

State Health Benefits Guide

May 2018

California Public Employees' Retirement System



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Introduction

The **State Health Benefits Guide (Guide)** is designed to assist you, as the employer, in conducting business on behalf of the CalPERS Health Benefits Program which is subject to the Public Employees' Medical & Hospital Care Act (PEMHCA).

You have a fiduciary responsibility to manage the program by ensuring that only eligible employees and their dependents are covered.

This guide aims to increase your knowledge of the health benefits business rules to ensure compliance with federal and state laws and provide you information to assist employees in making informed and educated decisions.

Note: This **Guide** is administrative in nature. In the event of unintentional conflict between the guide and PEMHCA or the Regulations, PEMCHA and the Regulation will prevail.

Contact Information CalPERS

CalPERS General

Please contact the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**) for assistance relating to:

- Health Enrollment & Eligibility
- Member Enrollment Appeals
- System Access & Processing
- Other inquiries outside of health, including but not limited to:
 - Service & Disability Retirement
 - Retirement Processing
 - Retirement Checks
 - Survivors & Beneficiaries

Information is also available online at www.calpers.ca.gov.

Circular Letters/Forms & Publications

To request Circular Letters, forms and/or publications, you can:

- Go online to [Circular Letters](#)
- Go online to [Forms & Publications](#)

Circular Letters are mailed and archived online to view and download; all forms and publications are available for download or online order.

Health Plan Resources

Contact the individual health plans for the following items, questions or requests:

- Evidence of Coverage Booklets
- Health Plan Toll Free Telephone Numbers
- Identification Cards
- Verification of Provider Participation
- Benefits, Deductibles, Limitation & Exclusions
- Change in Primary Care Provider
- Service Area Boundaries
- Individual Conversion Policy
- Direct Payment Authorization or Consolidated Omnibus Budget Reconciliation Act (COBRA)

Anthem Blue Cross

Customer Service 1-855-839-4524 (HMO)
1-877-737-7776 (PPO)
1-833-848-8730 (Medicare)

Website www.anthem.com/ca/calpers

Blue Shield of California

Customer Service 1-800-334-5847

Website www.blueshieldca.com/calpers

Pharmacy <https://www.blueshieldca.com>.

Contact Information CalPERS, Continued

OptumRX

Customer Service 1-855-505-8110 (Basic)
1-855-505-8106 (Medicare)

Website www.optumrx.com/calpers

Health Net

Customer Service 1-888-926-4921

Website www.healthnet.com/calpers

Kaiser Permanente

Customer Service 1-800-464-4000 (Basic)
1-800-443-0815 (Medicare)
1-800-777-1370 (TTY for the hearing/speech impaired)
1-800-788-0616 (Spanish)
1-800-757-7585 (Chinese dialects)

Website <http://my.kp.org/calpers/>

Sharp Health Plan

Customer Service 1-855-995-5004

Website <https://sharphealthplan.com/calpers/>

United Healthcare

Customer Service 1-877-359-3714 (Basic)
1-888-867-5581 (Medicare)

Website www.uhc.com/calpers

Western Health Advantage (Effective 1-1-2018)

Customer Service 1-888-WHA-PERS (1-888-942-7377)

Website www.westernhealth.com/CalPERS

Contact Information – Dental Plans

Introduction

California Department of Human Resources (CalHR) administers the State's Dental Program, the California State University (CSU) Chancellor's office administers the CSU Dental program, and California Association of Highway Patrolmen (CAHP) administers the CAHP dental plan.

CalPERS maintains enrollment information and premium deductions for State and CSU retirees only.

Delta Dental Premier & Delta Preferred Option (State)

Website: www.deltadentalins.com

Delta Dental Basic & Enhanced (CSU)

Website: www.deltadentalins.com/csu/

DeltaCare USA (State & CSU)

Website (State Retirees): www.deltadentalins.com

Website (CSU Retirees): www.deltadentalins.com/csu

Premier Access

Website: <https://www.premierlife.com/>

Safeguard Enhanced

Website: www.safeguard.net

Note: Safeguard is now considered a MetLife company, but the name of the dental plan will remain the same.

Western Dental

Website: www.westerndental.com/en-US/insurance/already-a-member/group-plan/state-of-ca-employees/

CAHP Dental Trust (Anthem Blue Cross)

Website: www.thecahp.org

Summary of Health Benefit Forms & Publications

Form	CalPERS Form Name	Description
PERS-HBD-12	Health Benefit Plan Enrollment Form	For active employees, to enroll, change, or cancel enrollment in a CalPERS health plan.
HBD-30	Health Benefit Plan Enrollment Form for Retirees/Survivors	For retirees or survivors, to enroll, change, or cancel enrollment in a CalPERS health plan.
HBD-34	Medical Report for the CalPERS Disabled Dependent Benefit	For enrollment or continuation of a disabled child over age 26. This form provides medical information to CalPERS and is to be completed by an attending physician.
HBD-98	Member Questionnaire for the CalPERS Disabled Dependent	For enrollment or continuation of a disabled child over age 26. This form provides medical information to CalPERS and is to be completed by the member.
HBD-40	Affidavit of Parent-Child Relationship	To establish eligibility for dependents of a parent-child relationship.
PERS-HBD-85	COBRA Election Form	To continue coverage under COBRA provisions and authorize direct payment for enrollment in a group continuation plan.
PERS-HBD-21	Direct Payment Authorization Form	To apply for continuation of enrollment while employee is on "off-pay" status.
	Health Plan's Evidence of Coverage	A detailed guide describing the benefits of a specific health plan. Also provides the employee with a certificate of coverage. This publication is mailed to new members by the health plan and is also available online through the specific health plan website.

Summary of Health Benefit Forms & Publications, Continued

Form	CalPERS Publication	Description
HBD-120	Health Program Guide	Provides an overview of the CalPERS Health Program.
HBD-110	Health Benefit Summary	A comprehensive summary of all CalPERS health plans.
HBD-65	CalPERS Medicare Enrollment Guide	A practical guide to understanding how CalPERS and Medicare work together.
	Summary of Benefits and Coverage (SBC) Notice	Provides information to help individuals better understand and compare available health plan options. Employers must provide this notice to newly eligible employees no later than the date they become eligible for health benefits. The SBCs are also available by directly contacting the health plans.

Obtaining Forms

To request forms and/or publications, you can:

- Go online to [Forms & Publications](#). All forms and publications are available for download or online order.
- Contact the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**)

Other Forms (CalPERS Members Only)

Personnel Transactions for CalPERS Members

Many of the transactions listed below may be completed online by CalPERS members via my|CalPERS Member Self-Service. Otherwise, please report the following types of personnel transactions on the specified form indicated. The forms listed below pertain to CalPERS members only.

Form	Transaction	Division
BSD-194	Report of Separation and Advance Payroll	Benefit Services
BSD-369-S	Application for Service Retirement	Benefit Services
BSD-369-D	Application for Disability Retirement	Benefit Services
BSD-738	Report of Separation for Death – Request for Payroll Information	Benefit Services
PERS-OSS-138	Special Power of Attorney	Benefit Services

Health Benefit Officer (HBO) - Roles and Responsibilities

Introduction:

Your agency is required to designate a Health Benefits Officer (HBO) and one or more assistant HBOs to be an authorized point of contact for employees' health benefits issues.

Only qualified and trained HBOs or assistant HBOs are authorized to sign required enrollment forms on behalf of your agency. Active employees must go through you for all eligibility and enrollment issues.

An HBO is also considered a Personnel Specialist who processes health transactions and provides health eligibility and enrollment information to employees.

