

April 6, 2011

Department of Personnel
& Administration
Human Resources



Benefits Communiqué

**From the Employee Benefits Team – Division of Human Resources, DPA
For the State's Benefits, Payroll and HR Personnel**

Pending New Hire Transactions

As of April 1, 2011, all NEW HIRE benefits elections will pend in the Benefits Administration System (BAS), to be reviewed and approved by the Employee Benefits Unit (EBU) of the Division of Human Resources, DPA. If dependents are added to coverage, EBU will review the necessary eligibility documentation before approving elections.

Employee Benefits recognizes that pending these elections is an additional step in the new hire benefits election process, and will require extra work. Yet, we are not asking benefit administrators to take on this extra work, as EBU will take on the task of reviewing these elections and documents, and ultimately approving these elections.

This change in process comes about due to the dependent eligibility verification that will begin this month. The verification itself was in response to a recent audit of Employee Benefits by the State Auditor. Conducting a verification of the eligibility of dependents is a good business practice, ensuring that the dollars spent on premiums by the State and employees is spent only on eligible dependents. Yet, the verification process is only the start of what should be an on-going process to maintain integrity in the system.

Prior to the start of the verification, DPA has provided HMS Employer Solutions, the company contracted to conduct the dependent verification, a census of State employees and their covered dependents. The census will allow HMS to request the necessary dependent documentation from employees. Employees hired after the census was provided will sit outside of the HMS process, but will still need to provide the necessary documentation. To ensure they are not missed in the process, new hire elections will pend in the BAS and the EBU will approve these transactions.

New hires will be required to make their benefit elections *and* provide documentation for dependents to Employee Benefits within the 31-day new hire enrollment period. A new hire enrollment is not complete until the necessary documentation for dependents is provided. The documentation can be given to EBU in one of three ways.

- **Administrator Loads into BAS** – Employee provides documents to a benefit administrator who loads these into the employee's record in the BAS. The administrator must send EBU a case, via the BAS, to inform us that the documentation has been added to the record. *Preferred method.*
- **E-mail** – Employees can send their documentation to EBU at benefits@state.co.us.
- **Fax** – Employees can fax their documentation to EBU at 303-866-3879.

Employee Benefits will copy department administrators on communication to employees requesting documentation (or provide information regarding such communication if done by means other than e-mail). Benefit administrators are asked to continue communicating the requirement for documentation and to assist employees in getting the documentation to the EBU.

The dependent eligibility verification will conclude in a few months, but it is important not to lose the accuracy it will bring. Changing the process for new hire transactions is one of the ways to continue better oversight of dependent eligibility.

Please let us know any questions or comments you have about this Communiqué or anything else regarding Employee Benefits. Send them to benefits@state.co.us.

The Employee Benefits Unit, DHR, DPA