



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). Copies of the letter and form accompany this *Bulletin*.

Participating health plans are set to mail the letter and verification form to subscribers the week of October 27. The deadline to return the *Dependent Verification Form* to the health plan is December 1, 2008. Health plans must receive verification forms by this date in order to ensure that coverage will continue on January 1, 2009. If health plans receive the verification forms after December 1, the dependent's health insurance coverage may end as of December 31, 2008.

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 prescription drug benefits and claims for dependents.

Subscribers switching health plans during the 2009 Dual-Choice enrollment period must complete and return the *Dependent Verification Form* to the health plan that initiated the letter and covered the subscribers in 2008, not the new health plan selected for 2009. ETF will notify the new health plan of any dependent status changes based on the 2008 *Dependent Verification Form*.

Employees are instructed to submit a *Group Health Insurance Application/Change Form* (ET-2301) to you in order to delete dependents and issue COBRA continuation notifications. In January 2009, ETF will send you a report listing terminated dependents. This report is compiled from the dependent response data and submitted to ETF by the health plans.

Employer Responsibility:

- A. Change from family to single coverage due to a change in student/disabled dependent status:
 1. Receive a completed *Group Health Insurance Application/Change Form* (ET-2301) from any subscriber changing from family to single coverage, and
 2. Issue a *Continuation - Conversion Notice* (ET-2311) to previously covered dependent(s).

INSIDE

* Plans Mail Annual Dependent Verification Letters and Forms

* Pharmacy Benefit Manager (PBM) ID Card Reminder

* Corrections/Updates to It's Your Choice Booklets

- B. Family coverage remains in force following removal of a student/disabled dependent from coverage:
1. Receive a completed *Group Health Insurance Application/Change Form* (ET-2301) deleting the dependent from the existing family contract, and
 2. 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 submitting to ETF a *Group Health Insurance Application/Change Form* (ET-2301) 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, 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 2009 *It's Your Choice* Booklet

Notices regarding any corrections/updates to your 2009 *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.

Contact Information for Questions

- Employers' contact 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
- Subscribers' and participating providers' contact for additional information regarding benefits:
Health plan or
Navitus Health Solutions, Pharmacy Benefit Manager
- Subscribers' contact regarding applications, eligibility, enrollment, and general information:
Department of Employee Trust Funds
Toll free at (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 2009.

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 complete the enclosed *2009 Dependent Verification Form* **that you must return to us by December 1, 2008 if your dependent is eligible next year.** *If we do not receive this form by December 1, your dependent's health insurance coverage (including pharmacy benefits) will end on December 31, 2008.*

Important Reminders:

- **Different health plan:** Even if you have or will be changing to a different health plan for 2009, 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. You will also need to complete a *Group Health Insurance Application/Change Form* (ET-2301) to remove your dependent from your health insurance policy.

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.)

- **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.
- Even if your health plan has already determined your dependent is disabled, you still need to complete and return the enclosed form or your dependent will lose coverage on December 31.

- **Definition of dependent:** See pages D-9 and D-10 of your 2009 *It's Your Choice* booklet for the definition of "Dependent". The *It's Your Choice* booklet is available on ETF's web site at http://etf.wi.gov/members/health_ins.htm. Excerpts of the definition are also shown on the back of the enclosed *2009 Dependent Verification Form*.

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

Sincerely,

<health plan>

SAMPLE



2009 Dependent Verification Form

Your dependent's health insurance ends on December 31, 2008.
You must complete this form to verify if your dependent is eligible in 2009.

Section A: Must be completed

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 single:
 Yes No *Date of Marriage (MM/DD/YY):* ____/____/____ (go to Section E)
2. My dependent receives at least 50% of his/her financial support from me or the other parent as demonstrated by the support test for federal income tax purposes that is described in IRS Publication 501 (whether or not the dependent is claimed on the parent's federal return):
 Yes No (go to Section E)

Section B: Full-Time Student Status (Refer to the next page for the definition)

3. My dependent will be enrolled as a full-time student at an accredited educational institution in 2009 (full-time status is defined by the institution):
 Yes *Name of School:* _____
City/State of School: _____
Expected Graduation Date (Month/Year): ____/____/____
 No

If you answered "No" to question #3, continue to Section C. Otherwise, go to Section D.

Section C: Disability Status (Refer to the next page for the definition)

4. My dependent is incapable of self-support due to a physical or mental disability that is expected to be of long-continued or indefinite duration (of at least one year):
 Yes *Diagnosis:* _____
Name of Attending Physician: _____
 No, this does not apply to my dependent (go to Section E)

Section D: Dependent is Eligible in 2009

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

Skip Section E. Return this completed form to your current health plan by **December 1, 2008**.

2009 Dependent Verification Form (continued)

Section E: Dependent is Not Eligible in 2009

Based on your responses, your dependent is not eligible in 2009. *Thus, you do not need to return this form to your health plan.* Promptly notify 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. You will also need to complete the *Group Health Insurance Application/Change Form (ET-2301)* to remove your dependent from your health insurance policy.

Reference: Definition of “DEPENDENT”

The definition of DEPENDENT is located in the Uniform Benefits contract in Section D of the *It's Your Choice* booklet, which is available on ETF's web site at http://etf.wi.gov/members/health_ins.htm. For your convenience, excerpts of the definition are shown below:

DEPENDENT: Means the Subscriber's:

- Spouse.
- Unmarried child.
- Legal ward who becomes a legal ward of the Subscriber prior to age 19, but not a temporary ward.
- Adopted child when placed in the custody of the parent as provided by Wis. Stat. §632.896.
- Stepchild.
- Grandchild if the parent is a Dependent child.

[Regarding student status] Student status includes any intervening vacation period if the child continues to be a full-time student. As defined in Wis. Adm. Code § ETF 10.01 (5), 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 Code, 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. As required by Wis. Stat. §632.895 (15), eligibility will continue up to one year when the Dependent ceases to be a full-time student due to a medically necessary leave of absence.

[Regarding disabled status] A dependent child who is incapable of self-support because of a physical or mental disability that can be expected to be of long-continued or indefinite duration of at least one year is an eligible Dependent, regardless of age, so long as the child remains so disabled if he or she is otherwise eligible (that is, the child meets the support tests as a Dependent for federal income tax purposes and is not married). The Health Plan will monitor mental or physical disability at least annually, terminating 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.