



OFFICE OF THE SENIOR VICE PRESIDENT
BUSINESS AND FINANCE
HUMAN RESOURCES AND BENEFITS

CLIENT RELATIONS AND DIVERSITY
HEALTH AND WELFARE ADMINISTRATION
P. O. Box 24570
Oakland, California 94623-1570

May 5, 2006

Benefit Managers

Re: Administrative Supplement #16:
Continuation of Coverage for Overage Disabled Children

Attached is the revised Administrative Supplement to the UC Group Insurance Regulations regarding Continuation of Coverage for Overage Disabled Children. This revision is being issued to clarify the possible enrollment opportunities, define roles and responsibilities, provide detailed eligibility requirements, and describe carrier processes.

This document will be available on the Exchange web site in the GIR section. If you have any questions regarding this policy, please contact Kris Lange (510) 987-9051 (Kris.Lange@ucop.edu) or Joi Adams (510) 987-0038 (Joi.Adams@ucop.edu)

cc: Payroll Coordinator Sills

Continuation of Coverage for Overage Disabled Children

Background

Employees/retirees with enrolled disabled dependent children may continue coverage for these children beyond age 23 provided criteria are met under GIR 1002.B, 1102.B, or 6002.B and carrier approval is obtained. If the medical plan carrier approves continued coverage, the child also may remain enrolled in dental, vision, legal, dependent life and AD&D coverage as applicable, assuming the other criteria are met. Upon request, employees/retirees must provide verification of income tax dependency or verification of disabled dependent's eligibility for Social Security Income or Supplemental Security Income as a disabled person.

The following outlines the continuation of coverage process for disabled dependent children attaining age 23 (age-ins), for newly hired employees' initial enrollment of overage disabled children, and the addition of newly eligible overage disabled children of existing employees/retirees. The attached charts summarize eligibility requirements (legal wards are not eligible to continue coverage beyond age 18, even if disabled) as well as carrier procedures. Location, carrier, and employee/retiree responsibilities in the process also are included.

General

Overage disabled dependent children may only be added to UC-sponsored plans in the four scenarios listed below. Overage disabled children may not be added during Open Enrollment.

Age-in Process (applies to dependents currently covered who are disabled):

1. Office of the President sends notification of de-enrollment, COBRA, and overage disabled continuation information to employee/retiree three months before the child's 23rd birthday.
2. Employee/retiree applies to medical plan carrier before the child's 23rd birthday by contacting the plan's customer service office. Plan is responsible for providing certification documents to member. Employee/retiree obtains information as requested on the form (e.g., treating physician's report, lab tests, etc.) and returns to carrier for determination.
3. Carrier determines disabled status.
4. Carrier sends written approval/denial notification to employee/retiree with a copy to the Benefits Manager.
5. Location ensures continuation of child's coverage if approved; if denied, automatic de-enrollment should take place as scheduled (Benefits Manager should verify).

New Hire Process (applies to disabled dependents over age 23 on employee's date of hire):

1. Employee provides proof of prior group coverage enrollment, plus the date and reason coverage terminated. (For example, a letter from the former employer or proof of Medicare/Medi-Cal coverage).
2. Employee applies to carrier within 31-day PIE.
3. Carrier determines disabled status.
4. Carrier sends written approval/denial notification to employee/retiree with a copy to the Benefits Manager.
5. Employee submits enrollment via form (UPAY850) to enroll disabled child within 31 days of carrier approval notification.
6. If approved by carrier, coverage is retroactive to the first day of the new hire PIE.

Involuntary Loss of Coverage (ILOC) (applies to eligible disabled dependents over age 23 who have involuntarily lost coverage under other group coverage):

1. Employee/retiree provides proof of loss of prior group coverage enrollment (to include Medicare, Medi-Cal, or COBRA).
2. Employee/retiree applies to carrier within 31-day PIE.
3. Carrier determines disabled status.
4. Carrier sends written approval/denial notification to employee/retiree with copy to the Benefits Manager.
5. Employee/retiree submits enrollment form (UPAY850 or UBEN100) with certification of incapacity and proof of loss of other group coverage to enroll disabled child within 31 days of carrier approval notification.
6. If approved by carrier, coverage is retroactive to the first day of the PIE.

Newly Acquired Coverage Disabled Child/Step-Child (Applies to an overage disabled child who is newly acquired as a dependent through marriage/domestic partnership or adoption)

1. Employee/retiree provides proof of continuous prior group coverage enrollment (For example, a letter from the former employer or proof of Medicare/Medi-Cal coverage).
2. Employee/retiree applies to carrier within 31-day PIE that begins on the date the employee/retiree acquires the new dependent.
3. Carrier determines disabled status.

