribers and dependents who enroll in Medicare Part A and Part B prior to their 65th birth month or within 30 days of retirement, CalPERS will work with CMS to obtain the Medicare information. Timely enrollment allows us to automatically transition members and dependents into a CalPERS Medicare health benefits plan.

If the subscriber's current CalPERS Basic health plan has a corresponding Medicare health plan, they will be automatically transitioned to the CalPERS Medicare plan with that carrier.

## Medicare, Continued

- If their Basic plan does not have a corresponding Medicare plan, they will be transferred into UnitedHealthcare (HMO).
- If UnitedHealthcare is not available where they live, they will be transferred into PERS Platinum (PPO).

Subscribers have 60 days from the date of enrollment in a CalPERS Medicare plan to elect a different plan.

If CalPERS is unable to obtain the Medicare information from CMS and cannot automatically transition the subscriber or dependent to a CalPERS Medicare health plan, they will receive a cancellation notice with a [Certification of Medicare Status \(PDF\)](#) form. CalPERS requires that the subscriber complete this form and provide supporting documentation to continue CalPERS health coverage.

The subscriber or dependent's health coverage will be terminated automatically if CalPERS does not receive the required Medicare information. The cancellation notice will indicate the health coverage termination effective date.

### Ineligibility for Medicare

If the subscriber or dependent is ineligible for premium-free Medicare Part A, they must complete and return the [Ineligibility of Medicare Certification \(PDF\)](#) form noting the reason for their ineligibility. The reason of ineligibility must include supporting documentation from the SSA such as a copy of the Social Security statement or letter from the SSA indicating that the subscriber or dependent are not eligible for Medicare based on their work record and/or the work history of a current, former, or deceased spouse. Once this information is received and confirmed by CalPERS, they may remain in a CalPERS Basic health plan.

Retirees and/or dependents who do not qualify for premium-free Medicare Part A but qualify for Medicare Part B may be able to enroll in the Kaiser Permanente Senior Advantage (KPSA) plan. KPSA is the only Medicare plan offered by CalPERS in which subscribers without premium-free Medicare Part A but with Medicare Part B are allowed to enroll.

### Resources to Assist You

Review the [CalPERS Medicare Enrollment Guide \(HBD-65\) \(PDF\)](#) for detailed information regarding eligibility and enrollment in CalPERS Medicare health plans.

You can obtain more information by contacting:

- Centers for Medicare and Medicaid Services (CMS) at (800) 633-4227 or visiting [www.medicare.gov](http://www.medicare.gov)
- Social Security Administration (SSA) at (800) 772-1213 or visiting the [SSA](#) website
- The Health Insurance Counseling & Advocacy Program (HICAP) at (800) 434-0222



# Post-Retirement Health Vesting

## Employer Contribution

For state employees, “vesting” refers to the amount of time you must be employed by the state to be eligible to receive employer contributions toward the cost of the monthly health premium during retirement. Bargaining unit negotiations may affect the state’s vesting requirements. State vesting requirements do not apply to employees of the Legislature or those on disability retirement. The amount the state contributes toward an annuitant’s health coverage depends on whether they are vested.

- The monthly employer contribution (state’s share) is specified by Gov. Code sections 22871 and 22871.1 and based on the employee’s first hire date and bargaining unit.
- The employer contribution is adjusted annually.
- The amount the state contributes toward a retiree’s health coverage depends on state health vesting requirements.

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
- Fully vested: A state member has enough years of state service to receive 100% of the state contribution toward the health plan’s premium upon retirement
- Partially vested: A state member’s service years are enough to cover at least 50% of the state contribution
  - State health vesting criteria does not allow for an employer contribution less than 50%
- 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% of the health plan premium

## Post-Retirement Health Vesting, Continued

### First Hired by the State Before January 1, 1985

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

### First Hired by the State January 1, 1985, through January 1, 1989 (Gov. Code section 22873)

- For purposes of vesting under Gov. Code section 22873, the definition of state service in Gov. Code section 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%
5 through 10 years	50% + (Prorated based on years of service)
10 years or more	100%

**Example:** 5.600 years of service = 56% of the state's share

Legislative and 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 January 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%
10 years	50%
11 through 19 years	50% + 5% for each completed year over 10 years
20 years or more	100%

**Example:** 12.900 years of state agency service = 60% of the state's share. There is no contribution for the partial year.