Roles and Responsibilities:

The HBO has the following roles and responsibilities:

Education:

- Educate all newly eligible and existing employees with relevant information regarding eligibility and enrollment
- Inform employees that a review of eligibility can occur at any time
- Inform employees of their obligation to advise you if dependents lose eligibility (i.e. divorce)
- Stay up-to-date on communications from us regarding changes in law or policies
- Be familiar with the California Public Employees' Retirement Law (PERL), State Employees' Dental Care Act and PEMHCA provisions
 - California Government Codes (Gov. Code) 20160, 20164, 22750, 22944.3 and 22950-22959
 - California Code of Regulations (CCR) 599.500 – 599.517
- Have knowledge of available resources

Eligibility determination and enrollment processing:

- Obtain required supporting documentation as proof of eligibility prior to enrollment
- Ensure only eligible employees and family members are enrolled to comply with all provisions of PEMHCA
- Confirm enrollment forms are complete, free of errors and signed by you and the employee electronically or physically
- Retain enrollment forms and supporting documentation in employee's official personnel file
- Approve enrollments for employees and/or their dependents
- Process health transactions timely and accurately

Health Benefit Officer (HBO) - Roles and Responsibilities, Continued

Maintenance and monitoring:

- Verify that employees are enrolled in the correct health plan based on their residential or work zip code
- Maintain complete and accurate demographic records for all employees including:
 - Current addresses and phone numbers
 - Social Security numbers for all employees and their eligible family members
- Monitor ongoing eligibility and enrollment opportunities for employees and their eligible family members.
 - Including tenure and time base, direct pay and COBRA requirements
- Maintain your contact information in myCalPERS

Note: It is against the law to continue enrollment of any ineligible family member. If this occurs the employee may be liable for all costs incurred during the ineligibility period.

CalPERS Communication

Introduction

We communicate with you through several communication channels including:

- The CalPERS Website
- Circular Letters
- CalPERS Employer Bulletin
- my|CalPERS
- Accessing my|CalPERS
- Employer News

CalPERS Website

The CalPERS website has become an important source of information for you regarding the CalPERS Health Program, such as eligibility rules, covered services, available health plans and premium rates.

Note: For additional information about the [CalPERS Health Program](#), go to the CalPERS website.

Circular Letters

Circular Letters are issued to keep you informed of changes in health policies and procedures. These letters provide important documentation for reference to administer CalPERS benefit programs.

Note: The [Circular Letter Search page](#) located on the CalPERS website can help you find specific topics of interest.

CalPERS Employer Bulletin

Sign up and get the latest employer news and information tailored specifically for you sent right to your email inbox. CalPERS Employer Bulletins come in plain text format easy for viewing and e-mail retrieval.

Note: Stay informed by signing up for the [CalPERS Employer Bulletin](#) quickly and easily on the CalPERS website.

my|CalPERS vs. CalPERS Website

[my|CalPERS](#) is an internet application which provides access to your agency's information and online services. It is your tool for getting things done. Employers who participate in **PEMHCA** can access billing rosters, view current and past employer health contributions, and more.

The [CalPERS website](#), on the other hand, focuses on providing you with information. It is your resource for learning all about CalPERS benefits, programs, and services.

CalPERS Communication, Continued

Accessing my|CalPERS

The **CalPERS employer ID** is a 10-digit ID that is assigned to each employer that contracts with CalPERS for benefits.

An organization's my|CalPERS [System Access Administrator \(SAA\)](#) is the key point of contact. For existing organizations, this individual will be accountable for providing my|CalPERS access to any additional contacts (users). This involves utilizing system administrator pages in my|CalPERS to associate predefined access roles to each contact and assign the user a unique username and password. In addition, this individual will have the responsibility to reset a user's password, lock a user's access rights to the system, and change a user's system access role(s).

Employer News

CalPERS Employer News is published quarterly. This publication provides important information and a calendar of upcoming events for employers doing business with us. The Employer News is available on the CalPERS website for downloading. If you sign up for the CalPERS Employer Bulletin you will receive an email notification when the latest issue is available online.

Note: To access more information and resources, search for Employer News on the CalPERS website [Forms & Publications](#) page.

Health Plan Options

Health Plan Availability

- Employees are eligible to enroll in a health plan using either their residential or work ZIP Code. The eligibility zip code can be added during the initial enrollment and can only be changed during Open Enrollment or with a qualifying event such as a change of address.
- A P.O. Box may be used for mailing purposes but cannot be used to establish eligibility.
- If a residential ZIP Code is used, all enrolled family members must reside in the health plan's service area.
 - When an enrolled dependent resides separately from your employee, the enrolled dependent's residential ZIP Code must also be included in the health plan's service area.
 - Your employee or enrolled dependent should always contact the health plan to ensure the dependent is assigned to a provider or clinic within the respective health plan's service area.
 - When an employee retires and is no longer working they must use their residential address for eligibility.

Example: Your employee lives in Northern California and is enrolled in Kaiser, and their dependent lives in Southern California. They can each seek services as long as both residential ZIP Codes qualify for enrollment.

- If a work ZIP Code is used, all enrolled family members must receive all covered services (except emergency and urgent care) within the health plan's service area, even if they do not reside in that service area.
- A subscriber may choose to use the employer ZIP Code
 - Upon initial enrollment
 - During the annual Open Enrollment period
 - Upon a move
- Working retirees may use the ZIP Code of their current employer for basic health plan eligibility.
 - If enrolled in a Medicare Advantage plan, the member's residential address must be used.

Health Plan Options, Continued

CalPERS Health Maintenance Option (HMO) Basic Health Plans

Depending on where your employee resides or works, one or more Basic health plan types and plan choices may be available.

HMO features include:

- A range of health benefits including preventive health services
- A monthly fee (premium) with no calendar year deductible
- A set co-payment for the care provided
- A primary care physician (PCP) who coordinates the patient's care including referrals to specialists

Note: The [California Department of Managed Health Care](#) regulates all HMOs in California. Title 28 section 1300.51(H) (i) of the California Code of Regulations, defines health plan requirements for the geographic area in which the health plan provides coverage under an HMO.

CalPERS HMO Basic Health Plans

HMO Plans include:

- Anthem Blue Cross
- Blue Shield of California
- Health Net of California
- Kaiser Permanente
- Sharp Health Plan
- UnitedHealthCare
- Western Health Advantage (effective 1-1-2018)
- California Correctional Peace Officers Association (CCPOA)
 - Must belong to the association and be a dues paying member

Note: HMOs are available only in designated California service areas except for Kaiser which is available in parts of other states but the benefits may vary.

CalPERS Preferred Provider Organization (PPO) Basic Health Plans

(PPO) Plan features include:

- Access to a network of health care providers known as preferred providers
- Choice of specialists without a referral
- Option to obtain services from non-preferred providers

Note: A calendar year deductible applies to PPO plans.

Health Plan Options, Continued

PPO Basic Health Plans

PPO Plans include:

- PERSCare
- PERS Choice
- PERS Select
- California Association of Highway Patrolmen (CAHP)*
- Peace Officers Research Association of California (PORAC)*

* Must belong to the association and be a dues paying member.

Note: All of our PPO plans are administered by Anthem Blue Cross and available throughout California. PERSCare, PERS Choice, and PORAC are available in California and throughout the world.

CalPERS Exclusive Provider Organization (EPO) Basic Health Plans

Blue Shield EPO serves Colusa, Mendocino and Sierra Counties only, and Anthem Blue Cross EPO serves Monterey and Del Norte Counties only.

EPO features include:

- Offers the same covered services as an HMO
- Services must be obtained from the statewide EPO network of preferred providers

Note: Evidence of Coverage Booklets can be viewed and/or printed from the applicable health plan website.

Health Eligibility Requirements

Eligible Employees

Eligible employees may enroll themselves or themselves and all eligible family members. Eligibility is based on tenure and time base of a qualifying appointment.

Employees are eligible if they satisfy the following:

- Have a permanent appointment or a limited term appointment with a duration of more than six months and,
- Work at least half-time
 - California State University (CSU): Some professors and other bargaining units working less than half-time may be eligible for health benefits. (Gov. Code section 22772 (a)(4))

Note: The Affordable Care Act may impact eligibility requirements for CalPERS employers. Refer to Circular Letter [600-061-14](#) (Attachment: [Employer Designation Model Template](#)) and the [IRS website](#) for additional information on the issued final regulations titled, "Shared Responsibility for Employers Regarding Health Coverage".

