

September 29, 2014

The Honorable Nikki R. Haley
Office of the Governor
1205 Pendleton STREET
Columbia, SC 29201

Re: PEBA Insurance Audit

Dear Governor Haley,

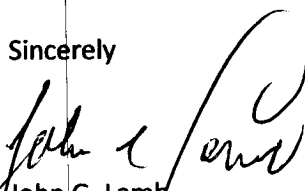
I am employed by a Political Subdivision of the State of South Carolina and as such have insurance through the SC Blue Cross Employee Health insurance plan. I recently received a letter (copy enclosed) from them advising me of an internal audit they are performing to identify ineligible persons receiving benefits under this insurance program. I completely understand the need for accuracy, cost containment and accountability by both the State and the recipients of this program. What I do not understand or appreciate is the tone of the letter which basically says I am guilty and must PROVE my innocence.

I find this request (actually it is a requirement because failure to do so will result in the cancellation of the policy) for information overreaching, intrusive, heavy handed and insensitive. I am personally insulted and incensed by it. It gives the appearance of the Government saying do as I say do or else, just because the employee has no recourse. What can I do? Not submit and have the insurance canceled? That is what PEBA wants. Did the State not learn anything from last fiasco of computer hacking that cost us taxpayers millions of dollars in identity theft protection? There is no such thing as a secure sight.

Would it not be easier, safer and more employee friendly to have the local HR office of each participating group to perform this audit through some sort of less intrusive and demeaning manner and then certify each employee's compliance/eligibility to PEBA?

This is a prime example of Government run amok and of why ordinary citizens do not trust it. I am beginning to reach the point where I can be added to that list.

Sincerely


John G. Lamb
428 Mt. Vernon Road
Troy, SC 29848
864-227-1580

Lamb, John 7023650 5036064

South Carolina
PUBLIC EMPLOYEE BENEFIT AUTHORITY

PEBA

Peggy G. Boykin, CPA
Executive Director
Insurance Benefits

JOHN G LAMB
428 MT VERNON ROAD
TROY, SC 29848

Date: September 23, 2014
BIN: 33011282
Group ID: 7240800

Dear Subscriber:

Your employer-sponsored insurance is a valuable benefit but also a costly one. It becomes more costly to you and your employer when ineligible dependents are covered. Therefore, PEBA Insurance Benefits is conducting an audit to verify eligibility of covered dependents.

This audit requires you to provide proof that each dependent is eligible for insurance through PEBA Insurance Benefits. Failing to do so will result in removal of dependents from coverage.

Enclosed is a list of all individuals for whom verification information is requested, as well as a list of acceptable documents. **Please submit documentation to support each person no later than November 22, 2014.** If you cannot send supporting documents for one or more people on your coverage and wish to remove them from your coverage, please initial the appropriate space next to the person's name. **If PEBA Insurance Benefits does not receive documentation by the above date, the dependent will be removed from coverage December 01, 2014.**

PEBA Insurance Benefits is located on a secure floor. Like all sensitive documents PEBA Insurance Benefits receives, your response to this audit will be imaged as part of your file and the documents destroyed. **Do not send original documents. Please send photocopies only. PEBA Insurance Benefits will not be able to return any documentation.**

For further information, please read the Dependent Eligibility Audit section on our website, www.eip.sc.gov/audit. If you have any questions, please call us at 803-734-0678 (Greater Columbia area) or at 888-260-9430 (toll-free outside the Columbia area).

Sincerely,

PEBA Insurance Benefits

Continued →

VERIFY

Street Address:
202 Arbor Lake Drive
Columbia, South Carolina 29223

www.eip.sc.gov
803-734-0678 (Greater Columbia area)
888-260-9430 (toll-free outside Columbia area)

REV06/11
Mailing Address:
Post Office Box 11661
Columbia, South Carolina 29211-1661

Dependent Verification Form

JOHN G LAMB
33011282

Group: 7240800

According to our records, as of September 23, 2014, the following spouse and/or children are included on your coverage with the PEBA Insurance Benefits. **You are required to submit documentation verifying eligibility for each person listed below. If you fail to do so, your spouse and/or children will be removed from your coverage on December 01, 2014.**

Use the enclosed Documentation Worksheet to determine what you must submit to verify the eligibility of each person listed below. If any person below cannot be verified, and should be removed from your coverage, initial the appropriate line. All verification should be received by PEBA Insurance Benefits no later than November 22, 2014. Include this form with your response.