Legislative, 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

### Excluded Non-Represented Employees First Hired by the State After January 1, 1990 (Gov. Code section 22875)

State service is defined in this section of the law to only include service with a state agency as an employee, appointed, or elected officer of the state for compensation.

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

**Example:** 12.900 years of state agency service = 60% of the state's share. There is no contribution for the partial year.

Legislative, CSU and judicial branch employees are exempt from Gov. Code section 22875 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.

### 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 and related employees: January 1, 2011 (Gov. Code section 22874.1)
- Bargaining Units 9 and 10 and related employees: 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 related employees: January 1, 2017 (Gov. Code section 22874.3)
- Judicial branch: January 1, 2017 (Gov. Code section 22874.4)
- Bargaining Unit 16: April 1, 2017 (Gov. Code section 22874.5)
- Bargaining Unit 5 and related employees: January 1, 2020 (Gov. Code section 22874.9)

## Post-Retirement Health Vesting, Continued

Members hired on or after the dates indicated for the bargaining unit above are fully vested and qualify for 100% of the state's contribution toward health premiums once they reach 25 years of state service. Vesting for these members will be applied based on their first state bargaining unit.

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

**Example:** 24.500 years of State service = 95% of the state's share. There is no contribution for the partial year.

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 (Gov. Code sections 22874.6, 22874.7, and 22874.8)**

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% of the state's contribution towards your health premium. The bargaining units and associated 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
- Bargaining Unit 11: July 1, 2019

### **Judicial Branch Vesting**

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% 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 both 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 continuation coverage (COBRA) 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\*
- Stepchild or domestic partner's child up to age 26\*
- 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.

## Enrollment

Upon the death of an employee while in state service, Assembly Bill 1639 (Chapter 926, 1999) requires the state employer (except CSU\*) 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. The employer may elect to bill the survivor for the amount that exceeds the state contribution. The 120-day period is to provide the family a grace period while CalPERS determines if the spouse or other family members are eligible for a survivor benefit.

\*Survivors of CSU employees are not eligible for this benefit. Active CSU surviving dependent(s) can be enrolled in COBRA while CalPERS determines if the surviving dependent(s) are eligible for any ongoing monthly death benefit. COBRA enrollment can be processed by CSU.

To process the 120-day employer paid survivor health, you must:

- Complete the [Direct Payment Authorization \(PERS-HBD-21\) \(PDF\)](#) form
  - The survivor **does not** have to sign the form as it is an employer-paid benefit
- Process the direct payment enrollment in myCalPERS
- Process the health cancellation after 120 days
- Mail the premium payment with a copy of the Direct Pay Authorization form directly to the health plan (see Health Plan Resources under the "[Contact Information](#)" section for the health plan payee name and address)
- Retain the original copy of the Direct Payment Authorization form in the employee's file
- Provide COBRA information to the dependents

## Survivor Benefits, Continued

If the employer erroneously sends the payment to CalPERS instead of the health plan, the CalPERS Financial Reporting and Accounting Services team will contact the employer to correct the payee and resend the payment to the health plan.

If CalPERS determines that an eligible family member is eligible for an ongoing survivor warrant and enrollment in health and dental benefits and that surviving family member was not enrolled in health and dental benefits at the time of death, the survivor 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.

CalPERS 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 Dependents

An eligible survivor can enroll dependents who 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:

- Subsequent spouse or domestic partner
- Subsequent stepchild, domestic partner child, or newly adopted child
- Subsequent child born to the survivor who was not the deceased employee's child
- Child in a newly established parent-child relationship

### Legal Reference

Gov. Code section 22831

## Retiree Dental & 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.

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, the employer must do the following:

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

If this is not completed before the employee's separation date, fax the Dental Plan Enrollment Authorization form to CalPERS for processing.

If the employee declines retiree dental coverage, 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 July 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 July 1, 2017, in certain bargaining units. Refer to your bargaining unit contract for more information.

## **Retiree Dental & 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, visit the [VSP](#) website or contact VSP at (800) 877-7195.

