

PROPOSAL PREPARED FOR

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Dependent Eligibility  
Verification

Date

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Prepared by

## WHY TASC

### It started with a desire to help a friend.

Total Administrative Services Corporation (TASC) was founded on a simple belief: regular people should be able to receive the same tax advantages as large corporations.

In the process, we brought simplicity to one of the most complicated systems in the world: the US tax code. The solution worked so well, we continued to invent products that transformed the lives of farmers and other entrepreneurs, their families, and their communities. And we're still in the life-changing business for employers of all sizes, in all markets, today.

After more than 45 years in the benefit administration industry, our conviction is stronger than ever. We've discovered a new way to remove complexity, a new way to help Americans pay less tax and invest more in their health and prosperity.

We are committed to understanding our clients' needs and ambitions and will configure a solution, whether they have one employee or one million. Because when Americans have more money to spend, when they invest in their health, when they have the tools to support their families, when they give back to their communities, when they save and grow, **we all benefit.**

3 in 5

employers say  
managing benefits  
is increasingly  
complex <sup>1</sup>

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### TASC at a glance:

- » **72,000 clients** across the United States
- » **\$2.7 billion** in funds handled each year
- » **\$30 billion** saved in taxes by TASC clients and participants
- » **\$1.6 million** donated to charity by TASC and its employees in last year
- » **94% of clients** feel their customer service representative handled their call with courtesy and professionalism

<sup>1</sup> Guardian Workplace Benefits Study – 5<sup>th</sup> Annual; May 2018

## TASC DEPENDENT ELIGIBILITY VERIFICATION OVERVIEW

Ineligible dependents cost businesses millions of dollars in annual health plan expenses. Rather than implementing cost-cutting measures like reducing benefits or increasing copays, Dependent Eligibility Verification identifies individuals who are not eligible to participate in a company's benefit plan. Dependent verification is a best practice in employee benefits for employers of all sizes.

Public and Private employer plan fiduciaries face challenges of scrutiny under federal laws such as ERISA, COBRA and the Sarbanes-Oxley Act of 2002 (SOX). It is an employer's fiduciary responsibility to ensure that the health plan covers only those eligible under the plan. A dependent audit helps to show employers are taking the necessary steps to ensure compliance.

**What is Dependent Eligibility Verification?** Simply put, it's a review of employees' covered dependents on an organization's benefit plan to make sure they are eligible. The audit requires employees to provide necessary supporting documents (i.e. birth certificate, marriage certificate, adoption paperwork, etc.) to confirm the dependents they've enrolled are indeed eligible for coverage.

**Why should a company perform a Dependent Eligibility Verification?** The main reason is to reduce healthcare costs. Ineligible dependents covered on an organization's benefit plan can cost a company more in premiums and potential claims throughout the year.

### ADMINISTRATION SERVICES

TASC offers years of experience supported by industry, governmental, and compliance experts to ensure all aspects of compliance for your employee benefits plans:

- ✓ Customizable employer announcement letter to employees
- ✓ Employer "Getting Started" Guide
- ✓ Up to three (3) letters to participants soliciting verification information
- ✓ Toll-free direct phone line to Dependent Eligibility Verification Specialist
- ✓ Notification reports indicating verified eligible, verified ineligible, and nonresponders
- ✓ Continuous, ongoing monthly verification of newly eligible plan participants; those adding dependents
- ✓ Spouse Verification (optional)

## DEPENDENT ELIGIBILITY VERIFICATION PRICING

<b>Total # of Employees in Group Health Plan:</b>	
<b>Start Date:</b>	

<b>Set-Up Fee (one-time charge)</b>	<b>\$</b>								
Based on total number of employees participating in Group Health Plan benefit.									
<b>Administration Fee (per year)</b>	<b>\$</b>								
<ul style="list-style-type: none"> <li>• Based on the total number of employees on your group health plan or minimum group size fee.</li> <li>• Minimum fee applies based upon employer size</li> <li>• Set-up and Administration fees are due with the TASC USA contract and Purchaser Details form.</li> </ul> <p><i>Includes:</i></p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Customized announcement letter</td> <td><input checked="" type="checkbox"/> Employer reports</td> </tr> <tr> <td><input checked="" type="checkbox"/> Getting Started Guide</td> <td><input checked="" type="checkbox"/> Toll free direct line to Specialists</td> </tr> <tr> <td><input checked="" type="checkbox"/> Up to three (3) letters to employee participants in plan</td> <td></td> </tr> <tr> <td><input checked="" type="checkbox"/> Spouse Verification (optional)</td> <td></td> </tr> </table>		<input checked="" type="checkbox"/> Customized announcement letter	<input checked="" type="checkbox"/> Employer reports	<input checked="" type="checkbox"/> Getting Started Guide	<input checked="" type="checkbox"/> Toll free direct line to Specialists	<input checked="" type="checkbox"/> Up to three (3) letters to employee participants in plan		<input checked="" type="checkbox"/> Spouse Verification (optional)	
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<b>Optional Spouse Verification</b>	<b>\$5.00/per audited employee</b>								
<p><i>Includes:</i></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Up to three (3) letters to employee participants</li> <li><input checked="" type="checkbox"/> Verify if spouse is covered through spouse's employer (fee is charged across all audited employees)</li> <li><input checked="" type="checkbox"/> Employer report</li> </ul>									

### TERMS

Plan Applications must be submitted with full payment of all applicable fees listed above.

### GUARANTEES

The pricing presented in this proposal is guaranteed for 90 days.

*Any and all information in this TASC proposal is confidential and can be used for the sole purpose of placing a client with TASC. Any disclosure of this information to any other third party is a breach of the TASC Provider Agreement(s) and will cause losses to TASC. TASC will immediately terminate any agreement with any person who discloses the information to an unauthorized third person and seek immediate reimbursement for any loss attributable to the disclosure.*