



Department of Civil Service

ANDREW M. CUOMO
Governor

NY16-17

TO: Health Benefits Administrators of New York State Agencies
FROM: Employee Benefits Division (EBD)
SUBJECT: 2016 Dependent Eligibility Verification Audit
DATE: August 26, 2016

Health Management Systems, Inc. (HMS) has completed the NYSHIP Dependent Eligibility Verification Audit (DEVA) for New York State Agency enrollees and their covered dependents. Enrollees were required to provide proof of eligibility for their covered dependents by August 19, 2016. A grace period is now in effect which extends the reporting deadline to September 7, 2016.

Termination of Dependents

On October 2, 2016 EBD will process the removal of unverified dependents from NYSHIP coverage effective January 1, 2016. Medicare primary dependents will be terminated in accordance with CMS guidelines.

After October 2, 2016 HBAs should review their transaction listings to identify enrollees whose dependents removed from their coverage. Agencies will be able to run the DEVA Termination and Reinstatement Report. Refer to the section titled **New NYBEAS Report: DEVA Termination and Reinstatement Report** for more information.

90-Day Reinstatement Period

A 90-day reinstatement period is available through December 6, 2016 if enrollees wish to appeal the cancelation of their dependent's coverage. If your employee is unsure what documents are needed or has questions, refer them to HMS at 1-866-252-0635.

Dependents reinstated by December 6, 2016 will be re-added effective the date their coverage was canceled. These reinstatements will be processed on NYBEAS daily based upon information received from HMS. Dependents reinstated after December 6, 2016 will be subject to NYSHIP late enrollment rules.

NYBEAS Processing Limitations During Reinstatement Period

If an HBA attempts to reinstate a dependent's coverage during the 90-day reinstatement period, they will receive the following error message:

Transaction Denied – Dependent Deleted During DEVA

This transaction is not allowed, as the dependent was deleted as a result of the Dependent Eligibility Verification Audit (DEVA). Advise enrollee to immediately contact HMS, NYSHIP's DEVA vendor, at 1-866-252-0635 for instructions regarding dependent reinstatements.

NYBEAS Processing After the Reinstatement Period

After December 6, 2016 HBAs will be able to re-enroll terminated dependents, but will need to collect and verify the appropriate documentation and proofs as outlined in Policy Memo 139.

These dependents must be added to coverage on a current basis and are subject to NYSHIP late enrollment rules; coverage begins on the 1st day of the 5th payroll period following the enrollee's request to re-add the dependent.

Enrollee Deductions Affected by DEVA

EBD understands that most enrollees are covering eligible dependents but may require additional time to provide the necessary documents. If the removal of an enrollee's dependent results in a change to individual coverage, we will continue to deduct family premium and assess imputed income through the end of the reinstatement period. This ensures there is no affect to employee's paychecks or taxes once they've reinstated dependent coverage.

The impact on the enrollee's paycheck is based upon when the dependent is determined eligible by HMS and the reinstatement is processed in NYBEAS, refer to the tables below.

ADMINISTRATION PAYROLL:

Dependent reinstatement processed in NYBEAS	When will coverage begin	Effect on Paycheck
October 2 – November 29, 2016	Dependent will be reinstated to coverage with no break	Family deductions and imputed income (if applicable) will continue for the rest of the 2016 Plan Year. There will be no effect to the employee's paychecks or taxes.
November 30 – December 6, 2016	Dependent will be reinstated to coverage with no break	Enrollees will receive a refund of the difference between family coverage and individual coverage in the December 14, 2016.
After December 6, 2016	Dependent will be reinstated to coverage with no break	Enrollees will receive a refund of the difference between family coverage and individual coverage in the December 14, 2016.

INSTITUTION PAYROLL:

Dependent reinstatement processed in NYBEAS	When will coverage begin	Effect on Paycheck
October 2 – December 6, 2016	Dependent will be reinstated to coverage with no break	Family deductions and imputed income (if applicable) will continue for the rest of the 2016 Plan Year. There will be no effect to the employee's paychecks or taxes.
After December 6, 2016	Dependent will be reinstated to coverage with no break	Enrollees will receive a refund of the difference between family coverage and individual coverage in the December 22, 2016 paychecks

NOTE: Dependent who are determined eligible through HMS based on documentation provided by the December 6, 2016 deadline will be reinstated with no break in coverage. **NYSHIP late enrollment rules apply for reinstatement requests submitted after December 6, 2016.**

New NYBEAS Report: DEVA Termination Report

After the terminations are processed on October 2, 2016, HBAs will be able run their agency report. The report will identify the enrollee, the dependent whose coverage was terminated, the effective date of the termination of coverage, and the enrollee's address. If an enrollee has multiple unverified dependents, each dependent will be listed separately on this report. HBAs should encourage enrollees to comply with the DEVA Project. As dependents are reinstated to coverage, they will no longer appear on this report.

This report is called BEA_DEVA_DEP_TERM. For instructions on how to run the DEVA Termination Report (BEA_DEVA_DEP_TERM) refer to HBA Memo NY15-16 dated September 14, 2015.

An updated Run Control ID and HBA Report List and a sample of the output of this report is attached.

NYSHIP Dental and Vision Coverage

Upon the completion of the DEVA, the Division will remove all dependents that remain ineligible from NYSHIP dental and vision coverage.

Enrollee Communications

Enrollees will receive a notice from HMS advising them whether or not their dependents were verified. Enrollees will also receive a termination of coverage letter from EBD for each dependent removed due to DEVA. When HMS verifies the eligibility of a dependent and NYBEAS has been updated, EBD will send a reinstatement letter to the enrollee.

Samples of these letters are enclosed for your convenience.