North Carolina State Health Plan

FOR TEACHERS AND STATE EMPLOYEES

HBR Monthly Webinar

Dependent Eligibility Verification Audit

May 17, 2017

Agenda

- Today we're going to focus on the upcoming Dependent Eligibility Verification Audit

Treasurer Dale Folwell, CPA

- A brief message from the Treasurer on the importance of the Dependent Eligibility Verification Audit.

Dependent Eligibility Verification Audit — Why Now?

- The State Health Plan recently announced strategic priorities and benefit changes designed to provide Plan employees with stability and predictability in their health plan benefits. These changes also begin the task of lowering the state's $43 billion in unfunded liabilities for retiree health benefits.

- In addition, we are taking advantage of our buying power and making family premiums more affordable. The Plan is constantly working to provide the best return on investment as well as reducing complexity and building value for all Plan members.

- Allowing ineligible dependents to participate in the Plan increases the overall cost of our Plan to members and taxpayers. Every dollar going to those who are ineligible is a dollar out of your pocket.

- As an important step towards reducing costs and eliminating waste, the Plan is conducting an audit to verify eligibility of dependents covered by the Plan.

Who is Administering the Audit?

- Benefitfocus, the Plan’s Enrollment and Eligibility vendor, will administer the dependent verification process on behalf of the State Health Plan.

- Benefitfocus has an experienced team of document processors that are professionally trained to audit, identify variants, and ensure validity of documents.

- The Eligibility and Enrollment Support Center will be the call center supporting calls regarding the audit.

Important Dates

- **May 22, 2017: AUDIT BEGINS**
  - Information for members will be available on the Plan's website.
  - Eligibility and Enrollment Support Center (Benefitfocus) will be able to assist employees as of this date. Please do not encourage your employees to call prior to this date.
  - Subscribers with dependents under the age of 75 as of April 19, 2017, will be mailed a letter by the end of May with details about what documentation will be required.
  - The grid of documents included in the employee's letter is not meant to be an exhaustive list. A full list of acceptable documents will be available on the Plan's website www.shpnc.org.

- **End of June**: A reminder letter to non-responders will be mailed with a reminder of the upcoming deadline.

- **July 31, 2017:** Document submission deadline

- **Week of August 1:** The State Health Plan will term unverified dependents effective August 1, 2017.

Who is Included?

- This audit will focus on all subscribers with dependents under the age of 75 enrolled in health coverage as of April 19, 2017.

- The Plan held a Dependent Eligibility Verification Audit in 2010. Subscribers with dependents verified during that audit are still required to participate in this audit.

- Some groups currently use the Document Center in eEnroll. If an employee has already provided documents in the Document Center, Benefitfocus will be able to review them to ensure they meet the requirements for this audit. In the event that they do not, the employee will need to submit the required documents.

HBR Responsibilities

- Communicate to your employees about the audit on a regular basis to ensure they are aware of the deadline.
- A task recalculation must be done for all groups to force the "Dependent Verification" task to populate for the employee's profile, in preparation for the audit.

    - The "Missing Dependent Verification" task should not be addressed/touched by the HBR.
    - HBRs should continue to manage their daily tasks. However, you may see an increase in tasks, such as Work, Personal, or Invalid Data. Please contact the HBR Support line at Benefitfocus to verify if there is anything you need to do with these tasks.
    - The HBR Support team will run weekly task reports to identify if there is anything that needs to be worked on behalf of the HBR.

- Direct employees to the Document Center in eEnroll and have them call the Eligibility and Enrollment Support Center with questions beginning May 22, 2017. Do not accept documents from them.

HBR Responsibilities, cont'd.

- Run regular reports in eEnroll to determine employees who have not yet provided documentation. For instructions on how to run the "Employees Missing Dependent Verification" report, visit the Plan's website (HBR tab and click Enrollment).
  - If your group utilizes the Integrated HR/Payroll System (formerly known as BEACON), designated Central Agency HR/Benefits staff have access to run the referenced reports for distribution to your work locations. Additionally, BEST Shared Services is another resource for assistance.
- For dependents added after April 19, please follow your current process of verifying the eligibility of dependents.
- Call HBR Support at Benefitfocus with questions at 800-422-5249, create a case via One Place 365, or contact your Account Manager.

Dedicated Dependent Eligibility Verification Audit Page for HBRs

- The Plan's website has a dedicated page, Dependent Eligibility Verification Audit, for HBRs regarding this audit under the HBR tab.

