



Office of Human Resources and Equal Opportunity
12345 El Monte Road, Los Altos Hills, CA 94022

TO: All District Employees and Retirees with Dependent Coverage
FROM: Christine Vo, Benefits Manager
DATE: June 11, 2007
RE: **URGENT – FINAL REMINDER: DEPENDENT VERIFICATION PROJECT FOR PLAN YEAR 2007/2008**

IF YOU INSURE DEPENDENTS YOUR RESPONSE IS REQUIRED NO LATER THAN JUNE 30, 2007. FAILURE TO COMPLY WILL DISQUALIFY DEPENDENT COVERAGE EFFECTIVE JULY 1, 2007

You are receiving this letter because you have either not responded or have provided incomplete documentation to UltraLink-Secova's recent requests regarding the Dependent Eligibility Audit requiring proof of dependent eligibility.

The District has **extended the deadline** for submitting proof of dependent eligibility. You have until **June 30, 2007, 5:00 p.m.** to provide the required documentation. Failure to provide the necessary documentation will result in your dependent(s) being disqualified and dropped from your health benefits coverage effective July 1, 2007 and re-enrollment will not be allowed until the next plan year.

To meet the IRS compliance for dependency status, 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**.

To satisfy the IRS requirements as qualified eligible dependents, your spouse and all Qualifying Children up to the age of 24, must be claimed as IRS taxable dependents on 2006 federal income tax returns.

You are required to submit a copy of your **2006 Federal Income Tax Return (form 1040)**. **Please do not provide any supplemental tax records, only the first page and the signature page is required.**

For individuals who have filed their **1040 tax return electronically**, we will **accept a copy of "efile Copy Do Not Mail" stamped on the first and last page**, a signature above the stamp is not required. In addition, you are required to sign off the certification statement (known as cover sheet) which UltraLink-Secova has customized for you (mailed on May 11, 2007) to certify that the submitted evidence is true, accurate and complete for benefit purposes. **You may strike through/obliterate the financial information and submit only the last 4 digits of the SSN (i.e. ID xx-xx-1234) for identification purposes.**

PLEASE NOTE: If you did not claim your taxable dependent child(ren) on the 2006 federal income tax returns, you must provide a **notarized statement** certifying that your eligible dependents meet the IRS definition of a **Qualifying Child**. This means you provide more than half of the child's support for the year and you have custodial rights. Please note children between the

ages of 19 and 24 must also be full-time students. Effective January 1, 2008 if you wish to enroll them for dependent coverage, you are required to claim all IRS Qualifying Child(ren) and/or Spouses on your federal income tax return.

According to the IRS, if the dependent is not a tax qualified dependent, the employee must pay their portion of the contributions after tax and the District's contribution towards the monthly premium equivalent should be counted as imputed income to the employee.

If you are divorced and 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.

In lieu of the tax form noted above, the Plan will accept the following documents as proofs of legal dependent status for spouses: [2006 property tax records](#) that show co-ownership or [current rental agreement](#) that clearly defines the relationship of the two individuals.

TO REQUEST AN EXTENSION DUE TO LATE INCOME TAX FILING: Employees who delay filing income taxes must submit a copy of the [2006 Application for Automatic Extension of Time to File U.S. Individual Income Tax Return \(Form 4868\)](#) to UltraLink-Secova no later than the deadline of **June 30, 2007** to request an extension. The extended deadline is **August 15, 2007**. **Failure to provide the required documentation by the deadline will disqualify the dependent for coverage retroactively.**

Thereafter, dependents age 19 and older will be notified 60 days prior to the birth month to comply with the verification process. Failure to comply will result in termination of coverage on the last day of the birth month and re-enrollment will not be allowed until the next plan year. In addition, employees may be responsible for any employer contributions to and benefits paid by the plan for ineligible coverage. **You will be notified by UltraLink-Secova for the required information.**

If you have any questions, please contact UltraLink-Secova at: [866-208-3204](tel:866-208-3204) (Mon–Fri 5:00 a.m. - 6:00 p.m. PST), Fax: [714-428-8370](tel:714-428-8370) or via email: Foothill.DeAnza@ultralink.com. Mailing address: UltraLink-Secova, P. O. Box 5080, Costa Mesa, CA 92628-9968

When submitting your documents to UltraLink-Secova by fax, be sure to keep a copy of the fax transmission confirmation as proof that your paperwork has been submitted. To request a confirmation that UltraLink-Secova has received your documentation via fax, please allow up to 48-72 hours to request a response by email to: Foothill.DeAnza@ultralink.com.

IMPORTANT: DO NOT SUBMIT ANY DOCUMENTS TO THE DISTRICT. YOU MUST SUBMIT ALL THE REQUIRED DOCUMENTS TO ULTRALINK SECOVA NO LATER THAN JUNE 30, 2007.

Thank you for your immediate attention.