Name	Verification Enclosed Yes / No	Initial to Remove Ineligible Spouse/Child _____
JULIA LAMB		

I have enclosed the requested verification for my eligible spouse and/or children as shown above. I understand that any documentation submitted may be verified by contacting the appropriate source (including the Internal Revenue Service). I am requesting that PEBA Insurance Benefits remove any ineligible person I have marked above. I understand if any person above is not verified, he will be removed from my coverage. I further understand that ineligible dependents removed as a result of this audit cannot re-enroll in any PEBA Insurance Benefits coverage.

Sign

Date

Return in the enclosed envelope to:

PEBA Insurance Benefits
Attn: Dependent Audit
PO Box 11661
Columbia, SC 29211-1661

To check the audit status of your dependents, please wait seven business days from the day you mail your documentation, then go to MyBenefits and select "Review Benefits" from the dropdown menu. There is a field next to each dependent for audit status.

VERIFY

REV06/11

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Mailing Address:
Post Office Box 11661
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Documentation Worksheet

This is a list of acceptable documentation to prove the relationship of your covered family members in response to the dependent eligibility audit. If you need information on how to obtain any of the documents, please read the Frequently Asked Questions section of our website www.eip.sc.gov/audit. **Please be sure to submit photocopies of your documentation. PEBA Insurance Benefits scans the submitted documents and destroys them at the end of the process.** Please do not use a highlighter on submitted documents. Highlighted items appear blacked out when they are scanned.

Where to find documentation:

If you do not have the required documentation, you may have to pay a fee to receive one from the governmental agency that has the original. We encourage you to request your documentation as soon as possible since this process may take several weeks and many agencies increase fees for expedited delivery.

- Federal tax return: www.irs.gov (Under "Tools" click on the link for "Get Transcript of Your Tax Records")
- Marriage license/birth certificate: <http://www.cdc.gov/nchs/w2w.htm>
- Birth certificate (for children born in SC):
www.scdhec.gov/administration/vr/index.htm.

Legal Spouse:

- 1) Marriage license and page 1 of your current federal tax return. If married filing separately, submit page 1 of both federal tax returns. To protect your privacy, please black out all financial information.
- 2) Marriage license and a notarized copy of the Continuing Marriage Affidavit.
- 3) If not married long enough to file a joint tax return, a photocopy of your marriage license.

Former or Separated Spouse:

- 1) Photocopy of divorce decree ordering the subscriber to cover the former spouse. If separated, a copy of the separation agreement or legal document indicating a divorce is in progress.

Common Law Spouse (provide both):

- 1) One of the following to prove that you and your spouse live at the same residence (submit one for yourself and one for your spouse):
 - Lease or mortgage
 - Auto registration
 - Drivers license
 - Pay stub (with your address listed)
 - Utility bill
 - Current tax return
- 2) **PLUS** one proof of current financial interdependency:
 - Joint ownership of your home
 - Joint lease/rental agreement

- Joint homeowner/renters insurance policy*
- Joint bank account statement* or a voided check
- Joint credit card statement*

*Account numbers and account balances may be blacked out.

NOTE: If you have not already submitted a signed, notarized Common Law Marriage Affidavit, you should do so at this time.

Natural Child:

- 1) A copy of a birth certificate (long form¹) showing the subscriber as the parent.

Step Child:

- 1) A copy of the birth certificate showing the name of the natural parent (long form¹), **plus** proof that the natural parent and the subscriber are married (see Legal Spouse/Common Law Spouse requirement above).

Adopted Child:

- 1) A copy of a birth certificate (long form¹) showing the subscriber as parent or
- 2) Court documentation verifying completed adoption or
- 3) A letter of placement from an adoption agency, an attorney or the S.C. Department of Social Services, verifying the adoption is in progress.

Foster Child:

- 1) A court order or other legal document placing the child with the subscriber, who is a licensed foster parent.

Other Children:

- 1) For all other children for whom a subscriber has legal custody, a court order or other legal document granting custody of the child to the subscriber. Documentation must verify the subscriber has guardianship responsibility for child, not merely financial responsibility.

Incapacitated Child:

- 1) Proof of incapacitation was established at time of enrollment. See the appropriate child type (natural, step, foster or other) in the list above for acceptable proof of relationship. If you have not submitted a copy of page 1 of your federal tax return in the last year, you must do so at this time to demonstrate that the child is principally dependent on you, the subscriber, for support and maintenance. If your incapacitated child is employed, you must also submit a copy of page 1 of his federal tax return.

¹ If your child's birth certificate does not include the parent's names, it is the short form and will not be accepted. To obtain a long form, see your local S.C. Department of Health and Environmental Control office. You may also request this information by mail. See www.scdhec.gov/administration/vr/index.htm for instructions.