DATE: **January 5, 2012**

TO: **All Members of the**
Oregon Educators Benefit Board (OEBB) Benefits Program

FROM: **Denise L. Hall, Deputy Administrator**
Oregon Educators Benefit Board

SUBJECT: **OEBB Dependent Eligibility Verification Review and Audit**

The purpose of this e-mail is to advise you of an important step the Oregon Educators Benefit Board (OEBB) is taking to help ensure only qualifying family members are enrolled in OEBB benefits. Covering ineligible dependents is a very serious issue that can affect whether premiums for medical, dental and vision coverage can be paid on a pre-tax basis and the total cost of your health care and other benefits — it increases costs for members and educational entities.

Beginning this month, OEBB will be asking a random sample of educational entity employees, early retirees and COBRA participants to provide copies of documents showing individuals covered as a dependent on their medical plan meet the OEBB eligibility requirements. Dependent eligibility verification processes have become common practice among employers and plan sponsors. OEBB believes it is an important aspect of our commitment to fiscal responsibility that we do everything possible to make sure ineligible dependents are not covered on the OEBB benefit plans. OEBB will be assisted by Towers Watson, a global professional services firm that specializes in dependent eligibility verification. Working with a third party assures the confidentiality of the verification process.

During the verification period, a random sample of 4,000 active employees, early retirees and COBRA participants who cover one or more dependents (spouse, domestic partner and/or children) on an OEBB medical plan will receive a letter requesting copies of documents — such as birth certificates or a marriage certificate — verifying that their dependents are eligible for OEBB benefits. This letter will include detailed instructions on who can be covered as an eligible dependent, what types of documentation are required to verify eligibility, how and where to provide copies through an easy online process, or by mail or fax, as well as related deadlines.

If you are selected as one of the 4,000 individuals included in this audit group, you will receive a letter the week of January 9, 2012, letting you know that you have been selected. You will also receive a Verification Packet with detailed instructions the following week (the week of January 16, 2012). Failure to provide documentation verifying a dependent's eligibility, or if a dependent is deemed ineligible during the review, will result in termination of all OEBB coverages for that dependent.

If you have any questions about the process, timing and deadlines, you can contact OEBB Member Services by phone at 888-469-6322 or by e-mail at: oebb.benefits@state.or.us. If you want to learn about who qualifies as an eligible dependent (spouse, domestic partner, and/or child), you can find that information at: www.oregon.gov/OHA/OEBB/DEVreq.shtml.

If you are one of the 4,000 selected to participate in this review, thank you in advance for cooperating with this important initiative to assure the integrity of the OEBB benefits program and to help reduce unnecessary costs for all participating OEBB educational entities and OEBB members.

Sincerely,

Denise L. Hall

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