XXX Welfare Fund
Dependent Social Security Requirement
Policy and Procedure

Background:

Medicare Exchange Requirement for Dependent Social Security Numbers

Generally, a group health plan's insurer or third-party administrator ("TPA") must report Social Security numbers ("SSNs") for all "active covered individuals." The Centers for Medicare and Medicaid Services ("CMS") defines "active covered individuals" as:

- All individuals covered in a Group Health Plan ("GHP") age 45 through 64 who have coverage based on their own or a family member's current employment status.
- All individuals covered in a GHP age 65 and older who have coverage based upon their own or a spouse's current employment status.
- All individuals covered in a GHP who have been receiving kidney dialysis or who have received a kidney transplant, regardless of their own or a family member's current employment status.
- All individuals covered in a GHP who are under age 45, are known to be entitled to Medicare, and have coverage in the plan based on their own or a family member's current employment status. When reporting on these individuals under age 45, you must submit their Health Insurance Claim Number ("HICN").

GHP User Guide § 6.1.2. Individuals under age 45 may fall within the last two categories. If that is the case, then a group health plan's insurer or TPA (or in the case of a self-insured and self-administered plan, the plan administrator or fiduciary) will need to report SSNs or HICNs for those individuals

New Requirement:

With an increased need for coordination of health care benefits between Medicare, GHPs, and insurers in order to determine the primary payer, CMS requires submission of Social Security numbers for certain dependents.

Approved Fund Rule effective XXX:

- Fund requires SSN from all participants. This includes the employee, spouse and dependents.

- Failure to supply the required information will result in:

    1. Non-enrollment of newly eligible participants and dependents; or
    2. For currently eligible participants, suspension of benefits until the required information is provided.

    Benefit suspension is for participant, spouse, and dependents for non-compliance.

Approved Administrative Procedures

For currently eligible participants without all dependent SSNs:

- Conduct an initial mailing to all current participants without dependent SSN on file, requesting the information and requiring a response within 30 days.

- Failure to respond within 30 days results in a second notice requiring a response within 15 days. The second notice will be sent via certified mail.

- Failure to respond to the second letter within 15 days will result in benefit suspension for participant, spouse, and dependents. The participant will receive a notice of suspension.

- If the participant provides the required SSN after suspension, benefits eligibility will be re-instated upon receipt. There will be no retroactive coverage. The participant will receive a notice of reinstatement.

For newly eligibles:

- Dependent SSN requirement rule noted in initial enrollment materials.

    - Newborn and Alien rule. The Fund requires submission of a Social Security number within six months for a newborn or alien. Pending application for the SSN, the participant must provide a birth certificate or the Alien Registration number for aliens.

    - If the participant faces delays out of his/her control in obtaining a social security number, he/she will have to appeal to the Board of Trustees to accept other documentation until an SSN is obtained.

- Returned enrollment forms that do not include dependent SS numbers will be returned with a letter that states "*you must include all dependent social security numbers in order to have benefits implemented.*"

- If the dependent SSN is provided within 60 days of the request, eligibility will be effective on the original date of coverage. After 60 days, eligibility will begin upon receipt of the required information.

- Annual communications will include a For Your Benefit article explaining that Social Security numbers are needed for all dependents and include an enrollment form to cut out, complete, and mail. The enrollment form will also be made available on the Fund's Web site.