

October, 2019

To: All WSU Medical, Dental and Vision Plan Participants

Subject: 2020 Dependent Eligibility Audit

Wayne State University is committed, with your help, to manage the ever-increasing cost of health care. As discussed in the WSU benefits letter mailed to your home in September of 2019, WSU will be conducting a university-wide dependent audit to validate and ensure that our health care dollars are being spent according to plan eligibility rules. A key variable to controlling costs is to ensure that our benefit plans are providing coverage only to eligible dependents. The cost of coverage for ineligible dependents is a cost shared by all.

As part of the **2020 WSU Benefits Open Enrollment period**, please review and take appropriate action as discussed below:

1. Review the medical, dental and vision plan dependent eligibility rules for your dependent(s) who are covered under the WSU benefits plans (see inside).
2. Disclose any ineligible dependents receiving benefits from WSU by completing a Dependent Eligibility Audit Benefit Termination form and returning it to the WSU HR Service Center by December 31, 2019 (see back page).
3. Only enroll dependents during the 2020 Open Enrollment period that are eligible for WSU benefits.
4. Review the frequently asked questions concerning the upcoming Dependent Eligibility Audit (see inside).

WSU is establishing a **disclosure period**, through December 31, 2019, to allow you to disclose any ineligible dependents receiving benefits from WSU as a result of your enrollment. WSU will not take any disciplinary action based on benefits received, or information submitted concerning any ineligible dependents you terminate by December 31, 2019. Ineligible dependents that are reported during the disclosure period will lose their coverage effective December 31, 2019. If you are terminating ineligible dependent benefits, use this time to seek alternative coverage for your dependents from other sources. Please note, COBRA continuation of coverage will not be offered to ineligible dependents.

In December, WSU will be sending you detailed information and instructions concerning the upcoming Dependent Eligibility Audit. Please visit our website at hr.wayne.edu/tcw for additional information about WSU benefits, dependent eligibility rules and the Dependent Eligibility Audit.

Thank you in advance for your cooperation and helping all of us manage health care costs.



Dependent Eligibility and Documentation Requirements

Relationship	Eligibility Requirements	Documentation to Submit
Legal Spouse	<ul style="list-style-type: none"> • Legal spouse of the Employee 	<p>The following document:</p> <ul style="list-style-type: none"> • Employee's 2018 or 2019 filed federal income tax return Form 1040 – the first page only (Social Security numbers and financial information should be blacked out). <p><i>For marriages occurring in 2019, only a copy of marriage certificate is required</i></p>
Other Eligible Person (OEP)	<p>A person who is:</p> <ul style="list-style-type: none"> • An adult, age 26 or older; and • Currently resides in the same residence as the employee and has done so for 18 continuous months prior to the individual's enrollment, other than as a tenant; and • Not a dependent of the employee as defined by the IRS; and • Not related by blood or marriage. 	<p>BOTH of the following documents:</p> <ul style="list-style-type: none"> • Proof of Joint Obligation (for the last 18 months) – <i>Must be dated within 30 days of this letter's postmarked date.</i> <p><u>Examples include;</u></p> <ul style="list-style-type: none"> • A mortgage statement; • Bank statement; • Property bill; • Monthly bill from a rental/lease agreement <p>AND</p> <ul style="list-style-type: none"> • Copy of Driver's License or State ID Card - must reflect the same address as WSU employee.
Children UNDER age 26	<ul style="list-style-type: none"> • Child(ren) by birth; • Stepchild(ren); • Legally adopted child(ren) or child(ren) placed in your home for final adoption; • Child(ren) under legal guardianship; • Child of OEP 	<p>ONE of the following documents:</p> <ul style="list-style-type: none"> • Birth certificate listing parents or adoption paperwork issued by a State or County; or • Employee's 2018 or 2019 filed federal income tax return Form 1040 – the first page only listing the dependent children (Social Security numbers and financial information should be blacked out); or • Qualified Medical Child Support Order (QMCSO) which requires child support for benefit coverage; or • Court paperwork for legal guardianship.
Principally Supported Children UNDER age 19	<p>A child who is:</p> <ul style="list-style-type: none"> • Not the employee's child by birth or marriage; and • Related to the employee by blood or marriage; and • Claimed as a dependent of the employee on their most recent income tax return. 	<p>The following document:</p> <ul style="list-style-type: none"> • Employee's 2018 or 2019 filed federal income tax return Form 1040 – the first page only (Social Security numbers and financial information should be blacked out).
Disabled Children OVER age 26	<ul style="list-style-type: none"> • An unmarried child who became disabled before reaching age 26 and is incapable of self-sustaining employment by reason of mental or physical handicap. 	<p>BOTH of the following documents:</p> <ul style="list-style-type: none"> • The required documentation for a child UNDER age 26 listed above; AND • Any documentation verifying a permanent disability that began before the child attained age 26.
Sponsored Dependent OVER 26	<p>An adult who is:</p> <ul style="list-style-type: none"> • Dependent on the employee's financial support; and • Claimed as a dependent of the employee on their most recent income tax return; and • Resides with the employee permanently. 	<p>The following document:</p> <ul style="list-style-type: none"> • Employee's 2018 or 2019 filed federal income tax return Form 1040 – the first page only (Social Security numbers and financial information should be blacked out).