Home > Health Benefit Representatives (HBRs) > Enrollment Rules and Information > Dependent Eligibility Verification Audit

- Overview and Resources
- Enrollment Rules and Information
- Open Enrollment
- Dependent Eligibility Verification Audit
- Exceptions Process
- Health Care Reform
- Training and Development
- Payroll and Billing
- Promotional Materials
- Stay Connected

Health Benefit Representatives (HBRs)

Dependent Eligibility Verification Audit

The State Health Plan recently announced strategic priorities and benefit changes designed to provide Plan members with stability and predictability in their health plan benefits. As an important step towards reducing costs and eliminating waste, the Plan is conducting an audit to verify eligibility of dependents covered by the Plan. This audit will focus on all subscribers with dependents under the age of 75 as of April 19, 2017.

Your employees will receive a letter by the end of May, with a request to provide documentation of their dependents which will need to be provided by July 31, 2017. **Failure to respond and produce the required documentation will result in termination of dependents' coverage under the Plan effective August 1, 2017.**

Click here to view Member 1st Notification Letter

Your role as HBR during this audit includes the following:

- As eEnroll is configured in preparation for this audit, you may start seeing tasks in your task list such as "Missing Dependent Verification" which you can ignore. Continue approving managing your daily tasks, but be aware that other tasks may also be generated. If you have questions around your tasks, please call the HBR Support line at 800-422-5249 or contact their Account Manager.
- Beginning May 22, communicate to your employees about the audit on a regular basis to ensure they are aware of the deadline.
- Run regular reports in eEnroll to determine employees who have not yet provided documentation. Click here for instructions on how to run the "Employees Missing Dependent Verification" report. **If an employee already has documents in the document uploader, they will be reviewed as part of the audit. They will be reviewed to ensure they meet the requirements of the audit and could require additional pieces if they do not complete verification for all covered dependents.**
    - If your group utilizes the Integrated HR/Payroll System (formerly known as BEACON), designated Central Agency HR/Benefits staff have access to run the referenced reports for distribution to your work locations. Additionally, BEST Shared Services is another resource for assistance.
- As we get closer to the July 31, 2017, deadline, you will need to be aware of any new hires with dependents to ensure their dependents are not terminated for not providing documentation.

Click here to view a complete listing of the Dependent Eligibility Verification Audit Required Documents

