

DEPENDENT AUDIT FAQs

Why is the Alcoa Plan conducting a dependent audit?

We perform these audits from time-to-time to confirm that only eligible dependents are covered by our benefit programs. It's no secret that health care costs in the U.S. continue to rise. As such, it is prudent for us to perform this type of audit since high health care costs impact us all.

Which dependents are eligible for coverage under an Alcoa plan?

- Your legal spouse or domestic partner of the same or opposite gender.
- Your children under age 26.
- Your unmarried child over age 26 who is not capable of self-support due to a physical or mental disability that occurred before age 26, whose disability is continuous, and who is principally supported by you.

"Principally supported by you" means that the child is dependent on you for more than one-half of his or her support, as defined by the U.S. Internal Revenue Code; **and** was reported as a dependent on your most recent federal income tax return.

For purposes of the plans, children include:

- your biological children;
- legally adopted children;
- stepchildren;
- the children of a certified domestic partner;
- a child for whom you are the legal guardian;
- a grandchild, defined as any child born to your son or daughter while he or she is covered under the plan; provided they are principally supported by you as defined above; and
- eligible children for whom coverage by the employee is required by a Qualified Medical Child Support Order (QMCSO) or a National Medical Support Notice (NMSN)

I am an active employee, which dependents must I verify?

All active employees who cover a spouse or domestic partner in Alcoa's health plans must provide documentation to verify the eligibility of their spouse or domestic partner.

I am a retiree, which dependents must I verify?

Retirees who cover dependents—spouse and/or children—in Alcoa's health plans must provide documentation to verify the eligibility of all of their dependents.

What documents do I need to prove eligibility?

A legal document that shows your relationship to the eligible person is required. This could include a marriage certificate, birth certificate, an adoption certificate or documentation that

proves legal adoption placement. Additional documentation may also be required. The specific documents required are listed in the information you received.

Why are you requesting additional supporting documentation (e.g., proof of joint ownership) to verify my spouse?

The government-issued marriage certificate only confirms the relationship existed at a point in time. The additional supporting documentation ensures the relationship is still current and on-going. For example, the Plan does not recognize ex-spouses and there would be no way to definitively identify ex-spouses without the supporting documentation.

Why are you requesting additional supporting documentation (e.g., tax return) to verify my dependent child who is over age 26?

As noted above, a child over age 26 is only considered an eligible dependent if they are not capable of self-support due to a continuous physical or mental disability that occurred before age 26. In addition, they must be reported as a dependent on your most recent Federal income tax return.

What will happen if I drop an ineligible dependent that I was covering in error?

Take action now to drop an ineligible dependent without penalty before the audit begins. If you drop an ineligible dependent now, no questions will be asked.

If I drop dependents, will they be eligible for continuation of coverage through COBRA?

Only dependents who lost their eligibility within the last 60 days due to a COBRA qualifying event, such as a child turning 26-years-old or a divorce, have COBRA rights. Dropping coverage for someone who was not eligible is not a COBRA qualifying event.

What will happen if I do not return the required documentation?

Your dependents will lose coverage effective June 30, 2015. Coverage would include medical, dental, vision and life insurance.

I missed the deadline to submit the audit information. What do I do now?

Reminder letters will be mailed **around May 6, 2015** to people who have not responded to the initial mailing. The requirements of the audit state that your response must be postmarked by June 1, 2015. If you did not respond to either of the mailings, your dependents may lose coverage under your group health plan if the required documents are not submitted in a timely manner.

Who can I contact for more information or help?

Call the Aon Hewitt Dependent Verification Customer Care Center toll free at 1-844-474-6628 and follow prompts for "Dependent Certification." Representatives are available between 8 a.m. and 11 p.m., Eastern Time, Monday through Friday.