

# **HEALTH BENEFITS E-NEWS EXTRA**

## ***Department of Human Resource Management Office of Health Benefits***

***March 5, 2010***

### ***Verification Follow-up from Dependent Eligibility Audit***

The Office of Health Benefits (OHB) continues follow-up work on the Dependent Eligibility Verification Audit. During the audit process, employees verified on the affidavit that dependents were either eligible or ineligible for coverage. Those dependents declared by the employee as ineligible were to be removed from the program retroactive to July 1, 2009. However, upon review, it appears that some of these dependents have been removed from coverage due to a qualifying mid-year event (QME) that occurred after July 1, 2009. The ineligible dependents for your agency who were removed from coverage with a QME are listed on a report in your FTP folder called "DEVA-QME-Review-[nnn-03052010.csv](#)".

OHB will be reviewing these records to verify the date dependents lost eligibility for the plan. Benefits Administrators need to send OHB a completed "Agency Request for Assistance" Form along with all documentation submitted to terminate coverage for the dependents listed on your agency's report. Send the documentation directly to Barbara Smothers by e-mail to [Barbara.Smothers@dhrm.virginia.gov](mailto:Barbara.Smothers@dhrm.virginia.gov) or by fax to (804) 371-0231. The documentation is due to OHB no later than March 31, 2010. If documentation is not provided by this date, these dependents will be removed from coverage effective July 1, 2009, claims will be retracted and the member will be returned to the membership level in place prior to the dependent's removal, if applicable.

### ***ARRA Update***

The Temporary Extension Act of 2010 has extended the eligibility period for COBRA/ARRA premium assistance for employees who are involuntarily terminated through March 31, 2010 (formerly February 28, 2010). It has also expanded the definition of a COBRA qualifying event to include an involuntary termination of employment after a reduction of hours.

Please continue to use the latest version of the COBRA Election Notice (see Health Benefits E-News dated March 2) for qualifying events during February that result in an offer of COBRA effective March 1. You will be provided with an updated notice and associated guidance for qualifying events that occur in March, resulting in an offer of COBRA for April 1. You are encouraged to wait until coverage is lost before offering continuation/COBRA coverage, so employees with qualifying events that cause a loss of coverage in March should be sent an Election Notice between April 1--14 for an April 1 COBRA start date. The most recently updated Election Notice is not appropriate for qualifying events in March. Look for an update by the end of March.