Dependent Eligibility Audit Frequently Asked Questions

Why is Ball State University conducting a Dependent Eligibility Audit?

As healthcare costs continue to increase at rates exceeding ordinary inflation, employers (including institutions of higher education), are increasingly using these types of audits to help control costs and ensure the continued viability of their insurance programs. Ball State University is sensitive to the rising costs of healthcare for its employees, and therefore this audit is being conducted to reduce healthcare costs for eligible employees and dependents by eliminating claims for individuals that are not eligible to be covered.

Who is HMS Employer Solutions (HMS)?

HMS Employer Solutions is an independent third-party audit company with whom Ball State University has contracted to verify the eligibility of dependents covered under its medical plan. HMS specializes in delivering these type of dependent verification services to private and public employers of all sizes, including Fortune 500 companies, school districts, hospitals and universities.

The documentation required contains sensitive data. Is this process secure?

Protecting personal information is a priority to Ball State University and HMS. In compliance with applicable U.S. (federal) and state regulations, information and documentation submitted to HMS for these audits will be stored, processed and protected by physical, electronic and procedural safeguards. When submitting marriage certificates, birth certificates and other documents, please mark each document "Not for Official Use". This notation stipulates that the documents be used only for the purposes of verifying the eligibility of your dependents. When submitting your tax documentation, only the top portion which includes the names of the employee, spouse and any dependent children is required. Please black out the Social Security number, as well as any income information.

All documents are securely stored for six months following completion of the audit. Upon expiration of the retention period, all documents and electronic files will be securely destroyed by HMS and a Certificate of Destruction will be supplied to Ball State University. *Please note that documents provided will NOT be returned.* HMS meets all of the professional and legal standards associated with providing service to employers, including the Health Insurance Portability and Accountability Act (HIPAA), Employee Retirement Income Security Act (ERISA), and disposal rules as enforced by the Federal Trade Commission. In addition, every employee of HMS submits to a thorough and multi-tiered background check. Only HMS employees directly involved in Ball State University's audits will have access to these documents.

Will I be penalized or charged any fees for ineligible dependents?

No penalties will be imposed for dropping an ineligible dependent during this audit process. However, the University reserves the right to take disciplinary action, up to and including termination, for any employee who knowingly submits fraudulent information as part of these audits and to pursue reimbursement of benefits paid on behalf of the ineligible dependent.

Do I need to send original documents?

Please do <u>not</u> send your original documents; a copy is sufficient. If the document is two-sided or has multiple pages, remember to copy all pages and both sides of the document.

Will I be reimbursed for the cost of obtaining these documents?

No. Any charge for obtaining copies of required documents is your responsibility.

What happens if I do not submit all required documents by the November 21, 2012 audit deadline?

Ball State University is ultimately responsible for determining how best to handle each individual case. If you <u>fail to provide the required information</u> for enrolled dependents -the following action will occur:

• The ineligible dependent(s) and/or dependents for which complete documentation has not been submitted by this deadline date will be removed from coverage.

If you knowingly submit false information for enrolled dependents:

- Ball State University will terminate coverage in the healthcare plans and may seek to recover claims paid during the period that the ineligible dependent was covered.
- You may be subject to disciplinary action, up to and including termination.

May I send my documents to the Ball State University's Payroll & Employee Benefits Department?

This is an independent audit being performed on behalf of Ball State University by HMS. To ensure the confidentiality of the audit process and to safeguard the information submitted as part of these audits, the University Payroll & Employee Benefits Department will not be permitted to forward documents to HMS on behalf of our employees, and/or provide employees with copies of previously submitted documents. The only way to ensure that all documents are logged appropriately and eligibility is verified is to use the audit system that Ball State University has established through HMS.

My child's birth certificate has a notation that it is illegal to copy. How can I send this as proof of my dependent's eligibility?

Birth certificates issued by certain states (such as New Mexico and Pennsylvania) contain a specific prohibition against copying or duplicating. If your child's birth certificate has this notation, you can send the hospital birth record that shows the name and birth date of your child, parent names, and a signature from either the hospital administration and/or the attending physician. If you have any questions, please contact the HMS Dependent Verification Center.

Can an exception be granted to allow my ineligible dependent to stay covered on the University's healthcare plan?

No. Only dependents that currently satisfy the plan's eligibility definition can remain covered. If the dependent is no longer eligible because of a "qualifying event," (e.g. divorce, child reaches age limit) please contact your Ball State Payroll & Employee Benefits representative for assistance. COBRA, or the Consolidated Omnibus Budget Reconciliation Act, gives workers and their families who lose their health benefits the right to choose to continue group health benefits provided by their group health plan for limited periods of time under certain circumstances. Qualified individuals should contact their Payroll & University Benefits representative for COBRA details.

What are my options for submitting documentation to HMS Employer Solutions?

HMS Employer Solutions offers a variety of options for document submission.

- <u>Document upload on the secure website http://www.AuditOS.com</u>: First, click the "Upload Documents" tab. You will then see the "Browse" button. After you locate your file and successfully upload it you will see a banner notification across the top of the screen indicating a successful or unsuccessful upload.
- <u>Fax:</u> HMS Employer Solutions' toll-free fax number is 1-877-223-8478. You may fax your documents and signed letter 24 hours a day, 7 days a week.
- <u>Mail:</u> Documents and signed letter can be mailed to the Dependent Eligibility Verification Center, P.O. Box 1587,
 Jeffersonville, IN 47131. Please allow 5-7 business days for your documents to be received and an additional 5
 business days for documents to be processed.

How will I know if my information has been accepted and my dependents are verified?

Once your documentation has been received by HMS, you may check the status of each of your dependents by using the HMS website http://www.AuditOS.com. In addition, you will receive written communication indicating if you have successfully completed the Dependent Eligibility Audit and, if applicable, the Working Spouse/SSDP Audit. You will also be advised if additional information is needed to complete the audit of your dependent information. Ultimately, it is your responsibility to ensure that your documents were successfully received.