



Employer *Bulletin*

Employer Communication Center (608) 264-7900 Toll free: 1-888-681-3952 <http://etf.wi.gov>

Annual Dependent Verification Mailing

The Department of Employee Trust Funds (ETF) requires that participating health plans send an annual notice and *Dependent Verification Form* to subscribers with dependents age 19 or older (other than spouses). A copy of the letter and form accompany this *Bulletin*.

Participating health plans are set to mail the letter and verification form to subscribers during the week of October 22. The deadline to return the *Dependent Verification Form* to the health plan is November 30, 2007. Health plans must receive verification forms by this date in order to ensure that coverage will continue on January 1, 2008. If health plans receive the verification forms after November 30, the dependent's health insurance coverage may end as of December 31, 2007.

Note: Health plans are not allowed to accept verbal responses to the *Dependent Verification Form*.

Incomplete and/or unreturned verification forms may result in denied/delayed claims and prescription drug benefits for dependents.

Subscribers switching health plans during the 2008 Dual-Choice enrollment period must complete and return the *Dependent Verification Form* to the health plan that initiated the letter and covers the subscribers in 2007, not the new health plan selected for 2008. ETF will notify the new health plan of any dependent status changes based on the 2007 *Dependent Verification Form*.

Employees are instructed to submit a *Group Health Insurance Application* (ET-2301) or *Health Insurance Information Change* form (ET-2329) to you to delete dependents and issue COBRA continuation notifications. In January 2008, ETF will send you a report listing terminated dependents. This report is compiled from the dependent responses data and submitted to ETF by the health plans.

Employer Responsibility:

1. For changes from family to single coverage resulting from a change in student/disabled dependent status:
 - Receive a *Group Health Insurance Application* (ET-2301) from any subscriber changing from family to single coverage, and
 - Issue a *Continuation - Conversion Notice* (ET-2311) to previously covered dependent(s).
2. In the event family coverage remains in force following removal of a student/disabled dependent from coverage:
 - Receive a completed *Health Insurance Information Change* form (ET-2329) deleting the dependent from the existing family contract, and

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- Issue a *Continuation - Conversion Notice* (ET-2311) to previously covered dependent(s).

Dependent Reinstatement

In the event a dependent is terminated due to non-response to the health plan's *Dependent Verification Form*, coverage can be reinstated back to the date of termination by submission to ETF of a *Health Insurance Information Change* form (ET-2329) adding the dependent back on the family coverage and documentation of student status. Examples of acceptable documentation of student status include one of the following:

- Current class schedule.
- Completed *Dependent Verification Form*.
- Letter from the educational institution indicating the dependent is a full-time student for the current semester.
- Copy of a tuition payment receipt from the educational institution for the current semester. The receipt must indicate the total class credits taken.

Reminder: Pharmacy Benefit Manager (Navitus) ID Cards

The program's pharmacy benefit manager (PBM), Navitus Health Solutions, will send new identification (ID) cards to subscribers only when one or more of the following information changes occur:

- New health plan selected, including selections made during Dual-Choice
- Dependent(s) added or deleted
- Group number change
- Name change

Subscribers without any of the changes noted above should continue to use their existing Navitus ID card. Subscribers can

request additional copies of their ID card by contacting Navitus customer service at:

Navitus Health Solutions
5 Innovation Court
Appleton, WI 54912
Phone: (toll free) 866-333-2757
www.navitus.com

Corrections/Updates to the 2008 *It's Your Choice*

Notices regarding any corrections/updates to your 2008 *It's Your Choice* booklet can be found on ETF's Internet site at http://etf.wi.gov/members/health_ins.htm. Please notify employees that corrections are available electronically.

Employer Contacts for *Dependent Verification Form* and PBM ID cards:

Department of Employee Trust Funds
Employer Communication Center
Toll free at (888) 681-3952 or
Local Madison at (608) 264-7900

Subscriber and participating provider contact for additional information regarding benefits:

Health plan or
Navitus Health Solutions, Pharmacy
Benefit Manager

Subscriber contact regarding applications, eligibility, enrollment, and general information:

Department of Employee Trust Funds
Toll free at 1-877-533-5020 or
Local Madison at (608) 266-3285.