Ineligible Employees

Certain employees are not eligible for CalPERS health benefits. Ineligible employees include:

- Those working less than half time (excluding some professors and other bargaining units working less than half-time)
- Those whose appointment lasts less than six months
- Those whose job classification is "Limited-Term Intermittent" (seasonal or temporary)
- Those classified as "Permanent-Intermittent" who do not meet the hour requirements within the control period

Eligible Family Members/Dependents

Eligible employees may enroll themselves only or themselves and all eligible family members. Below is a list of eligible dependents and the supporting documentation required for enrollment:

Spouse

- Can be added to the health plan within 60 days after the date of marriage or during any Open Enrollment period, involuntary loss of coverage, or HIPAA late enrollment
- Required: Copy of the marriage certificate
- (Copy of the *Divorce Decree* is required to delete a spouse due to divorce)

Health Eligibility Requirements, Continued

Registered Domestic Partner

The following are eligible to register for Domestic Partnership with the Secretary of State:

- Specified same-sex domestic partnerships between persons who are both at least 18 years of age
- Specified opposite sex domestic partnerships where one person is over the age of 62 and the other is at least 18 years old
 - A domestic partnership validly formed in another jurisdiction that is substantially equivalent to a registered domestic partnership in California may also be recognized
 - The Secretary of State must register the domestic partnership
- Can be added to the health plan within 60 days of the registration of domestic partnership or during any Open Enrollment period, involuntary loss of coverage, or HIPAA late enrollment
- Required: Copy of the *Declaration of Domestic Partnership* registered with the Secretary of State
- (Copy of the *Termination of Domestic Partnership* form is required to delete a domestic partner due to dissolution of partnership)

Note: Domestic Partnership Law prohibits a person who has filed a Declaration of Domestic Partnership from filing a new declaration until at least 6 months has elapsed from the date that a Notice Termination of Domestic Partnership was filed with the Secretary of State.

This would be in connection with the termination of the most recent domestic partnership except where the previous domestic partnership ended because one of the partners died or married.

Children under age 26

The employee's natural-born, adopted, domestic partner's and stepchildren who are under age 26 may be added as outlined below:

- Newborn children should be added within 60 days of birth. Coverage is effective from the date of birth
- Newly adopted children should be added within 60 days of physical custody. Coverage is effective from the date physical custody is obtained
- Stepchildren or a domestic partner's children under age 26 can be added within 60 days after the date of your marriage or registration of your domestic partnership

The coverage will become effective the first day of the month following the date you receive the [Health Benefit Plan Enrollment](#) form.

Note: Eligible children can be enrolled regardless of their marital, student or employment status.

Health Eligibility Requirements, Continued

Certified Disabled Dependent over age 26

A child age 26 and over who is incapable of self-support because of a mental or physical condition may be eligible for enrollment. The disability must have existed prior to reaching age 26 and continuously since age 26, as certified by a licensed physician.

Employees are required to complete and submit the [Member Questionnaire for the CalPERS Disabled Dependent Health Benefit](#) form and the physician must complete and submit a [Medical Report for the Disabled Dependent Benefit](#) for CalPERS approval. The initial certification of the Disabled Dependent must occur during one of the following two eligibility periods (whichever applies):

- Within 60 days before and ending 60 days after the child's 26th birthday (member and dependent currently enrolled), or
- Within 60 days of a newly eligible employee's initial enrollment in the CalPERS Health Program

Upon certification of eligibility, the dependent's coverage must be continuous and without lapse. The employee will be required to submit an updated questionnaire and medical report for re-certification periodically, upon request.

Note: If the disabled child has a Social Security approved disability the health coverage is determined by the employee's employment status:

- If the member is actively employed and covered by an employer group health plan (EGHP), the Medicare eligible member's health coverage will be in a CalPERS basic health plan.
- When the employee retires, the employee must provide CalPERS with a copy of the Medicare eligible member's Medicare card and transfer the Medicare eligible member to a CalPERS Medicare health plan once the coordination of benefits period is completed.

Eligibility & Supporting Documentation Certified "Parent-Child Relationship"

An employee or annuitant may enroll a child, up to the age of 26, (other than an adopted, step or recognized natural child) if the employee or annuitant:

- Has assumed a parental role.
- Is considered the primary care "parent".
- Submits a signed [Affidavit of Parent-Child Relationship](#) (HBD-40).
- Submits specific documents that substantiate their parental role within that Parent-Child Relationship (PCR).

Health Eligibility Requirements, Continued

Eligibility & Supporting Documentation Certified "Parent-Child Relationship", Continued

Upon enrollment, and annually thereafter the employee must:

- Sign the [Affidavit of Parent-Child Relationship](#) (HBD-40), under penalty of perjury, that the information they are providing is true and correct
- Acknowledge that it is unlawful to make false representation or to present false information

Note: Beginning January 1, 2016, members are now required to fully complete the new HBD-40 Affidavit of Parent-Child Relationship form and submit the required supporting documents for new and recertification requests. Effective May 1, 2017, all subscribers recertifying a PCR dependent under age 19 must submit a copy of the first page of their income tax return from the previous tax year listing the child as a tax dependent. **No exceptions will be allowed.**

Required supporting documentation for a PCR dependent **under** age 19 includes:

- A copy of the first page of the subscriber's income tax return from the previous tax year listing the child as a tax dependent.
- In lieu of a tax return, for a time not to exceed one tax filing year, subscribers may submit other documents that substantiate the child's financial dependency upon them, including the following (collectively referred to as "Other Suitable PCR Documentation"):
 - Current legal judgments or court documents showing the subscriber's legal parental status or guardianship over the child
 - Bank, credit card, tuition or insurance statements or payments
 - School records
 - Bills or mail indicating common residency with the child

Required supporting documentation for a PCR dependent **from** age 19 up to age 26 includes:

- A copy of the first page of the subscriber's income tax return from the previous tax year listing the child as a tax dependent, OR
- Other suitable PCR Documentation, that substantiates that the child is financially dependent upon the subscriber provided that the child:
 - Either lives with the subscriber for more than 50 percent of the time, or is a full-time student, AND
 - Is dependent upon the subscriber for more than 50 percent of the child's support.

Health Eligibility Requirements, Continued

Eligibility & Supporting Documentation Certified "Parent-Child Relationship", Continued

Requirement Type	Supporting Documentation Age (19-26)
Residency (more than 50% of the time)	<ul style="list-style-type: none">• School records indicating full-time status, bills or mail in the child's name listing the same address as the subscriber, such as:<ul style="list-style-type: none">- School correspondence- Employment correspondence- Bank statements or correspondence- Vehicle registration, insurance bills/statements- Credit card bills/statements- Rental/lease agreements
Financial Dependence (more than 50% of child's support)	<ul style="list-style-type: none">• Recurring bills or statements of account, identified as Other Suitable PCR Documentation, paid by the subscriber on behalf of the child, such as:<ul style="list-style-type: none">- Tuition payments- Cell phone bill payments- Auto loan payments- Auto insurance payments- Credit card payments- Bank statement, custodian account, cancelled checks, or other evidence of financial dependence.

Circular Letter 600-008-15

[Eligibility Criteria for Dependents in a Parent-Child Relationship](#)

(Attachment 1: [PCR Regulatory Language](#))

(Attachment 2: [Affidavit of Parent-Child Relationship](#))

(Attachment 3: [PCR Subscriber Letter](#))

(Attachment 4: [Employer FAQs](#))

Health Eligibility Requirements, Continued

Ineligible Family Members

The following are considered ineligible family members:

- Former spouse/former domestic partner
 - Former spouses/domestic partners cannot be enrolled as a dependent on the employee's state health coverage under any circumstance
 - If an employee is court-ordered to provide coverage, it is the employee's obligation to provide that coverage, not CalPERS
- Children age 26 or older
- Disabled dependents age 26 or older who were never enrolled or were deleted from coverage
- Spouse of adult children
- Parents
- Grandparents

It is against the law to continue enrollment of an ineligible family member. If this occurs the member may be liable for all costs incurred during the ineligibility period.

