Date: January 27, 2014

To: All Employees and Retirees Currently Enrolled in a Peralta Group Medical or Dental Plan

From: José M. Ortiz, Ed.D.
Chancellor

Subject: Important Announcement Regarding Your Family’s Health Care Coverage
Documents Due by March 31, 2014 (if you have eligible dependents)

Peralta Community College District health care plans are an important benefit for our employees, retirees and dependents. As the cost of health care increases, it is a continual challenge to keep the costs of these plans affordable and to ensure that the plans are providing value for the money that both you and Peralta Community College District spend.

To verify that our health care plans are operating cost effectively, in compliance with regulations, and our Summary Plan Descriptions, Peralta Community College District must periodically audit various aspects of the plans. Some of these audits require the active involvement of the plan participants.

In approximately two weeks those of you with dependent coverage under any of our plans will receive a Dependent Eligibility Audit packet mailed to the home address on record as of January 24, 2014. This packet will allow us to confirm that all of the dependents enrolled for coverage are, indeed, eligible for the coverage based on our plan guidelines. If you do not have any dependents, you should not receive a Dependent Eligibility Audit packet.

Please be assured that the purpose of this audit is not to drop coverage for any family members that meet the plan definitions for eligibility. However, these audits generally find a significant number of dependents that do not actually meet the plan definitions and should be removed from the plan. We realize that, in the majority of situations, the ineligible dependent(s) is covered due to an oversight. For example, you may have forgotten to update your benefit information following a divorce or marriage. This audit will allow us to update our dependent information while ensuring that both the District and our employees are not paying higher costs because of dependents that should not be covered under the plan.

We have requested that CoreSource, Inc. perform this audit for all Peralta medical and dental plans. [CoreSource is a leading third party administrator of health care benefits with extensive eligibility and auditing experience.] Upon receipt of the Dependent Eligibility Audit packet in your mail at home, please open it promptly, and review the steps you must take to verify that your dependents are eligible for coverage. If, after reviewing the information provided, you realize that one or more of your dependents is (are) not eligible for coverage, simply note this on the form provided in the packet, and return it in the envelope provided. Please note that Peralta Community College District is providing a one-time amnesty opportunity and will not take any adverse action based on benefits received or information submitted regarding ineligible dependents that you choose to drop by the audit deadline of March 31, 2014. In addition, no financial action will be taken to recover benefits previously paid on behalf of ineligible dependents. Naming an ineligible dependent may result in your repaying District premium or claims costs.

Enclosed are some frequently asked questions regarding eligibility audits that will be helpful to you in preparing for the audit. Detailed instructions will be provided in your Dependent Eligibility Audit packet. Additionally, the experts at CoreSource will be available, via phone and e-mail, to assist you with any questions. Your privacy is important to us. Peralta maintains business agreements with our partners to ensure that your information is safeguarded and protected.

We appreciate your understanding and cooperation as we work together to manage our health care plan costs and continue to strive to provide affordable and comprehensive benefits for all employees of Peralta Community College District.

BERKELEY CITY COLLEGE    COLLEGE OF ALAMEDA    LANEY COLLEGE    MERRITT COLLEGE
Dependent Eligibility Audit  
Frequently Asked Questions

1. Why are you asking me to verify my dependents now?
   There are two primary reasons. First, we want to ensure plan compliance with regulations and our Summary Plan Descriptions. Second, we want to confirm that our health care plan dollars are being spent appropriately. Ineligible dependents that are using our health plans create higher costs for the company and for those participants who are eligible.

2. Who must comply with the audit?
   All employees and/or retirees who cover a spouse, domestic partner, or child on a medical or dental plan.

3. I do not have any dependents. Do I need to do anything?
   No, you do not need to do anything. This announcement was for your information only. You will not receive a Dependent Eligibility Audit packet from CoreSource.