(Health Plan Letterhead)

<Date>

<Subscriber Name>

<Address>

<City, State Zip>

Dear <Health Plan> Subscriber:

This letter contains important information about your dependent child's eligibility for health insurance coverage under the State of Wisconsin group health insurance program in 2008. Your response is required.

We are required by the Wisconsin Department of Employee Trust Funds (ETF) to annually verify the eligibility of all dependents age 19 and older for health insurance. We do this by having you fill out the enclosed *2008 Dependent Verification* form. **Please complete the form and return it to us by November 30, 2007. If we do not receive this form by November 30, your dependent's health insurance coverage will end on December 31, 2007.**

Important Reminders:

- **Different health plan:** Even if you have switched to a different health plan for 2008, you must still return this form to us.

- **COBRA continuation coverage:** Federal law generally offers persons who lose group health insurance coverage a chance to continue their health insurance for up to 36 months. This is called "COBRA coverage," named for the federal law which created it – the Consolidated Omnibus Budget Reconciliation Act of 1986. Persons on COBRA pay the full premium and receive the same benefits as other employees. If your dependent loses coverage on December 31, he or she may be eligible for COBRA.

- **Notify your payroll/benefits office or ETF:** Notify your payroll/benefits office (if you are an employee) or ETF (if you are a retiree) if your dependent will no longer be eligible for health insurance on your plan. Then complete one of the following forms:
 - *Health Insurance Information Change* form (ET-2329) if you have other eligible dependents on your plan

 - *Group Health Insurance Application* (ET-2301) if you have no other eligible dependents on your plan

If you do not do this within 60 days of the dependent's loss of eligibility, your dependent will lose the opportunity for COBRA coverage. (Completing the enclosed form does not constitute this notice.)

Continued on the next page →

- **Disabled dependents:** If this is the first time since your dependent turned 19 that you are reporting to us that your dependent is disabled, eligibility as a disabled dependent must be established by your health plan before coverage can be continued. Verification may take some time. Consider electing COBRA coverage while his or her eligibility is being verified since there will not be another opportunity to do so. If it is determined that your dependent is eligible for coverage on your plan as a disabled dependent, coverage will be retroactive to January 1st or the date of disability, whichever is later. Any premium paid for COBRA coverage will then be refunded.
- **Definition of dependent:** See pages D-9 and D-10 of your 2008 *It's Your Choice* book or the back of the enclosed *2008 Dependent Verification* form for the definition of "Dependent".

Please contact (health plan/department) toll-free at (phone number) if you have any questions.

Sincerely,

(health plan)



2008 Dependent Verification

Return this completed form to your current health plan by November 30, 2007.

Your dependent's health insurance ends on December 31, 2007. You must complete this form to verify if your dependent is eligible in 2008. See the back of this page for the definition of "Dependent."

Subscriber Name (First, MI, Last)	Member/Subscriber Number (on ID Card)
Dependent Name (First, MI, Last)	Dependent's Date of Birth (MM/DD/YYYY)

1. My dependent is my natural, step or adopted child, or became my permanent legal ward prior to age 19:
 Yes No
2. My dependent is single:
 Yes No *Date of Marriage (MM/DD/YYYY) ____/____/____*
3. My dependent receives at least 50% of his/her financial support from me or the other parent:
 Yes No
4. My dependent meets the support tests for income tax purposes, as defined in IRS Publication 501 (whether or not the dependent is claimed):
 Yes No
5. My dependent will be enrolled as a full-time student at an accredited educational institution in 2008 (full-time status is defined by the institution):
 Yes *Name of School: _____*
City/State of School: _____
Expected to Graduate (Month/Year): ____/____
 No *Date Full-Time Status Ended (Month/Year): ____/____*
6. My dependent is incapable of self-support due to a mental or physical disability that is expected to last at least one year or longer:
 Yes *Diagnosis: _____*
Name of Attending Physician: _____
Physician Address: _____
Physician Telephone Number: (____) _____ - _____
 No

If you answered "No" to questions #1, #2, #3 or #4, OR if you answered "No" to both questions #5 and #6, contact your payroll/benefits office (if you are an employee) or ETF (if you are a retiree) for information on COBRA continuation coverage for your dependent.