Complete list of Required Documents

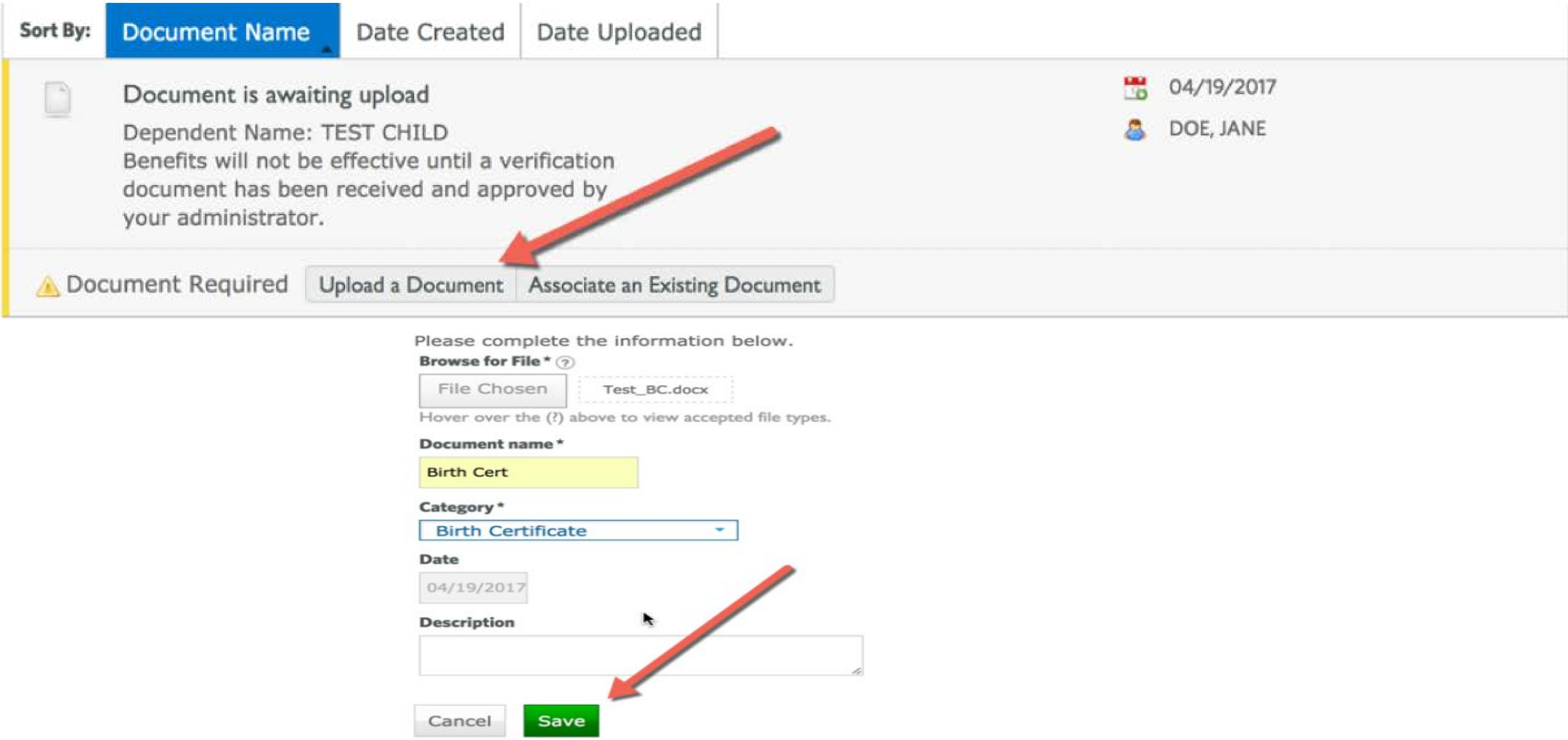
Frequently Asked Questions

Document Upload Instructions for Employees

- Visit the State Health Plan’s website at www.shpnc.org and click **ENROLL NOW**
- Select the appropriate yellow box to log into eEnroll
- Once you are logged into eEnroll, a message box will appear: “Dependent Verification Documentation Request”

Document Upload Instructions for Employees, con't.

- You will then be prompted to upload the required documentation within the Document Center. You are able to provide a scanned copy of the document or take a photo with your smartphone and upload it directly to the Document Center as shown below.



Alternatives to Using the Document Center

- If employees do not have access to eEnroll, they can:
  - email their document to: SHPDependentAudit@benefitfocus.com
  - fax it to 866-742-6444

- **Employees are required to include Full Name, Dependent's Full Name, State Health Plan ID number and the name of their employing unit on both the email and fax in order for the document to be accepted.**

Mailed, hard copy documents will not be accepted.

How are Subscribers Notified of Approval?

- Employees may check the status of the documents that have been submitted in eEnroll through "My Document Center."
- After submission, and prior to approval, a highlighted message will appear to indicate that the documents are pending approval.
- When the documents have been approved, a message will appear to notify the employee that their dependents have been verified.
- If the documentation is submitted by e-mail, they will receive an e-mail notification.
- Please note that it will take 7-10 business days after submission before the Eligibility and Enrollment Center can confirm receipt of any faxed documents.
- If the faxed documents can not be verified, outreach to the employee will be made using the contact information in eEnroll.

What Happens When the Audit is Complete?

- Employees who do not provide the applicable documentation by July 31, 2017, will have the coverage for their dependents terminated as of August 1, 2017.

- The employee's next opportunity to make enrollment changes, including adding dependents and submitting supporting documentation, will be during the Open Enrollment period, for coverage effective January 1, 2018, at which time he/she will be required to submit the verification documents.

- In addition, the employee may be subject to a fee under the Affordable Care Act for any months that their dependents do not have qualifying health coverage. More information regarding this fee is available through HealthCare.gov.

- Employees whose dependents are terminated as a result of this audit may contact the HBR to request the HBR to file an enrollment exception request. All exception requests must be accompanied by the required documentation to prove the eligibility of the dependents in question.

- Any enrollment exception request related to this audit must be filed by September 30, 2017. All exceptions will be evaluated using the Plan's *normal* exception process.

- For more information regarding the exception process, please refer to the Plan's Enrollment Exceptions and Appeals Policy, which is outlined on the Plan's website under the HBR tab.

Call Center Support

- Employees with questions about this process should contact the Eligibility and Enrollment Support Center at 855-859-0966, Monday through Friday, between 8 a.m. and 5 p.m. EST.

- HBRs with questions about this process should contact the HBR Support Line at Benefitfocus at 800-422-5249, create a case via One Place 365 or contact your Account Manager, if applicable.

Thank you for your continued support!

Questions?

North Carolina
State Health Plan
FOR TEACHERS AND STATE EMPLOYEES
A Division of the Department of State Treasurer

www.shpnc.org

www.nctreasurer.com