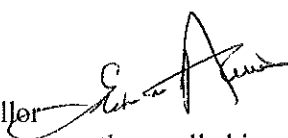




333 East 8<sup>th</sup> Street  
Oakland, CA 94606

From: The Office of the Chancellor   
To: All employees and retirees currently enrolled in a Peralta medical or dental plan  
Date: March 31, 2010  
Re: Important Announcement Regarding Your Family's Health Care Coverage

Peralta Community College District health care plans are an important benefit for our employees. 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 and 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 at your homes.** This audit 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 currently enrolled in a Peralta medical or dental plan, you will **not** receive a Dependent Eligibility Audit packet.

*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 the marriage of one of your children. 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 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 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 this 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 **May 7, 2010**. In addition, no financial action will be taken to recover benefits previously paid on behalf of ineligible dependents. **After the audit deadline, we will enforce Peralta Board Policy, 3.86. Naming an ineligible dependent may result in your repaying District premium or claims costs.***

Below [attached] 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.

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.



## 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 who cover a spouse, domestic partner, or child on a medical, or vision 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 benefit enrollment form to the Benefits office with documents to the Peralta Benefits Office

### 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](http://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](http://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](http://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.