



Dependent Eligibility Verification

A powerful way to protect your plan from waste.

On average, between 4% and 8% of the dependents on your plan are not eligible for coverage. With Dependent Eligibility Verification, HMS can uncover these hidden costs, delivering a typical return on investment of between 400% and 1,000%.

We ensure plans only pay fees for dependents who are eligible for coverage.

HMS handles verifications with sensitivity, ensuring employees understand exactly why a dependent may be ineligible, and explaining the process every step of the way. We're experienced. We have reviewed more than 5.6 million dependents and have earned endorsements from the American

Hospital Association and the American Association of School Administrators.

Let's face it. Some dependents on your plan do not meet the eligibility criteria. This can be a huge financial drain. A verification will reveal the ineligible dependents which will reduce your spending and directly increase your net profitability.

Many employers now see the growing need for eligibility verification. The Employee Retirement Income Security Act and Sarbanes-Oxley both demand stringent healthcare cost control. The Affordable Care Act requires employers cover adult children up to age 26, making it increasingly important that your plan only covers those that it should.

The Dependent Eligibility Verification is a simple solution to this complex issue,

ensuring that every dependent covered is actually eligible for coverage.

Experience matters. HMS has reviewed more than 5.6 million dependents. We ensure plans only pay fees for dependents who are eligible for coverage. From the more than 1,400 Dependent Eligibility Verifications conducted by HMS, we experience an average employee response rate of 95%, with verifications completed in less than 100 days.

And the cost is affordable. In fact, the savings from a reduction of just .25% to .5% of a plan's enrolled dependents generally covers the cost.

HMS's Dependent Eligibility Verification was built with flexibility in mind. Because new dependents are added to health plans throughout the year for a number of reasons, ineligible dependents may find their way onto a plan at any time. That's why we customize the review to meet your needs and offer verification options:

- **Initial:** identifies ineligible dependents currently covered under your medical insurance plan (often coupled with a Working Spouse Provision Review

- **Ongoing:** validates the eligibility of new dependents and verifies spousal relationships. Enrollment-based verification for new hires and life events has become an industry best practice as it:

- Reduces abrasion by capturing detail when employee is in "onboarding" mode
- Can be highly automated, with many self-service features
- Minimizes the risk of paying claims for ineligible dependents
- Demonstrates transparent adherence to ERISA and Public Trust standards

All Dependent Eligibility Verification communication can be electronic, paper, or a combination of both.

A Dependent Eligibility Verification is all about results. Whether it's hospitals and health systems, oil and gas companies, food service, or any other industry, HMS has been there. And we will be there for you, helping protect your financial bottom line and making sure only eligible dependents remain on your company's plan. From small to large, regardless of the size of your work force, savings are just a decision away. Below are just a few typical examples of how this helped some of our clients.

	National Food Producer South Region	Municipality East Region	Large National Hospital System Midwest Region
Dependents Reviewed	1,118	4,595	17,048
Employee Response Rate	97.3%	96.3%	95.1%
Ineligible Dependents	7.1%	11.0%	8.5%
Found Ineligible	84	496	1,443
First Year Savings	\$328,000	\$1.7 million	\$4.3 million
First Year Savings ROI	1,235%	2,290%	3,075%

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Enterprising healthcare

HMS provides the broadest range of cost containment solutions in healthcare to help payers improve performance. Using innovative and time-tested technology and analytics, we prevent and recover improper payments related to fraud, waste, and abuse. As a result of our services, customers recoup billions of dollars every year and save billions more through the prevention of erroneous payments.