4. Carrier sends written approval/denial notification to employee/retiree with copy to the Benefits Manager.
5. Employee/retiree submits enrollment via form (UPAY850 or UBEN100) to enroll disabled child within 31 days of carrier approval notification.
6. If approved by carrier, coverage is retroactive to the first day of the PIE.

Carrier Responsibilities

1. Provide application and/or information on required documentation necessary to determine disability upon request of employee/retiree.
2. Review application/medical documentation to determine disabled status.
3. Send written notification of approval/denial to employee/retiree.
4. Copy the appropriate UC Benefits Office on all approval/denial letters sent in response to application to continue coverage for disabled children.
5. If possible, carriers will indicate in approval letter that the employee/retiree should contact local Benefits Office within 31 days of notification to ensure continuation of coverage or eligibility for enrollment. Note: Kaiser cannot revise their general letter to include UC-specific information.
6. Conduct periodic review to determine disabled status and continuing eligibility; notify appropriate UC Benefits Office if coverage is terminated.

Employee/Retiree Responsibilities

1. Apply for continuation of coverage before the child's 23rd birthday.
2. Provide required medical documentation as proof of disability.
3. Ensure continuous group coverage beyond the age of 23. If the employee is enrolling as a new hire or enrolling a newly eligible disabled child, employee/retiree should ensure that the disabled child has been continually enrolled in group coverage since age 23.
4. Contact local Benefits Office within 31 days of carrier approval notification to ensure continuation of coverage.
5. Qualify under GIR 1002.B, 1102.B, or 6002.B.
6. Upon request, provide annual tax verification documentation, or proof of eligibility for Social Security Income or Supplemental Security Income (SSI) as a disabled person.

Benefit Office Responsibilities

1. Counsel employees/retirees on eligibility requirements and procedures for continuation of coverage on overage disabled children.

2. Upon receipt of carrier approval, ensure continuation of coverage beyond age 23.
3. Set appropriate disabled indicator flag in child's record at local payroll system.
4. Send COBRA mailing if coverage is later terminated by carrier after carrier's periodic review.

ELIGIBILITY REQUIREMENTS (EFFECTIVE JANUARY 1, 2005)

ELIGIBLE DISABLED CHILD AGE 23 OR OLDER (RELATIONSHIP IS TO THE EMPLOYEE/RETIREE)	ELIGIBILITY REQUIREMENTS
Natural or legally adopted disabled child Grandchildren Stepchildren	<ul style="list-style-type: none"> • Living with employee/retiree (not required for natural or legally adopted child(ren)) • Unmarried • Enrolled in a UC sponsored plan immediately prior to age 23 • Incapable of self-support due to a mental or physical disability incurred prior to age 23 • Dependent on the employee/retiree for 50% or more of his/her support and claimed as the employee's/retiree's dependent for income tax purposes. If not claimed for income tax purposes, the sole reasons are due to the child receiving Social Security Income, Supplemental Security Income (SSI) or because the child works in supported employment which can offset Social Security or Supplemental Security Income benefits. • Disability must be approved by the carrier prior to age 23 and periodically thereafter
Domestic partner's* overage disabled child or grandchild (*domestic partner must be eligible for UC sponsored coverage)	<ul style="list-style-type: none"> • Eligibility requirements same as listed above
Newly acquired disabled child/stepchild Disabled child/stepchild of a newly hired employee	<ul style="list-style-type: none"> • Living with employee/retiree (not required for natural or legally adopted child(ren)) • Unmarried • Incapable of self-support due to a mental or physical disability incurred prior to age 23 • Continuously covered under a group plan since age 23 (includes Medicare, Medi-Cal, etc.) • Dependent on the employee/retiree for 50% or more of his/her support and claimed as the employee's/retiree's dependent for income tax purposes. If not claimed for income tax purposes, the sole reasons are due to the child receiving Social Security Income, Supplemental Security Income (SSI) or because the child works in supported employment which can offset Social Security or Supplemental Security Income benefits. • Disability must be initially approved by the carrier and re-certified periodically thereafter