Permanent Intermittent (PI) Employment and Control Periods

State PI employment is irregular or recurring, hourly employment that is less than full time each year. A PI employee may be eligible to enroll if they have earned a minimum of 480 paid hours at the end of a control period.

Control Periods

January 1 – June 30	Effective August 1
July 1 – December 31	Effective February 1

An employee:

- Cannot become eligible in the middle of a control period even if the minimum hours are met.
- Must be credited with at least 480 paid hours at the end of each control period or at least 960 hours in two consecutive periods to qualify to continue coverage.

PI Deferred Enrollment

PI employees, who are off pay status during the 60-day eligibility period after the end of the control period, may request a deferred enrollment within 60 days after the return to pay status within the same control period.

Delayed enrollments will result in coverage of less than six months. A delayed enrollment does not extend the eligibility period, as the paid hours must be counted again at the end of each Control Period.

During a qualifying Control Period (after the 480/960-hour requirement has been met), an enrolled employee's coverage will be automatically suspended if there is insufficient earnings, unless the employee elects direct pay.

Health Eligibility Requirements, Continued

PI Deferred Enrollment, Continued

This direct pay option may be offered during the qualifying Control Period only, and must end as of January 31st or July 31st, respectively.

For PI employees who do not have the required 480 hours accumulated at the end of the current Control Period, the regular (or direct pay) coverage must be canceled with an effective date of February 1, or August 1 whichever is appropriate.

Following the cancellation of coverage, the PI employee is then eligible for the COBRA continuation coverage (See *COBRA* section).

PI Continued Enrollment

An enrolled employee may continue coverage into a position with tenure of less than 6 months as long as the time base is half time or more, and there is no break in service in excess of a full pay period or more.

The coverage will continue indefinitely when subsequent appointments of less than 6 months apply, as long as the time base does not fall below half time, and there are no breaks of a full pay period or more.

An employee who takes coverage into a PI position may continue it through a full control period; at which time the paid hours worked must be counted to determine continued eligibility.

Example:

- The employee changes from a permanent full time to PI position on March 15.
- The hours worked during the subsequent Control Period (July 1-December 31) must be counted to determine if the employee is eligible for continued coverage.

All eligibility is lost if the regular or PI employee is appointed into a limited term intermittent position. In such cases, the coverage must be cancelled.

Legal Reference

- Family Member (Gov. Code section 22775)
- Domestic Partners (Gov. Code sections 22818 and 22843)
- Parent-Child Relationship (CCR 599.500 (o))
- Permanent Intermittent (Gov. Code section 22806)

Health Enrollment

New Enrollment

New employees have 60 calendar days from the date of their initial appointment to enroll themselves and eligible family members in a health plan.

- PI employees have 60 days from the end of the qualifying control period to enroll.
- The effective date of the enrollment is the first of the month following the date you receive the [Health Benefit Plan Enrollment](#) form.

CalPERS Health Open Enrollment

As the employer, you are responsible for educating employees on CalPERS Health Open Enrollment. Each year, prior to Open Enrollment, a Circular Letter is sent to you with information regarding:

- Health Program Highlights which provides important details regarding health plans and premium rates for the new year
- Various communications released to employees, available online tools and employer resources
- Your additional responsibilities

The CalPERS Health Open Enrollment period is traditionally held annually each fall and allows eligible employees to:

- Enroll
- Change health plans
- Add/delete eligible dependents
- Cancel coverage
- Change health plans based on employer's zip code

All transactions become effective January 1 following the Open Enrollment period.

Note: Learn more about Open Enrollment by viewing [FAQs - Open Enrollment](#) on the CalPERS website.

Health Enrollment, Continued

Additional Enrollment Opportunities

The Health Insurance Portability and Accountability Act (HIPAA) was enacted in 1996 by Congress to improve portability and continuity of health insurance coverage.

- HIPAA offers two provisions, **Special Enrollment** and **Late Enrollment**, for employees and their eligible family members to enroll in a CalPERS health plan outside of the initial enrollment period and the Open Enrollment period.
- HIPAA requires that the [PERS-HBD-12](#) form be completed whether the employee elects to enroll or decline health coverage.
 - Provides proof that the employee was given the opportunity to enroll or decline coverage for self and eligible family members.
 - Must be completed upon initial health eligibility and for most enrollment requests.

Special Enrollment

Events that qualify for Special Enrollment include:

- Loss of other non-CalPERS coverage
- Marriage/domestic partnership
- Birth/adoption
- Court-ordered coverage
- Exception for divorce/termination of domestic partnership

Special Enrollment is applied as follows:

- Enrollment must be requested within 60 calendar days of the event
- Effective date is the first day of the month following the date the enrollment form and supporting document(s) is received by you.
 - Exception for birth/adoption effective dates (CCR 599.503 (d)(h))
 - The effective date of enrollment of a newborn or adopted child of an employee or annuitant enrolled for self and one or more family member is the **date of birth or the date physical custody is obtained.**
 - The effective date of enrollment of a newborn or adopted child of an employee or annuitant enrolled for self only is the **first day of the month following the date of birth or the date physical custody is obtained.**

Note: Inquiries regarding the time between the date of birth or the date physical custody is obtained and the effective date of the CalPERS coverage should be referred to the health plan.

Health Enrollment, Continued

Late Enrollment

Late Enrollment allows an employee to request enrollment if they declined or cancelled enrollment for themselves or their dependents, and the Special Enrollment exceptions do not apply. Late Enrollment is applied as follows:

- A 90-day waiting period is required
- The effective date of enrollment will be the first of the month following the 90-day waiting period after you receive the [Health Benefit Plan Enrollment](#) form and applicable supporting documentation.

Mandatory Transactions

Mandatory transactions are additions or deletions to a health enrollment due to requirement by law. Mandatory transactions include events such as:

- Divorce or termination of domestic partnership
- Death of a family member
- Dependent who is age 26 or older

For all transactions, the effective date is the 1st day of the month following the event date.

Retroactive reimbursement of health premiums will not exceed six months prior to the date the mandatory event is reported (CCR 599.502).

Permissive Transactions

Permissive transactions are additions or deletions to a health enrollment at the voluntary request of the enrolled member. Permissive transactions include events such as:

- Child reaches age 18
- Family member enters military
- Family member obtains other group coverage

For most transactions, the effective date is the 1st of the month after you receive the enrollment form(s) and applicable supporting documentation.

Retroactive Transactions

Retroactive transactions occur when the eligibility status for a member or dependent changes due to death, marital status, changes in employment and other circumstances, and the **change is not reported in a timely manner**.

These transactions often result in a difference between the premiums *paid* and the premiums that *should have been paid* if the transaction had been reported timely.

Health Enrollment, Continued

Retroactive Reimbursement

Reimbursement to members and employers is limited to the amount of excess health premiums paid for a period of **up to six months** prior to the date on which the action is processed and recorded, pursuant to the member's request for retroactive cancellation or deletion of the ineligible family member.

Prohibited Enrollments

The following types of enrollments are not permitted:

- Enrolling in two CalPERS health plans
 - Dual CalPERS coverage occurs when a member is enrolled in a CalPERS health plan as both a member (subscriber) and a dependent or as a dependent on two enrollments.
- Split Enrollment of dependents
 - When two active or retired members are married to each other or in a domestic partnership and enroll in a CalPERS health plan in their own right, one parent must carry all dependents on one health plan.
 - Parents cannot split enrollment of dependents

When dual CalPERS coverage or a split enrollment is discovered, the enrollment that caused the dual coverage or split enrollment must be retroactively canceled. The employee may be responsible for all costs incurred from the date the dual coverage or split enrollment began.

