

## Ineligible Dependent Amnesty

Health Service System (HSS) rules prescribe a financial penalty for members who have ineligible dependents enrolled on their health plans. During 2010 Open Enrollment, members were given an opportunity to take advantage of an ineligible dependent amnesty. This amnesty allowed members to drop ineligible dependents during Open Enrollment without penalty. The amnesty was communicated to members in numerous ways:

- Benefits Guides
- Open Enrollment Packet Insert
- Payroll Stuffer
- myhss.org Website
- Multiple eNews Announcements
- Flyers at Open Enrollment Events
- Phone and In-person Interactions with Benefits Analysts
- Outreach to Unions and Associations

The amnesty program set several goals. First, because eligibility requirements have not been consistently audited or enforced in the past, HSS needed to raise awareness among the membership about dependent eligibility requirements. Second, the amnesty alerted members that there would be requests from HSS for eligibility documentation in the coming year. Finally, a successful voluntary amnesty would result in cost savings for the City's employers and HSS members.

The following data regarding member dependents who were dropped during the amnesty period indicates that the 2010 Ineligible Dependent Amnesty program was a success. Dependents dropped from medical plans during Open Enrollment 2010 will result in a savings of \$193,957.44 per month, or \$2,327,489.28 per year, at 2010 rates. HSS also anticipates lower utilization costs for dental and vision plans due to the number of dependents dropped.

# Health Service System

CITY & COUNTY OF SAN FRANCISCO

## INELIGIBLE DEPENDENT AMNESTY

OPEN ENROLLMENT 2010

### Medical Plans: Number of Dependents Dropped

	SFCCD	SFUSD	CCSF	Retiree	Total
Blue Shield	26	76	695	66	863
City Plan	1	5	45	35	86
Kaiser	16	56	271	42	385
<b>Total</b>	43	137	1,011	143	1,334

### Medical Plans: Number of Members Who Dropped Dependents

	SFCCD	SFUSD	CCSF	Retiree	Total
Blue Shield	22	58	502	54	636
City Plan	1	4	34	35	74
Kaiser	13	41	214	38	306
<b>Total</b>	36	103	750	127	1,016

### Medical Plans: Dependent Types Dropped

	SFCCD	SFUSD	CCSF	Retiree	Total
Spouse	13	55	341	63	472
Daughter	16	42	272	38	368
Son	11	28	286	25	350
Step-Child	0	3	29	0	32
Domestic Partner	3	7	43	11	64
Domestic Partner Daughter	0	0	1	1	2
Domestic Partner Son	0	0	2	1	3
Ex-Domestic Partner	0	0	2	1	3
Ex-Spouse	0	0	12	1	13
Other-IRS Declared	0	0	18	1	19
Legal Guardianship	0	2	5	1	8
<b>Total</b>	43	137	1,011	143	1,334

### Dental Plans: Number of Dependents Dropped

	SFCCD	SFUSD	CCSF	Retiree	Total
Delta Dental			709	180	889
DeltaCare USA			20	20	40
Pacific Union Dental			13	9	22
<b>Total</b>			742	209	951

### Dental Plans: Number of Members Who Dropped Dependents

	SFCCD	SFUSD	CCSF	Retiree	Total
Delta Dental			560	153	713
DeltaCare USA			18	19	37
Pacific Union Dental			10	9	19
<b>Total</b>			588	181	769

### Dental Plans: Dependent Types Dropped

	SFCCD	SFUSD	CCSF	Retiree	Total
Spouse			234	121	355
Daughter			190	43	233
Son			209	30	239
Step-Child			29	0	29
Domestic Partner			40	10	50
Domestic Partner Daughter			1	1	2
Domestic Partner Son			0	1	2
Ex-Domestic Partner			3	0	3
Ex-Spouse			16	1	17
Other-IRS Declared			15	1	16
Legal Guardianship			5	1	6
<b>Total</b>			742	209	951

The Health Service System does not administer dental plans for SFCCD and SFUSD.

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INELIGIBLE DEPENDENT AMNESTY

OPEN ENROLLMENT 2010

## Medical Plans: Estimated Employer Contribution Savings

SFCCD	\$5,431.60
SFUSD	\$30,733.98
CCSF	\$144,575.52
Retirees	\$13,216.34
<b>Total Monthly Cost Reduction</b>	<b>\$193,957.44</b>

Medical plan savings calculations were based on the number of dropped dependents, multiplied by the employer premium contribution, per 2010-2011 per capita rates as governed by employer MOUs and the City Charter for the various member types. Annual savings are estimated to total **\$2,327,489.28**.

## Dental & Vision Plans: Anticipated Savings From Decreased Utilization

Because dental plan rates are set per family, cost savings from dropped dependents is expected to result from a decreased in utilization. In addition, the Delta Dental PPO plans for active City employees and retirees is self-insured. So it is possible lower utilization may assist with stabilizing employer and member premium contribution rates in the future.

In addition to the medical and dental savings noted, there will also be some savings resulting from fewer dependent participants in the VSP vision plan.