Carrier Certification Process For Overage Disabled Children

	Blue Cross	United HealthCare	Health Net	Kaiser	Pacificare	Western Health Advantage
Initial Certification	When a disabled dependent is discovered, the premium specialist sends out a disability certification letter and form for the subscriber and his/her physician to complete and return to Blue Cross.	Process includes completing the "Statement of Dependent Eligibility Beyond Limiting Age in Plan Due to Retardation or Mental or Physical Handicap" form and submitting it to the address appearing on the form. A review will be conducted, followed by an alert to the CSM that the member is approved, followed by the CSM alerting the Eligibility Analyst to enroll the member (with .cc to UCOP/LANL).	A completed Health Net Disabled Dependent Certification (DDC) form (attached below) must be submitted. The A&G/Membership Case Coordinator and Health Net Medical Management will review the completed DDC form to verify all Health Net criteria are met. The dependent will be enrolled active once review is completed/approved.	Subscriber completes "Disabled Dependent Enrolment Application." Once form is received status of approved/disapproved is mailed to subscriber and to the account administration representative (AAR) that handles the group.	Pacificare requires a physician statement supporting documentation from a state or federal agency or a written statement by a licensed psychologist, psychiatrist or other physician to the effect that such disabled dependents is incapable of self sustaining employment by reason of mental retardation or physical handicap. There are no forms.	The member can contact George Rivera at 916-563-2237 and he will mail out a Declaration of Disability form that they can fill out and mail back.

	Blue Cross	United HealthCare	Health Net	Kaiser	Pacificare	Western Health Advantage
Re-Certification	At 90 days prior to the disability certification end date, premium specialists sends out a re-certification letter and form for the subscriber and his/her physician to complete and return to Blue Cross.		There are 2 types of Disabled dependent certifications: 1. Permanent = one certification only. No re-certification required. 2. Temporary = requires recertification. Usually certified for either one or two years. This is really a case by case basis, depending on the diagnosis and prognosis of the individual dependent. Some are certified for a little as six months.	Kaiser Permanente verifies disabled dependent eligibility every 2 years if temporary and every 4 years if permanent.	Permanent Disability Paperwork is required once for the whole time they are enrolled with PacifiCare. Temporary Disability Paperwork is required when requested.	WHA ask for documentation annually for overage and disabled dependents.

	Blue Cross	United HealthCare	Health Net	Kaiser	Pacificare	Western Health Advantage
Paperwork Received and Certification Approval	<ul style="list-style-type: none"> ▪ Once the completed paperwork is received from the subscriber, membership will forward the documents to underwriting for review. ▪ After underwriting has reviewed the subscriber's request, the documents are returned to membership. ▪ If underwriting re-certifies the dependent, membership will make a note in the Blue Cross limited liability screen and update the dependent's certification date. ▪ Membership will contact the designated UC benefits representative & provide an update on the member. UC will update the dependent's eligibility on the UC system as appropriate. ▪ Membership will send a confirmation letter to the member. 	An alert to the CSM that the member is approved, followed by the CSM alerting the Eligibility Analyst to enroll the member (with .cc to UCOP/LANL).	The UC Eligibility Representative will notify the group of approval.	Once form is received status of approved/disapproved is mailed to subscriber and to the account administration representative (AAR) that handles the group.	The authorization is sent to Membership Act. Dept. and entered into the system.	Once a member has been approved WHA will enroll that member with a special Disability Indicator and all required information. ID cards and member information is sent as approval of enrollment. WHA will contact the UCD HR department.

	Blue Cross	United HealthCare	Health Net	Kaiser	Pacificare	Western Health Advantage
Paperwork Declined	<ul style="list-style-type: none"> ▪ If the disability certification is declined by underwriting, membership will contact the UC designated benefits representative. UC will update the dependent's eligibility on the UC system as appropriate. ▪ Blue Cross will send notification to the member. 		Should a request be denied, the A&G/Membership Case Coordinator will send a letter to the Subscriber explaining our decision. The UC Eligibility Representative would also notify group.	Once form is received status of approved/disapproved is mailed to subscriber and to the account administration representative (AAR) that handles the group.	A letter is of denial is sent to the member and the employee group.	If a member/disabled child has been declined WHA will contact the UCD Human Resource Department and will also compose a letter letting the enrollee know that coverage was declined and why.
Form Required	Disabled Dependent Certification	"Statement of Dependent Eligibility Beyond Limiting Age In Plan Due to Retardation or Mental or Physical Handicap"	The top portion of the attached Disabled Dependent Certification (DDC) form needs to be completed & signed by the Subscriber and the bottom portion needs to be completed by the Disabled dependent's Physician and returned to the A&G/Membership Case Coordinator directly (fax number (818) 676-7312)	Disabled Dependent Enrollment Application	There are no forms.	"Declaration of Disability" form.