### **Legal References**

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



## Resources

### General Resources on the CalPERS Website

- Obtain information on the [Health Benefits](#) page
- Access and download single health forms/publications, Circular Letters, and Health Plan Evidence of Coverage publications.
- Sign up for CalPERS Employer Bulletins on the [Email Subscriptions](#) page.
- Access [Open Enrollment for Employers](#) and [Open Enrollment for Active Members](#) information.
- Find health plan premium rates, eligibility, and enrollment information.
- Use the [Health Plan Search by ZIP Code](#) tool.
- Find a medical plan.
- Use [myCalPERS Student Guides & Resources](#) to find the following:
  - [myCalPERS Health Enrollment \(PDF\)](#) student guide
  - [myCalPERS Health Dependent Eligibility Verification \(PDF\)](#) student guide
- Contact the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**) for assistance with:
  - Completion of enrollment form
  - Health-related questions

### CalHR

CalHR administers the dental, vision, and other benefit programs for state employees. CalHR uses policy memos to inform a state agency's human resources personnel about new policies, procedures, or other information.

### CSU Chancellor's Office

The CSU Chancellor's Office administers the dental, vision, and other benefit programs for CSU employees. The CSU Chancellor's Office uses policy memos to inform CSU agency's HR personnel about new policies, procedures, or other information.

## Health Education & Events

### Employer Education

[Business Rules & myCalPERS Classes](#) will assist you with your CalPERS health-related obligations.

#### CalPERS Business Rules Instructor-Led Classes

The **Health Business Rules** class provides guidance on the laws and business rules associated with our health program. Gain knowledge about the CalPERS health benefits guides, health plan options, eligibility and enrollment requirements, health benefits into retirement, HBO reporting responsibilities, and resources on our website.

#### myCalPERS Instructor-Led Classes

The **myCalPERS Health Enrollment** class provides a hands-on experience to learn how to view health enrollment details, search for a plan and provider by ZIP code, process health transactions, and run health reports. By request, non-PERS and CalSTRS health scenarios and billing reconciliation will be covered.

### Registration & Resources

Select the Education tab in [myCalPERS](#) to enroll in CalPERS health classes. Visit our [Employer Education](#) webpage for more information.

### Contact the Employer Educators

Email training questions or requests to the [CalPERS employer education](#) mailbox

### Resources

- [myCalPERS Student Guides & Resources](#)
  - [myCalPERS Health Enrollment \(PDF\)](#) student guide
  - [myCalPERS Health Billing Reconciliation \(PDF\)](#) student guide
  - [myCalPERS Health Enrollment Supplement \(PDF\)](#) student guide
  - [myCalPERS Health Transaction Verification \(PDF\)](#) student guide.
  - [myCalPERS Health Contract \(PDF\)](#) student guide

### CalPERS Educational Forum

This annual employer event occurs each fall. The forum provides the opportunity to get the most up-to-date CalPERS information, attend classes, and talk to CalPERS Board and team members.

### Member Education

[Member education](#) workshops will help your employees understand their health benefits.

## Health Education & Events, Continued

### Videos

Education videos are saved on our [CalPERS Videos YouTube channel](#) for future viewing. For health-specific videos, enter **health** in the search.

### CalPERS Benefits Education Events (CBEEs)

These free educational events about CalPERS benefits and programs are for all employees. CBEEs provide informative classes, such as CalPERS health benefits for those early to mid-career and CalPERS health benefits into retirement for those nearing retirement.

Your employees will have the opportunity to speak with CalPERS representatives and partner organizations and ask questions about their benefits. They will be provided instructional steps needed for the next phase of their career.

Visit [CalPERS Benefits Education Events](#) for more information. Registration is available approximately four to six weeks before each event.

### Member Education Bulletin

CalPERS email subscriptions are your direct link to the latest CalPERS news and free educational opportunities. Subscribe to the Member Education Bulletin to help you and your employees know about upcoming member educational offerings such as, videos, instructor-led classes, and CBEEs.

To receive educational event notifications, your employees can subscribe to our Member Education Bulletin. To do so, visit our [website](#) and scroll down to the **Subscribe** section and follow the simple steps to complete your subscription. Subscriptions are also available for Board Meeting Notice & Agenda Alerts, Employer Bulletins, and CalPERS News.

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