

Frequently Asked Questions

Dependent Eligibility Audit

The following is based on information provided by the Department of Civil Service.

General Information

Q1. Why does Civil Service want to do an audit verifying the eligibility of dependents enrolled in the New York State Health Insurance Program (NYSHIP)?

A. Health care continues to be one of the fastest-growing costs for employers and employees alike. An audit verifying dependent eligibility serves a very important purpose in holding down health care costs. Audit results show that many dependents remain covered even though they are no longer eligible under employer-sponsored health plan rules. Paying for the healthcare of ineligible dependents has increased the cost of healthcare for all NYSHIP participants. Removing ineligible dependents from coverage will result in lower increases in health insurance premiums in the future for everyone, including enrollees.

Q2. Did Civil Service need to obtain approval from PEF in order to conduct the dependent eligibility audit?

A. No. Civil Service has the right to conduct reviews of dependent eligibility, and they do this every year prior to the annual Option Transfer period when they send NYSHIP enrollees the *NYSHIP Benefit Statement*. The *NYSHIP Benefit Statement* indicates the enrollee's dependents and instructs the enrollee to notify his or her health benefits administrator (HBA) of any changes that need to be made. As amended by the Legislature in 2008, *Civil Service Law* § 164.2 authorizes Civil Service to conduct an eligibility audit of NYSHIP enrollee dependents and establishes an amnesty period during which enrollees may report dependents who are not eligible and to terminate their eligibility on a current basis.

Q3. Who will be conducting the dependent eligibility audit?

A. Civil Service has contracted with Budco, a national leader in the field of dependent eligibility verification, to conduct the audit. Budco, which is located in Michigan, has done insurance audits of major companies such as the Detroit 3, Boeing, Goodyear, IBM, Pepsi, General Dynamics, American Airlines and UPS.

Q4. Why do I need to provide documentation verifying the eligibility of my dependent(s)?

A. A dependent's eligibility for coverage may change over time. In addition, the rules for providing proof of eligibility have changed over the years. This project will help improve the current process and ensure that all dependents are subject to the same requirements.

Safeguarding Protected Information

Q5. Will the documentation submitted to Budco be kept confidential?

A. Yes. Budco has established rules and procedures to keep the submitted documentation confidential. Documentation that is submitted to Budco is immediately scanned into a secure computer system. The paper documentation is then destroyed. Enrollees should not send in original documentation – only photocopies. The only people that will have access to the documentation enrollees submit are individuals that are directly involved in verifying the eligibility of enrollees' dependents. Budco will provide a secure electronic copy of all documentation to Civil Service, which maintains all enrollment records for NYSHIP enrollees. Budco will maintain the electronic images for the duration of the audit process (and any related appeals) and then will delete these files based on its normal rules and procedures for destroying electronic information.

Q6. Who has access to the project documentation that is submitted?

A. Documentation that is submitted to Budco is immediately scanned into a secure computer system. The paper documentation is then destroyed. Enrollees should not send in original documentation. They should send only photocopies. A secure electronic copy of all documentation will be provided to the NYS Department of Civil Service, which maintains all enrollment records of NYSHIP enrollees. The only people that will have access to the documentation enrollees submit are individuals that are directly involved in verifying the eligibility of enrollees' dependents.

Q7. Who will have access to my social security number?

A. Budco staff does not have access to your full social security number. When calling Budco, you will be asked for your last name and the zip code. If further information is needed to locate your record, you will be asked for the last four digits of your social security number.

Q8. Will the documentation received for this project be used for any other purpose?

A. The documentation will only be used to verify the eligibility of enrollees' dependents.

Q9. Will this information be shared with any other governmental agency (for example the State Tax Department or the IRS)?

A. No.

Documentation to Prove Eligibility

Q10. Can the enrollee give documentation to support their dependents' eligibility directly to their health benefits administrator?

A. No. All documentation must be submitted directly to Budco. Failure to do so will delay the review of the dependent's eligibility and may result in a temporary lapse in coverage for the dependent.

Q11. Are copies of documents acceptable?