Changing Health Plans

Health plans may be changed at the following times:

- During the CalPERS Open Enrollment period
- Within 60 days of the following events:
 - Change in residence or change in employment
 - Upon retirement
 - Becoming a survivor
 - By court order
 - Enrollment in Medicare by a member or their dependent
 - This only applies after the member retires

Health Enrollment, Continued

Life Changes

The employee is responsible for ensuring that their health enrollment information is accurate. Information that must be reported in a timely manner includes:

- Marriage/domestic partnership
- Divorce/termination of domestic partnership
 - Former spouse or registered domestic partner is no longer eligible to receive health benefits under the employee's coverage
- Death of an employee
 - The employer, surviving spouse, registered domestic partner or a family member must notify CalPERS to report the death
 - After we process the death report, the health coverage for the employee and all enrolled dependents will automatically cancel.
- Death of a family member
 - Employee must notify you
- Change of residential address
 - An employee must contact you when they move to ensure the correct ZIP Code is used to establish eligibility in a health plan.
- Medicare eligibility
 - Once a member or their dependent becomes eligible for Medicare due to age or a disability, or End-Stage Renal Disease (ESRD) they should notify CalPERS immediately to receive further guidance.

Failure to maintain current and accurate health enrollment information can result in liability to reimburse health premiums or health care services during the entire ineligibility period.

Health Enrollment, Continued

Required Health Enrollment Documents

The following tables below lists the necessary forms and supporting documentation required for the various types of enrollments or changes to enrollment. For a complete list, refer to the Health Eligibility Requirements section of this guide.

Social Security numbers are required for all dependents upon initial enrollment or upon change of enrollment.

Enrollment Type	CalPERS Forms	Copies of Supporting Documentation
Active employee – new enrollment	<ul style="list-style-type: none"> Health Benefit Plan Enrollment* Declaration of Health Coverage 	<ul style="list-style-type: none"> N/A
Adding a registered domestic partner	<ul style="list-style-type: none"> Health Benefit Plan Enrollment* Declaration of Health Coverage 	<ul style="list-style-type: none"> Declaration of Domestic Partnership from the California Secretary of State's Office Medicare card (if applicable)
Adding a spouse	<ul style="list-style-type: none"> Health Benefit Plan Enrollment* Declaration of Health Coverage 	<ul style="list-style-type: none"> Marriage Certificate Medicare card (if applicable)
Adding/deleting a dependent child	<ul style="list-style-type: none"> Health Benefit Plan Enrollment* Declaration of Health Coverage 	<ul style="list-style-type: none"> Birth Certificate Medicare card (if applicable) Reason for add/delete
Adding a dependent who is in a parent-child relationship	<ul style="list-style-type: none"> Affidavit of Parent-Child Relationship Health Benefit Plan Enrollment* Declaration of Health Coverage 	Required supporting documentation for a PCR dependent under age 19 includes:

Health Enrollment, Continued

Required Health Enrollment Documents, Continued

Enrollment Type	CalPERS Forms	Copies of Supporting Documentation
Adding a dependent who is in a parent-child relationship, (continued)	<ul style="list-style-type: none"> • Affidavit of Parent-Child Relationship • Health Benefit Plan Enrollment* • Declaration of Health Coverage 	<ul style="list-style-type: none"> • A copy of the first page of the subscriber's income tax return from the previous tax year listing the child as a tax dependent. • In lieu of a tax return, for a time not to exceed one tax filing year, subscribers may submit other documents that substantiate the child's financial dependency upon them, including the following (collectively referred to as "Other Suitable PCR Documentation"): <ul style="list-style-type: none"> – Current legal judgments or court documents showing the subscriber's legal parental status or duties/guardianship over the child – Bank, credit card, tuition or insurance statements or payments – School records – Bills or mail indicating common residency with the child

Health Enrollment, Continued

Required Health Enrollment Documents, Continued

Enrollment Type	CalPERS Forms	Copies of Supporting Documentation
Adding a dependent who is in a parent-child relationship, (continued)	<ul style="list-style-type: none"> • Affidavit of Parent-Child Relationship • Health Benefit Plan Enrollment* • Declaration of Health Coverage 	<p>Required supporting documentation for a PCR dependent from age 19 up to age 26 includes:</p> <ul style="list-style-type: none"> • A copy of the first page of the subscriber's income tax return from the previous tax year listing the child as a tax dependent, OR • Another suitable PCR documentation, that substantiates that the child is financially dependent upon the subscriber provided that the child: <ul style="list-style-type: none"> – Either lives with the subscriber for more than 50 percent of the time, or is a full-time student, AND – Is dependent upon the subscriber for more than 50 percent of the child's support.
Deleting a spouse due to divorce	<ul style="list-style-type: none"> • Health Benefit Plan Enrollment* • Declaration of Health Coverage 	<ul style="list-style-type: none"> • Divorce Decree
Deleting a registered domestic partner due to termination of partnership	<ul style="list-style-type: none"> • Health Benefit Plan Enrollment* • Declaration of Health Coverage 	<ul style="list-style-type: none"> • Termination of Domestic Partnership submitted to the California Secretary of State's Office

Health Enrollment, Continued

Required Health Enrollment Documents, Continued

Enrollment Type	CalPERS Forms	Copies of Supporting Documentation
Enrolling self or dependents due to loss of other health coverage	<ul style="list-style-type: none"> Health Benefit Plan Enrollment* Declaration of Health Coverage 	<ul style="list-style-type: none"> Proof of loss of coverage Marriage Certificate (Spouse) Declaration of Domestic Partnership (domestic partner) Birth Certificate (child) Medicare Card (if applicable)
Disabled child over age 26 – certification	<ul style="list-style-type: none"> Member Questionnaire for the CalPERS Disabled Dependent form Medical Report for the CalPERS Disabled Dependent 	<ul style="list-style-type: none"> N/A
Death of employee, retiree, or family member	<ul style="list-style-type: none"> Health Benefit Plan Enrollment* Declaration of Health Coverage 	<ul style="list-style-type: none"> Death Certificate
Change plans due to address change	<ul style="list-style-type: none"> Health Benefit Plan Enrollment* Declaration of Health Coverage 	<ul style="list-style-type: none"> Include both old & new addresses
Off-Pay Status – continue coverage	<ul style="list-style-type: none"> Direct Payment Authorization 	<ul style="list-style-type: none"> N/A
Off-Pay Status – cancel coverage	<ul style="list-style-type: none"> Health Benefit Plan Enrollment* 	<ul style="list-style-type: none"> N/A
COBRA	<ul style="list-style-type: none"> Group Continuation Coverage (COBRA election) 	<ul style="list-style-type: none"> N/A

* Used to enroll, change and cancel health plan enrollment.

** Birth certificate for newborns is due at the time of enrollment or 60 days after the effective date. Until the birth certificate is available the employee must provide an official hospital birth record recording the birth of the child.

Health Enrollment, Continued

Required Health Enrollment Documents, Continued

Note: To view CalPERS Health Program Forms, search for health forms on the CalPERS website [Forms & Publications](#) page. These forms are revised periodically.

Legal References

Retroactive Transactions: CCR 599.502(f)(3)(C) and 599.506 (c)(1)

Summary of Benefits and Coverage & Uniform Glossary

Purpose

The Affordable Care Act (ACA) requires health plans and other responsible parties to make available a Summary of Benefits and Coverage (SBC) and a uniform glossary (Glossary) of common health insurance terms. Together, these documents provide important information to help individuals better understand their health benefit coverage and more easily compare health plan options.

Newly Eligible Employees

The SBC's implementing regulations require responsible parties to provide SBC and Glossary information to newly eligible employees no later than the first date on which they are eligible to enroll in coverage.