4. I have dependents who are not listed who should I contact?
   Bring a copy of the most recently completed Universal Benefit Enrollment form to the Benefits Office with supporting documentation in order for us to take corrective action.

5. Which types of dependents must be verified?
   All eligible dependent types (Spouses, Domestic Partners, Children, and Disabled Adult Dependents) must be verified in order to continue coverage for these dependents.

6. What documents do I need to prove that a dependent is eligible?
   The Dependent Eligibility Audit packet you will receive from CoreSource will provide you with a list of acceptable documents that you can provide to verify eligibility. You may wish to start looking for these documents in your personal records or request them from the appropriate agencies as this process may take some time. Examples of documents include, but are not limited to, photocopies of: certified marriage certificates, Affidavit of Domestic Partners, certified birth certificates, adoption paperwork, court awarded legal guardianship/custody papers, and recently filed tax returns.

7. Where do I obtain copies of these documents?
   Below are recommendations on resources to obtain the required documentation.
   - **State Government** – Most states have a “Vital Records” department where you can request copies of birth, marriage, divorce, and death certificates. Contact the state where the event occurred.
   - **County Government** – Contact the county office that issued the original certificate.
   - **www.cdc.gov/nchs/w2w.htm** – The United States Center for Disease Control and Prevention has a comprehensive website that includes all states and offers detailed instructions on how to obtain copies of birth, marriage, divorce, and death certificates.
   - **www.vitalrecordsguide.com** – This website also includes detailed instructions for obtaining copies of birth, marriage, divorce, and death certificates for all states.
   - **www.travel.state.gov** – The United States Department of State, Bureau of Consular Affairs provides detailed instructions for obtaining a Certificate of Birth abroad, Certificate of Death abroad, or Certificate of Witness of Marriage abroad. After accessing this website, click on “Consular Report of Birth Abroad” from the “Most Requested” pull down box.

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8. What is meant by a “certified” copy?
A certified copy of a birth certificate, marriage certificate or other vital record is a document issued by the Civil Registry in the state, county, city, or municipality where the original document was registered. It contains the data from the original document, along with the seal or stamp and signature of the Civil Registrar.

9. Why must I provide personal financial information?
Financial documents are required to verify that you are financially responsible for dependents and to confirm your existing relationship with your spouse or domestic partner as required in the Summary Plan Description. When submitting any financial documents, all personal information such as income, account balances, payment amounts, should be marked out. Peralta Community College District does not need or want to know this information. Again, detailed instructions will be provided in the packet from CoreSource.

10. What happens to this documentation upon completion of the audit?
CoreSource will shred all paper copies of the documentation, at the completion of the audit.

11. What is the deadline to submit the documentation?
All required documentation must be submitted to CoreSource by March 31, 2014. Please remember that it may take some time to obtain the documents if you do not already have them in your personal records.

12. What happens if I miss this deadline?
Peralta Community College District will have no choice but to terminate your dependent(s) coverage if you do not provide the required documentation to verify eligibility by the audit deadline. Please contact CoreSource if you are having difficulty obtaining the documentation and may not meet the deadline.

13. On what date will my dependents be terminated?
Coverage will be terminated effective March 31, 2014 for any ineligible dependents or for any of your enrolled family members for whom you do not provide the required documentation. The next opportunity to enroll terminated dependents for coverage, if they are eligible, will be during your next annual enrollment period with coverage effective on July 1, 2014.

14. What are the options for continuing coverage for ineligible dependents?
Termination of an ineligible dependent is not considered a COBRA Qualifying Event. In certain circumstances, where an eligible dependent became ineligible within the last 60 days, COBRA may be offered. Medical coverage may also be available through the Health Insurance Marketplace. Visit the HealthCare.gov website for more information including access to the online application for health insurance through the marketplace in the dependent’s area.

15. Who do I contact with questions?
Please call or e-mail the Dependent Eligibility Audit experts at CoreSource at 1-866-434-1211 or DependentAuditsBalt@ccresource.com.

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