Frequently Asked Questions

What is the purpose of a Dependent Eligibility Audit?

We are conducting a Dependent Eligibility Audit to ensure that all dependents currently enrolled in the medical, dental and vision plans meet all eligibility rules. Most dependents are fully eligible to participate in the Wayne State University benefit plans. However, the enrollment of an ineligible dependent can occur for several reasons including a misunderstanding, lack of awareness of eligibility rules, or a recent status change of a dependent.

Why is Wayne State University initiating a Dependent Eligibility Audit?

This type of audit is becoming more common with all employers in an effort to combat rising health care costs. To make the most of your health care dollars, we must ensure that only eligible individuals are receiving medical, dental and vision benefits. We ask for, and greatly appreciate, your cooperation during this very important audit process.

How will the Dependent Eligibility Audit be completed?

In order to complete this audit, we have contracted with Health Decisions. They will conduct the audit over the next few months on behalf of Wayne State University. A **Dependent Eligibility Verification** form will be mailed to your residence for completion in January 2020.

What is an Ineligible Dependent Disclosure Period?

In order to encourage full cooperation with this audit, we have established an **Ineligible Dependent Disclosure Period** for all ineligible dependents. During this period, which runs through December 31, 2019, you may remove ineligible dependents from the medical, dental and vision plans without any consequences. You will need to complete a Dependent Eligibility Audit Benefit Termination Form and indicate "Disclosure Termination" by checking the box on the form.

What happens if I don't disclose an ineligible dependent?

WSU reserves the right to take any necessary action if you do not remove your ineligible dependent by the end of the **Ineligible Dependent Disclosure Period**, December 31, 2019.

Do I need to do anything now?

Take this opportunity to review the medical, dental and vision plan dependent eligibility rules for your dependent(s) who are covered under the plans and review the documentation requirements to determine which documents you need to have available.

What types of documentation do I need to provide?

Start gathering photocopies (**DO NOT SEND YOUR ORIGINAL DOCUMENTS, PAPERWORK RECEIVED WILL NOT BE RETURNED**) of birth certificates, your 2018 Tax Form, divorce decrees, adoption, guardianship, court orders and other supporting dependent documentation in preparation for the audit. If you are unable to locate these documents, you may contact the County Clerk's office where your marriage or the birth of your child(ren) are recorded. Your copies will be maintained within your benefits file following completion of the audit.

Additional information on the Dependent Eligibility Audit will be provided in the coming months, via mailings to your residence, emails, and Academica announcements.

If you have any questions, please contact the HR Service Center at 313-577-3000.



Dependent Eligibility Audit Benefit Termination Form

Security Alert: Do not send this form via email.

Employee Name (Last, First) <i>Please print</i>	Banner ID	Social Security Number	Date of Birth
Street Address	City	State	Zip Code
Date of Hire	Work Phone	Home Phone	Email/Access ID

Please read the following information carefully:

In early 2020, WSU will be conducting a Dependent Eligibility Audit to ensure that all dependents currently enrolled in WSU medical, dental and vision plans meet all WSU eligibility rules. The Dependent Eligibility Audit will help confirm that WSU health care dollars are being spent according to plan eligibility rules. Most dependents are fully eligible to participate in the Wayne State University benefit plans. However, the enrollment of an ineligible dependent can occur for several reasons, including a misunderstanding, lack of awareness of eligibility rules, or a recent status change of a dependent. WSU greatly appreciates your cooperation during this very important audit process.

This form allows you to disclose any ineligible dependents receiving benefits from WSU as a result of your enrollment. If you are terminating ineligible dependent benefits, we suggest you use this time to seek alternative coverage for your dependents from other sources. Please note, ineligible dependents are not eligible for COBRA continuation of coverage.

WSU will not take any steps to recoup or be reimbursed for claims paid on behalf of ineligible dependents, or take any disciplinary action concerning any ineligible dependents' coverage you terminate by December 31, 2019.

To review who is listed as a dependent on your benefit plans, log into [Academica>Resources>Employee Resources>Employee Self-Service>Benefits and Deductions>Benefits Statement](#).

Review the medical, dental and vision plan dependent eligibility rules for your dependent(s) who are covered under the WSU benefits plans. Dependent eligibility guidelines are online: hr.wayne.edu/tcw/health-welfare/dependent-guidelines.pdf.

Disclosure Termination. I authorize termination of benefits by December 31, 2019 for the dependent(s) listed below due to ineligibility:

Last Name	First Name	Social Security Number (Required)	DOB (M/D/Y)	Relation Code*	Office Use Only

*Relation Code: M=Spouse, C=Child, O=Sponsored Dependent, H=Disabled Dependent, P=Other Eligible Person

Authorization: I certify that the information provided is true and correct. I authorize the university to change my benefit enrollments and to adjust my payroll deduction in accordance with the changes I have requested. I understand that ineligible dependents are not eligible for COBRA continuation of coverage.

Employee Signature

Date

Please return to:
HR Service Center, Wayne State University, 5700 Cass Ave., Suite 3638, Detroit, MI 48202; Fax: 313-577-0637