To meet the SBC and Glossary notification requirements, employers must insert their agency letterhead at the top of the [Summary of Benefits and Coverage Notice](#) (or create their own) and include it in their hiring or benefits package.

Current Members

CalPERS and its health plans currently notify existing members how to access and obtain copies of these documents during Open Enrollment.

Penalties

Failure to provide SBC and uniform glossary information, as described in the regulations, could yield penalties of up to \$1,000 for each failure.

Additional Information

California State University Health Benefit Officers:

Please refer to the August 31, 2017 [CalPERS Circular Letter 600-049-17](#) titled Distribution of 2018 Summary of Benefits and Coverage Notice to New Employees.

State Health Benefit Officers:

Please refer to the [California Department of Human Resources Policy Statement #1402](#) Affordable Care Act.

Direct Payment Authorization

When an employee may be eligible

An employee may be eligible to elect to continue their health coverage in the following situations:

- Leave of absence without pay
- On temporary disability leave and do not use leave credits for supplementation
- Pending approval of disability retirement or service retirement
- Pending approval of Non-Industrial or State Disability Insurance benefits
- Suspended from their job or they institute legal proceedings appealing a dismissal from their job
- State Permanent Intermittent employee eligible for health benefits but in a non-pay status

Upon the death of an employee while in State service, the law requires the State employer (except CSU) to continue to pay contributions for all enrolled dependents' health coverage for 120 days under direct pay.

When an Employee elects to enroll

When an employee elects to enroll in direct pay:

- A [Direct Payment Authorization](#) form must be completed and signed by you and the employee
- The employee must pay 100 percent of the premium directly to the health plan by the established due dates
- The employee may elect to delete dependents before starting Direct Pay and must submit a [Health Benefit Plan Enrollment](#) form to you
- The employee may add newly acquired dependents while on Direct Pay
- The employee must contact you if they wish to discontinue their direct pay
- There is no limitation on how long they can be enrolled unless it is due to a layoff
 - A new [Direct Payment Authorization](#) form would need to be completed if the employee extends their leave past the original direct pay end date provided on the original form.
 - An employee who is laid off may use direct pay up to one year.

When an employee **does not** elect to enroll in direct pay, a [Health Benefit Plan Enrollment](#) form must be completed and signed by you and the employee to cancel off-pay status coverage.

Direct Payment Authorization, Continued

Employee returns to work

Upon the employee's return to work, you must:

- Update the employee's status in my|CalPERS
- Schedule health deductions to resume the 1st of the month following the employee's return if they elect to re-enroll.
 - Payment must be made for the month in which the employee returns to work.
 - Complete HBD-12 enrollment form

Circular Letter 600-050-14

[Off – Pay Status: Health Enrollment Procedures](#)

Consolidated Omnibus Budget Reconciliation Act (COBRA)

Background

Consolidated Omnibus Budget Reconciliation Act (COBRA) is a federally mandated program which requires continuation of health coverage when an event occurs that normally would have terminated coverage for an employee or dependent. This section is intended to provide basic information regarding COBRA. It is general in nature and not designed to render legal advice.

Generally, the employer must provide employees with COBRA rights within 45 days of separation from employment, or for dependents losing coverage, within 45 days of notification of dependent's ineligibility for coverage.

It is each employer's responsibility to meet the requirements of the law. For notice requirements, or if legal or other expert assistance is required, the services of a competent professional should be sought.

Forms

[COBRA Election Form](#) (PERS-HBD-85)

[COBRA Election Form – Retirees Only](#) (HBD-85R)

COBRA

As the employer, you are responsible for:

- Providing COBRA information to the employee and/or their eligible family members
- Informing the employee that up to 102 percent of the health premium is to be paid by them, directly to the health plan for the coverage period
- Collecting completed [Group Continuation Coverage](#) (*COBRA Election*) form within 60 days of the qualifying event if they elect to continue coverage.

COBRA Qualifying Events

The following table lists COBRA qualifying events and their coverage period:

Qualifying Events	Coverage Period
Separation from employment	18 months
Reduction in work hours (including layoff)	18 months
Military leave	24 months
Divorce or domestic partnership termination	36 months
Legal separation	36 months
Child that ceases to be dependent	36 months
Death of an employee or annuitant (unless dependent qualifies for continued coverage as a survivor)	36 months

COBRA, Continued

California COBRA (Cal-COBRA)

Under certain conditions, California law permits an extension of COBRA continuation coverage known as Cal-COBRA:

- If the employee exhausts federal COBRA coverage and had less than 36 months of coverage, COBRA coverage may extend the benefit up to a total of 36 months, but cannot exceed 36 months.
- Employee must have been continuously enrolled and paid premiums for the original 18 or 24 months of coverage
- Employee must request an extension through the health plan
- Employee must pay premiums directly to the health plan
- Health premiums may not exceed 110 percent

Legal References

- 1985 Consolidated Omnibus Budget Reconciliation Act (COBRA).
- A.B. 1401, 2002, Thomson
- Individual Conversion Policy, CCR 599.507 and CCR 599.508

Employee Separations

Reporting

Employers must update the appointment status of their employees in PIMS.

Always report the separation date.

Accurate reporting of employee separations will ensure correct billing on a monthly basis. Transactions that update the member's enrollment status with the health plan, update the billing as well. During these status changes, timely* and accurate information will ensure a smooth transition for your employee and his/her dependents. The agency's responsibility in each type of separation is listed below.

Employee Separation (NOT Retiring)

Effective Date

Termination of the health insurance coverage as an active employee is the first of the second month following the date of separation. Since this is prepaid health coverage and payroll deductions are taken the month preceding the coverage month, the employee is entitled to coverage for the month following the dismissal or resignation date (CCR 599.506).

Consolidated Omnibus Budget Reconciliation Act (COBRA)

Provide employee with COBRA election forms. Please see the *COBRA* section of this guide for more information.

Cancelling Coverage

If the employee does NOT want the coverage for the month following his/her separation, the employee must sign an HBD-12 electronically or physically electing to voluntarily cancel his/her coverage. If the employee cancels coverage, he/she will NOT be eligible for group continuation benefits (COBRA).

Temporary Leave of Absence

Continuing or Cancelling Coverage while on Leave of Absence

An employee who is not on regular pay status for a full pay period or more may elect to either cancel their health benefits coverage or continue coverage by paying the premium directly to the health plan (Direct Payment). The effective date is the last day of the second month following the Begin Leave date. Please refer to *Direct Payment Authorization* section of this guide for more information.

Employee Separations, Continued

Death of Employee Reporting

Employers must report the death of their employees in my|CalPERS or contact the CalPERS Customer Contact Center at **888-CalPERS** (or **888-225-7377**).

Effective Date

The effective date of the termination of the health insurance coverage is the first day of the month following the date of death. Provide dependents, if any, with COBRA election forms. COBRA, if elected, will begin after the 120 days of the employer paid Direct Pay is exhausted. Please see the *COBRA* section of this guide for more information.

Separation for Service Retirement Reporting

- Employees must apply for Service Retirement from their respective retirement systems
 - PERS members must file a BSD-369-S ([Application for Service Retirement](#)) which can be done online through my|CalPERS member self-service. If possible, the employee should submit this form to PERS at least 90-days prior to retirement date
- Employers must update the appointment status (permanent separation) for their employees in PIMS
- For CalPERS members, employers also submit a:
 - [Report of Separation and Advance Payroll Information](#) form
 - Your agency will receive the form when CalPERS acknowledges receipt of the Application for Service Retirement from the member.
- Please see the *Health into Retirement* section in this guide for more information.

Effective Date

Termination of the health insurance coverage as an active employee is the first day of the second month following the date of separation.

Direct Payment

While it is not necessary to submit a [Direct Payment Authorization](#) (HBD-21) form when an application for service retirement is being processed, it may be done if a delay in receiving retirement benefits is anticipated. Please refer to the *Direct Payment Authorization* section of this guide for a more information.