To the best of my knowledge, all statements and answers above are complete and true. All information is furnished under penalty of Wis. Stats. § 943.395. I understand that fraud or material misrepresentation of the dependent's eligibility for coverage will result in termination of that coverage retroactive to the date eligibility was lost and I or the dependent will be responsible for the cost of service provided during the period when coverage should not have been in effect.

I understand that if there is any change in my dependent's eligibility after this form is completed, I must notify my payroll/benefits office (if I am an employee) or ETF (if I am a retiree) as soon as the change occurs.

X _____
Subscriber's Signature

Date

Make a copy for your records. Return completed form to your current health plan.

Definitions – 2008 Uniform Benefits

DEPENDENT: Means the Subscriber's:

- ▶ spouse
- ▶ unmarried children
- ▶ legal wards who become legal wards of the Subscriber prior to age 19, but not temporary wards
- ▶ adopted children and children placed for adoption as provided for in Wis. Stat. § 632.896. Adoptive children become Dependents when placed in the custody of the parent
- ▶ stepchildren
- ▶ grandchildren if the parent is a Dependent child. The Dependent grandchild will be covered until the end of the month in which the Dependent child turns age 18.

Dependent children must be dependent on the Subscriber (or the other parent) for at least 50% of their support and maintenance and meet the support tests as a Dependent for federal income tax purposes, whether or not the child is claimed.

Children born outside of marriage become Dependents of the father on the date of the court order declaring paternity or on the date the acknowledgment of paternity is filed with the Department of Health and Family Services or the equivalent if the birth was outside of the State of Wisconsin. The Effective Date of coverage will be the date of birth if a statement of paternity is filed within 60 days of the birth.

A spouse and stepchildren cease to be Dependents at the end of the month in which a marriage is terminated by divorce or annulment. Other children cease to be Dependents at the end of the calendar year in which they turn 19 years of age or cease to be dependent for support and maintenance, or at the end of the month in which they marry, whichever occurs first, except that:

1. Children age 19 or over who are full-time students, if otherwise eligible (that is, continues to be a Dependent for support and maintenance and is not married), cease to be Dependents:
 - ▶ At the end of the calendar year in which they cease to be full-time students or in which they turn age 25, whichever occurs first.
 - ▶ At the end of the month in which they cease to be dependent for support or maintenance or marry, whichever occurs first.

Student status includes any intervening vacation period if the child continues to be a full-time student. Student means a person who is enrolled in and attending an accredited institution, which provides a schedule of courses or classes and whose principal activity is the procurement of an education. Full-time status is defined by the institution in which the student is enrolled. Per the Internal Revenue Service, this includes elementary schools, junior and senior high schools, colleges, universities, and technical, trade and mechanical schools. It does not include on-the-job training courses, correspondence schools and similar on-line programs, intersession courses (for example, courses during winter break), night schools and student commitments after the semester ends, such as student teaching.

2. If otherwise eligible, children who are, or become, incapable of self-support because of a physical or mental disability which can be expected to be of long-continued or indefinite duration of at least one year or longer, continue to be, or resume their status of, Dependents regardless of age or student status, so long as they remain so disabled. The child must have been previously covered as an eligible Dependent under this program in order to continue or resume coverage. The Health Plan will monitor mental or physical disability at least annually, but will only terminate coverage prospectively upon determining the Dependent is no longer so disabled, and will assist the Department in making a final determination if the Subscriber disagrees with the Health Plan determination.
3. A child who is considered a Dependent ceases to be a Dependent on the date the child becomes insured as an Eligible Employee.
4. Legal Wards cease to be Dependents at the end of the month in which they cease to be wards.

Any Dependent eligible for benefits will be provided benefits based on the date of eligibility, not on the date of notification to the Health Plan and/or PBM.