A. Yes. Original documents should not be submitted. Upon receipt, documents will be scanned and then destroyed. Documents submitted for verification will not be returned.

Q12. What are other types of documents that can be submitted for the Verification Phase that are not listed on the Partial List of Documents that was included with the Amnesty Letter?

A. Closer to the Verification phase, enrollees will receive a verification packet that will include a full list of Required Documentation. That packet will outline next steps and also will provide enrollees with additional documentation options that may be submitted, specific for each dependent type. If enrollees have any questions after receiving that packet, they can call the telephone number provided in the packet and a representative will assist them.

Q13. If a dependent is currently ineligible, but becomes eligible in the future, can s/he be reinstated? If so, how is this done?

A. Yes. If a dependent becomes newly eligible after the conclusion of this project, the enrollee should provide the required proof of eligibility to their health benefits administrator.

Q14. What happens if I don't respond to Budco's request for documentation?

A. If an enrollee is unable or unwilling to provide the required documentation to verify the eligibility of a dependent, the dependent will be removed from coverage and the enrollee may be required to repay health insurance claims paid on behalf of that dependent.

Amnesty Period

Q15. What if I don't remove an ineligible dependent during the amnesty period?

A. If the enrollee does not remove an ineligible dependent during the amnesty period, the enrollee will be required to submit documentation to support the eligibility of the dependent. If the required documentation is not provided, the dependent will be removed from coverage and any claims paid on behalf of the dependent while they were ineligible will be the enrollee's responsibility.

Q16. I'm concerned about my supervisor finding out that I had an ineligible dependent enrolled in NYSHIP.

A. Under *Civil Service Law* § 164.2, ineligible dependents who are voluntarily identified during the Special Amnesty Period will be removed from coverage “on a current basis” and NYSHIP cannot pursue recovery of any past claims which may have been paid inappropriately. Additionally, enrollees who voluntarily identify ineligible dependents during the amnesty period are protected from possible civil, criminal or disciplinary action as a result of the coverage of the ineligible dependent.

Q17. What if a dependent is removed in error during the Amnesty Period?

A. Budco will send the enrollee a letter to confirm the dependent(s) that were removed during the Amnesty Period. The letter will contain instructions on how to report dependents that were removed in error.

Q18. How can an enrollee appeal the decision that a dependent is not eligible?

A. When an ineligible enrollee is removed from coverage, the enrollee will receive a confirmation letter from Budco. If the enrollee believes the dependent is eligible, s/he should follow the instructions contained in the letter, which will include contacting Budco.

Call Center 888-358-2196 (12:00 pm-8:00 pm Eastern Daylight Time, M-F starting April 6)

Q19. If an enrollee whose first language is not English needs to speak to a Budco representative, is there a translation service available for enrollees?

A. Yes. If an enrollee calls Budco and needs the services of an interpreter, the Budco representative will contact Language Line to solicit the services of an interpreter. All conversations are strictly confidential.

Q20. If an enrollee that is hearing impaired needs to speak to a Budco representative, is there a service available to assist them?

A. Yes. If an enrollee is in need of services for the hearing impaired, they should dialed “711” on their telephone. They will be connected to their state’s Relay center. Enrollees should have Budco’s toll free number ready to give to the Relay center. All conversations are strictly confidential.

COBRA

Q21. Will COBRA benefits be offered to dependents of New York State enrollees that are removed during the Amnesty Phase or the Dependent Verification of this project? If so, how can they apply? When will coverage begin?

A. COBRA benefits are available to NYS dependents that are removed from the coverage during this project. An application and monthly premium amount will be sent by the NYS Department of Civil Service within approximately two weeks after Budco notifies the enrollee that the dependent(s) has been removed from coverage. COBRA coverage will be effective 6/13/09, for those dependents removed during the Special

Amnesty Period, and 2/1/09, for those dependents removed during the Dependent Verification Phase.

Q22. Who is Budco?

A. Budco is the company that the State has contracted with to administer the Amnesty Period and the Verification of Dependent Eligibility. Budco is located in Highland Park, Michigan.

4/13/09