Employee Separations, Continued

Separation for Disability Retirement Reporting

- Employees must apply for disability retirement from their respective retirement systems by filing a BSD-369-D ([Application for Disability Retirement](#))
- Employers must update the appointment status for their employees in my|CalPERS and submit the [Report of Separation and Advance Payroll Information](#) form
- Employees must provide a Medicare card (if applicable)

Effective Date

Termination of the health insurance coverage as an active employee is the first day of the second month following the date of separation.

Continuing Coverage (Direct Pay)

Applications for Disability Retirement can take a long time to process (months), resulting in a delay of retirement benefits. It is strongly recommended that employees submit a [Direct Payment Authorization](#) form when a Disability Retirement is pending. Otherwise, the member will be **not covered** until the retirement account is established. If the member requires health services during this time they will be denied. Please refer to the *Direct Payment Authorization* section of this guide for more information.

Legal References

- Survivors of a Firefighter or Peace Officer
 - Gov. Code section 22820
- Retroactive Reimbursement
 - CCR 599.502(f)(2)(C)
 - CCR 599.506(c)(1)

Health Benefits into Retirement

Retiree Eligibility

An employee must meet all the following requirements to be eligible to enroll or continue enrollment in our health plan as a retiree:

- Separate and retire within 120 days
- Receive a monthly retirement allowance
- Be eligible for Health Benefits at separation

If an employee separates, with no intent to retire, health coverage will be terminated the first of the second month following the date of separation.

Note: Once an employee retires, CalPERS becomes the Health Benefits Officer. Retirees should be directed to the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**) with any questions.

Medicare

Medicare

Medicare is a federal health insurance program for individuals:

- Age 65 or older
- Under age 65 with certain disabilities
- With End-Stage Renal Disease (ESRD)

The [Social Security Administration](http://www.ssa.gov) (SSA) is the federal agency responsible for Medicare eligibility determination, enrollment, and premiums. For more information contact the SSA at (800)772-1213 or TTY (800) 325-0778, or visit their website at www.ssa.gov.

The Centers for Medicare & Medicaid Services (CMS) regulates the Medicare program. For more information contact CMS at (800) 633-4227 or TTY (877) 486-2048, or visit their website at www.cms.gov.

Medicare Enrollment (Turning Age 65)

Four months prior to the active or retired member's and/or dependent(s) 65th birth month, they will receive notification from CalPERS of the requirements to continue CalPERS health coverage after turning age 65. The notification includes:

- Ineligibility of Medicare Certification form
- Medicare Plan Options

When a member is actively employed past age 65 and their health coverage is based on this employment, they will remain enrolled in a CalPERS basic health plan.

- An active member and/or dependent who are working past the age of 65 may defer Medicare enrollment through the SSA if they are covered under an active employer group health plan (EGHP).
- An active member and/or dependent may enroll in Medicare; however, the basic health plan is the primary payer while the member is actively working and covered by an EGHP.
- When a member is retired and is turning age 65, the member and/or dependent turning age 65 must enroll in Medicare if they are Medicare eligible or provide supporting documentation from the SSA that they are ineligible for Medicare. This action must be taken prior to their 65th birthday or their CalPERS health coverage will be cancelled.

Medicare Enrollment (Under Age 65)

If you are under the age of 65 and Medicare eligible you must provide your Medicare Part A and Part B information to CalPERS by submitting a copy of your Medicare card and then transfer to a CalPERS Medicare health plan. Your enrollment into a CalPERS Medicare health plan will be processed and effective upon approval by the CMS.

For more information regarding CalPERS Medicare health plans please visit our website at www.calpers.ca.gov.

Separation and Retirement Dates

When Health Premiums are paid

When an active state employee permanently separates to retire, the premiums are paid as follows:

- Separation date is between the 1st – 10th of the month
 - Retiree health coverage begins the first of the month following the retirement date
- Separation date is between the 11th – 31st of the month
 - Retiree health coverage begins the first day of the second month following retirement date
 - **Note:** Since this is prepaid health coverage and payroll deductions are taken the month preceding the coverage month, the employee is entitled to coverage for the month following the dismissal or resignation date (CCR 599.506) group.

Separation and Retirement Dates

To determine the effective date of a new retiree enrollment, please refer to the table below.

If separation and retirement dates are...	and...	then health coverage...	Note
within 30 days of each other	the employee is enrolled in a health plan at the time of separation	will continue into retirement without a break	If the employee does not want to continue health benefits into retirement, they must cancel health coverage through you.
between 31 and 120 days of each other	the employee is enrolled in a CalPERS health plan at the time of separation	will not automatically continue. The employee may request to re-enroll with us as follows: <ul style="list-style-type: none"> • Within 60 days of the retirement date • During Open Enrollment • Due to the 90-day HIPAA Late Enrollment 	When the health coverage lapses they may be eligible for Direct Pay.
more than 120 days apart	regardless of whether they are enrolled in a CalPERS health plan at the time of separation	cannot be reinstated. They are no longer eligible for CalPERS health benefits.	There are some exceptions to the rule.

Post – Retirement Health Vesting

Employer Contribution

The amount of credited "State service" required to receive a percentage of the employer contribution toward the cost of the monthly health premium during retirement. "State service" is defined as service rendered as an employee or officer of the State, the university, a school employer or a contracting agency for compensation (Gov. Code section 20069).

- The monthly employer contribution or "State's Share" is specified by California Government Code section 22871.
- The employer contribution is adjusted annually.
- The amount the State contributes toward a retiree's health coverage depends on State Health Vesting requirements.
- Some bargaining units are subject to dependent health vesting where the State provides new employees a reduced health benefits contribution toward dependent vesting.
 - Refer to [CalHR](#) for additional detailed information

Note: If the health plan premium is more than the State's share, the retiree will be responsible to pay any amount above that.

Health Vesting

- The amount of credited "State service" required to receive a percentage of the employer contribution toward the cost of the monthly health premium during retirement.
- "State service" is defined as service rendered as an employee or officer of the state, the university, a school employer, or a contracting agency for compensation. (Gov. Code section 20069)
- **Fully vested:** A State member has enough years of State service to receive 100 percent of the State contribution towards the health plan's premium upon retirement.
- **Partially vested:** A State member's service years are enough to cover at least 50 percent of the state contribution.
 - State health vesting criteria does not allow for an employer contribution less than 50 percent.
- **Not vested:** A State member does not have enough years of State service to receive a state contribution.
 - A retiree may be enrolled in a CalPERS health plan, even if they are not vested. However, they would be responsible for paying 100 percent of the health plan premium.

Post – Retirement Health Vesting, Continued

First hired by the State before 1/1/1985:

- No vesting criteria required
- Eligible for 100 percent of the State's share of health plan premium

First hired by the State 1/1/1985 through 1/1/1989 (Gov. Code section 22873):

- "State service" is defined in this section of the law to include service with a:
 - State agency
 - Contracting agency
 - School employer

Years of Credited State Service	Percentage of State's Share of Health Plan Premium
Less than 5 years	0 percent
5 through 10 years	50 percent + (Prorated based on years of service)
10 years or more	100 percent

Example: 5.600 years of service = 56 percent of the State's share

Note: Legislative and California State University (CSU) employees are exempt from Gov. Code section 22873 State health vesting requirements; however, they must meet the definition of an annuitant under Gov. Code section 22760 and retire from that specific agency. There are also no State health vesting requirements for State disability retirees and a family member who qualifies as a surviving annuitant due to the active member's death.

First hired by the State after 1/1/1989 (Gov. Code section 22874):

- "State service" is defined in this section of the law to only include service with a state agency.

