



FOOTHILL-DE ANZA
Community College District
Office of Human Resources and Equal Opportunity

IMPORTANT: DEPENDENT ELIGIBILITY AUDIT (DEA) PROCESS

The District is committed to offering employees affordable and competitive benefits. To ensure that only eligible dependents are enrolled and to meet health plan contract obligations, the District must verify family member eligibility. Therefore, the District and the insurance carriers reserve the right to request documentation (tax records) to verify **all enrolled family members**. (Same sex domestic partners are not required to go through this verification process as his/her benefits are considered imputed taxable income.)

Please do not submit any documentation unless HR/Benefits or your carrier requests it. The District contracts with **Secova**, on-line benefits carrier, to perform ongoing verification of enrolled dependents for all insurance carriers (UnitedHealthcare and Kaiser HMO Plan).

On or before May 20, 2009, employees who have enrolled dependents (spouses and dependent children) for Plan Year 2009/2010 will be requested to respond to an audit from Secova. The deadline to submit all required documentation and be in compliance is **June 15, 2009**.

YOU WILL BE REQUIRED TO SUBMIT:**

- (1a) a copy of your **2008 Federal Income Tax Return (form 1040)**. (*Please do not provide any supplemental tax records; only the first page and the signature page are required*); **or**
(1b) an **IRS e-file** (acceptable without a signature);

and

- (2) the signed and dated **Benefits Verification form** (provided by Secova).

The **Benefits Verification form** requires that you must certify that the provided, and any supplemental information that you are submitting to prove eligibility for your dependent(s) under the District's benefit plans is *true, accurate, and complete*. If you provide incorrect or incomplete information, or if you fail to update this information in accordance with eligibility guidelines, you may be subject to the following: reduced coverage levels, repayment of any claims or premiums paid by the District and disenrollment of your dependent(s).

If you are divorced and are required to carry coverage for dependent(s), but cannot claim your dependent(s) per court order, please submit the **Court Order Statement** in lieu of the 1040 statement. The maximum age of coverage for court-ordered dependents is age 19 – meaning eligibility ends at the end of their 18th year.

In compliance with the IRS regulation, the Plan is **no longer accepting** the following documents as proof of legal dependent status for spouses: **2008 property tax records** or **rental agreements**.

TO REQUEST AN EXTENSION DUE TO LATE INCOME TAX FILING:

Employees who delay filing income taxes must submit a copy of the **2008 Application for Automatic Extension of Time to File U.S. Individual Income Tax Return (Form 4868)** to Secova no later than the deadline of **June 15, 2009**. 1) You will automatically granted an extension through **August 15, 2009**

to submit the 2008 federal income tax returns to Secova. *Note, COBRA extension beyond August 29, 2009 is not available.* 2) If you required the ultimate extended deadline of **October 15, 2009**, which coincides with the IRS deadline for late income tax filing, please notify Secova by **June 15, 2009**. Again, you are required to submit your **2008 federal income tax returns to Secova** no later than the **mid-night of October 15, 2009**, or your dependents will be dropped retroactive to **June 30, 2009**.

NON-COMPLIANCE:

Failure to provide the required documentation (regular or extended) will disqualify the dependent for coverage effective July 1, 2009. There will be no exceptions to the June 15th deadline unless you are eligible for and submit documentation to be granted an extension due to late income tax filing (see instructions above). Additionally, non-compliant employees may be responsible for any employer-paid contributions to and benefits rendered by the plan for ineligible coverage.

IMPORTANT: Employees who fail to meet the Plan Year 2009/2010 deadline of June 15th may request a **One-Time Immunity** for reinstatement of dependent coverage with the District no later than **July 31, 2009**, provided that you pay a mandatory **\$500.00 penalty fee** to the District for late compliance. **This penalty fee will be enforced through a payroll deduction from your first 2009-2010 paycheck.** If the One-Time Immunity is not requested by the employee, or previous immunity has been exercised, then reinstatement of dependent coverage will not be allowed until the next plan year (PY 2010/2011).

QUESTIONS:

If you have any questions, please contact Secova on or after May 18, 2009. Additional information regarding the DEA process will be mailed to your home directly from Secova in May.

PLEASE DO NOT SUBMIT ANY TAX DOCUMENTS TO SECOVA UNTIL YOU HAVE RECEIVED, COMPLETED AND CERTIFIED THE CUSTOMIZED BENEFITS VERIFICATION FORM PROVIDED BY SECOVA. If you have not received this form by May 22nd, please contact Secova directly to inquire about your form status, or you may download a generic form by accessing the District's Benefits Web site: <http://hr.fhda.edu/benefits/>, and customize the form with your information for the 2009-2010 Plan Year.

*To ensure the highest protection of your privacy and to preserve your identity, please be advised that any individual's tax records received by the District will be shredded immediately upon receipt, and will **not** be forwarded to SECOVA for further processing. **It will be your responsibility to make sure that you have read the DEA materials thoroughly for action, follow directions for compliance and/or make a inquiry on your behalf with SECOVA before the deadline of June 15, 2009.** Written confirmation from SECOVA will follow all receipts for compliance, incompleteness or pending status due to late income tax filing, please allow up to 5 business days for a response.*

If you submit your documentation to SECOVA via email (pdf) or fax, you may request an email confirmation from SECOVA after 48 hours.