Years of Credited State Service	Percentage of State's Share of Health Plan Premium
Less than 10 years	0 percent
10 years	50 percent
11 through 19 years	50 percent + 5 percent for each completed year over 10 years
20 years or more	100 percent

Example: 12.900 years of State agency service = 60 percent of the State's share

Note: Legislative, California State University (CSU), and Judicial Branch employees are exempt from Gov. Code section 22874 State health vesting requirements; however, they must meet the definition of an annuitant under Gov. Code section 22760 and retire from that specific agency. There are also no State health vesting requirements for State disability retirees and a family member who qualifies as a surviving annuitant due to the active member's death.

Post – Retirement Health Vesting, Continued

Important Dates First Hired by the State based on Bargaining Unit

"State service" is defined in this section of the law to only include service with a state agency.

Some bargaining units have a 25-year vesting schedule for State employees that are hired on or after certain dates. These bargaining units and hire dates are as follows:

- Bargaining unit 12 - January 1, 2011 (Gov. Code section 22874.1)
- Bargaining units 9 and 10 - January 1, 2016 (Gov. Code section 22874.2)
- Bargaining units 1, 2, 3, 4, 6, 7, 8, 11, 13, 14, 15, 17, 18, 19, 20, 21 and the Judicial Branch - January 1, 2017 (Gov. Code sections 22874.3 and 22874.4)
- Bargaining unit 16 - April 1, 2017 (Gov. Code section 22874.5)

If you are a member of one of these bargaining units and were hired on or after the dates indicated for your bargaining unit above, then once you reach 25 years of State service, you are fully vested and qualify for 100% of the State's contribution toward your health premium.

Years of Credited State Service	State Contribution
Less than 15 years	0 percent
15 years	50 percent
15 through 24 years	50 percent + 5 percent for each completed year after the 15 th year
25 years or more	100 percent

Example: 24.500 years of State service = 95 percent of the State's share

Note: Legislative, California State University (CSU), and Judicial Branch employees are exempt from State health vesting requirements; however, they must meet the definition of an annuitant under Gov. Code section 22760 and retire from that specific agency. There are also no State health vesting requirements for State disability retirees and a family member who qualifies as a surviving annuitant due to the active member's death.

CSU Vesting

CSU Bargaining Unit 3 employees hired on or after July 1, 2017 and CSU non-represented employees hired on or after July 1, 2018 are subject to a 10-year health vesting period for retiree health benefits. Once you reach 10-years of state service, you are fully vested and qualify for 100 percent of the State's contribution towards your health premium. (Gov. Code section 22874.6)

Vesting Exception

Employees of the Judicial Branch are subject to the 10-year vesting requirement under Gov. Code section 22873 unless they are hired after January 1, 2017. After January 1, 2017, employees of the Judicial Branch are subject to the vesting requirements of Gov. Code section 22874.4 requiring 25 years of credited state service to receive 100 percent of the state contribution towards health premiums as a retiree.

Survivor Benefits

Eligibility

A survivor of a deceased active employee may be eligible for health and dental coverage if all criteria below are met:

- Enrolled or eligible to enroll as dependent at the time of death
- Qualify for a monthly survivor retirement benefit

Surviving family members who do not meet the above requirements may be eligible for Consolidated Omnibus Budget Reconciliation Act (COBRA) continuation coverage once the employer paid Direct Pay benefit is exhausted.

Possible survivors include:

- Spouse or domestic partner
- Employee's natural or adopted child up to age 26
- Disabled child age 26 or older*
- Step-child or domestic partner's child*
- Child in an established Parent-Child Relationship

* These eligible surviving children must have been enrolled prior to the employee's death.

Survivor Benefits, Continued

Enrollment

Upon the death of an employee while in State service, the law requires you, as the State employer, to pay the total amount of the health premium for up to 120 days of coverage for all enrolled dependents covered at the time of death. You may elect to bill the survivor for the amount that exceeds the State Contribution.

If this occurs, you must:

- Complete the [Direct Payment Authorization](#) form
 - The survivor **does not** have to sign the form as it is an employer-paid benefit
- Process the direct payment enrollment in my|CalPERS
- Retain the form in the employee's file

If an eligible surviving family member was not enrolled at the time of death, they may request enrollment from CalPERS within 60 days from the date of death. The effective date of enrollment is the first day of the month following the date CalPERS receives the request.

Eligible survivors have the same rights and responsibilities as active members such as:

- Requesting to change plans due to a move or during Open Enrollment
- Deleting dependents
- Informing CalPERS of their Medicare eligibility

Surviving dependent children will be automatically deleted at age 18, 22 or 26 depending on the monthly survivor benefit. A certified disabled child may continue past the age of 26 if they are entitled to a lifetime monthly survivor retirement benefit.

Note: CalPERS staff will determine if the surviving family members are eligible for continued health benefits, if eligible, CalPERS will enroll the survivor(s) effective the first of the month following the expiration of the 120-day Direct Pay benefit.

Ineligible Enrollment

An eligible survivor can only enroll dependents that were eligible for health or dental benefits at the time of the active employee's death.

The following individuals are **not** eligible for CalPERS health or dental benefits:

- New spouse or domestic partner
- New step-child, domestic partner child or newly adopted child
- Subsequent child born to the survivor who was not the employee's child
- Child in a newly established Parent-Child Relationship

Legal Reference

Gov. Code section 22831

Retiree Dental and Vision Coverage

Retiree Dental Administrators

State of California employees or retirees and family members may be eligible for a State-sponsored dental insurance plan. The following are administrators of the State-sponsored dental insurance plans:

- California Department of Human Resources (CalHR) administers the State's Dental Program
- California State University (CSU) Chancellor's Office administers the CSU Dental Program
- California Association of Highway Patrolmen (CAHP) administers the CAHP dental plan
 - CAHP dental is for dues paying members only.

CalHR and the CSU Chancellor's Office determine and provide information regarding the Open Enrollment period. For inquiries regarding coverage or benefits, refer to CalHR or CSU websites.

Dental Eligibility

Retired eligibility criteria:

- Separate and retire within 120 days
- Receive a monthly retirement allowance
- Retire from CSU or a State agency

Prior to an employee's separation date, you must do the following:

- Have employee complete CalHR's [Dental Plan Enrollment Authorization](#) form (STD-692)
- CSU retiree's must complete the following dental enrollment form when requesting to enroll as a retiree: [CSU Dental Enrollment Authorization](#) form (CSU 692R)
- Process the dental enrollment in my|CalPERS
- Retain the form in the employee's file

Note: If the employee declines retiree dental coverage, then no action is required.

Retiree Dental Coverage

CalPERS maintains the enrollment information and premium deduction for retirees.

Dental vesting applies to some employees hired by the State after 7/1/1998 in certain bargaining units. Refer to the State Employees' Dental Care Act Gov. Code section 22958 for more information.

Note: Does not apply to CSU retirees.

Retiree Dental and Vision Coverage, Continued

Retiree Vision Coverage

State of California retirees and family members may be eligible to enroll in the Vision Care Program insured through Vision Service Plan (VSP).

- CalHR administers the State's Vision Care Program
- CSU Chancellor's Office administers the CSU's Vision Care Program

For inquiries regarding eligibility, enrollment, coverage or benefits, for CalHR or CSU, refer to VSP at (800) 877-7195 or [VSP](#).

Legal References

State Employees Dental Care Act Gov. Code sections 22950 & 22958.

Resources

General Resources

- Obtain information on the [CalPERS website](#)
 - Contains health plan premium rates, eligibility and enrollment information
 - View and download single health forms/publications, current/archived Circular Letters and Health Plan Evidence of Coverage
 - Health Plan Search by ZIP Code
 - Health Plan Chooser
 - Video and Web Event Center
- Contact the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**) for assistance with:
 - Completion of enrollment form
 - Health related questions
- To receive a bulk order of CalPERS health forms and publications employers may [email us](#).

California Department of Human Resources

The California Department of Human Resources (CalHR) administers the dental, vision and other benefit programs to state employees. CalHR uses Policy Memos to inform state agency's human resources personnel staff about new policies, procedures or other important information. Refer to [CalHR](#) for additional information.

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