

Dependent Eligibility Verification Guide

The below information has been compiled to assist you with learning more about the upcoming dependent eligibility verification and how you can prepare.

Dependent Eligibility Verification Process

The dependent eligibility verification process will launch no later than July 31, 2024. As part of this process, employees who include dependents on their benefit plans will be asked to provide proof of their dependents' eligible status with documents such as, but not limited to:

- ✓ Marriage certificate
- ✓ Birth certificate
- ✓ Adoption papers
- ✓ Court order
- ✓ Tax returns

How to Prepare

If you plan to cover dependents in 2024, you can review their eligibility for our benefit plans during the 2024 open enrollment period.

If they do not meet our definition of an eligible dependent, you can voluntarily remove ineligible dependent(s) at this time.

Why Act Now?

Termination of an ineligible dependent from coverage would not typically be a special enrollment event to allow mid-year enrollment in other group or Marketplace plans.

It's a good idea to review your dependents now as many other group or Marketplace plans have open enrollments around this time for the 2024 plan year. This will give you greater flexibility in finding coverage elsewhere if they are ineligible.

Exact Sciences Eligible Dependent Definition

When you enroll in certain coverages, you may elect to cover your eligible dependents, which may include spouses, domestic partners, and children, based on the general eligibility requirements below:

(1) Spouse Eligibility

Your spouse, eligible for coverage as a dependent under the benefit programs that provide spousal coverage, is a person to whom you are legally married in any domestic or foreign jurisdiction.

Your spouse ceases to be your spouse on the date your marriage is legally terminated by divorce or annulment, or you are legally separated from your spouse under a divorce or separate maintenance decree.

Your spouse does not include a person in another formal relationship with you, such as common law marriage, registered domestic partnership or marriage-equivalent civil union.

(2) Domestic Partner Eligibility

- A domestic partner of the same or opposite sex as you may be eligible for coverage under the benefit programs that provide for domestic partner coverage provided that you and the domestic partner:
- are at least 18 years of age and mentally competent to consent to a contract;
- have lived together for at least six (6) months prior to enrollment in the particular benefit program;
- are not legally married to anyone else nor have another domestic partner;
- are not related by marriage;
- are not related by blood closer than permitted under the marriage laws of the state in which you reside;
- have entered into the domestic partner relationship voluntarily, willingly and without reservation;

- are not married or legally separated, and if either you or your domestic partner has been a party to an action or proceeding for divorce or annulment, at least six (6) months have elapsed since the date of the judgment terminating the marriage;
- have entered into a relationship that is the functional equivalent of a marriage and which includes all of the following: (1) living together as a couple; (2) mutual support of each other; (3) mutual caring and commitment to one another; (4) mutual fidelity; (5) mutual responsibility for each other's welfare; and (6) joint responsibility for the necessities of life; and
- intend to continue the domestic partner relationship indefinitely, with the understanding that the relationship is terminable at the will of either partner.

Additionally, in order for your domestic partner to be eligible for coverage, you must complete and submit a Domestic Partner Affidavit and be able to provide all or some of the types of the following documentation, if requested:

- a designation of your domestic partner as the beneficiary for your deferred compensation, retirement, or life insurance plan;
- a designation of your domestic partner as the major recipient of estate proceeds in your last will and testament;
- a Durable Power of Attorney or Power of Attorney for Health Care;
- joint ownership of motor vehicle, joint checking or savings account or joint credit cards; or
- joint ownership of a home or lease.

(3) Child Eligibility

Your child, eligible for coverage as a dependent under the benefit programs that provide child coverage, is generally your or your spouse's:

- biological child;
- stepchild;

- legally adopted child or child you and/or your spouse is in the process of adopting (provided that proper documentation of the adoption is provided);
- child required to be covered under a qualified medical child support court order;
- foster child who has been placed with you and/or your spouse by an authorized placement agency or an order of the court; or
- child for whom you and/or your spouse are the legal guardian.

Dependent child eligibility ceases at the end of the month in which the child reaches age 26, except for a disabled child (as described below).

A disabled child of any age is eligible for coverage as a dependent under the benefit programs that provide child coverage if the child is unmarried, primarily dependent upon you and incapable of self-support due to a mental or physical disability which began prior to age 26.

Domestic Partner Children

Most children of a domestic partner will not qualify as your tax dependents, because in most cases they could be claimed as a qualifying child on their own parents' tax return.

When enrolling your domestic partner's children, it's important to note that they must meet the definition of a dependent as outlined in Internal Revenue Code Section 213 or 105, and for plans that offer health coverage, must meet the requirements for tax-free coverage under Sections 104, 105, and 106, including references to a dependent in section 152(d) .

Dual Coverage

No one may be considered a dependent of more than one employee for purposes of eligibility to participate in any benefit program offered. In addition, no individual may be covered as both an employee and as a dependent of another employee for purposes of eligibility to participate in any benefit program offered.

Frequently Asked Questions

1. How can I prepare for the dependent eligibility verification?

- Beginning with this year's open enrollment, you have the opportunity to review the dependents you plan to cover in 2024.
- If they do not meet the plan qualifications, you can voluntarily remove the ineligible dependent(s) at this time.

2. What will happen during the dependent eligibility verification?

- The Total Rewards team will be partnering with a third-party vendor to initiate a dependent eligibility verification process in 2024.
- Employees who are currently covering dependents will initially be contacted by Exact Sciences Human Resources no later than July 31, 2024.
- This will launch the process where employees will be required to provide the necessary documentation to verify all covered dependents are eligible for coverage.
- If a dependent covered by our benefit plans is deemed ineligible during the verification process, they will be terminated from the benefit plans.

3. When will this dependent eligibility verification occur?

- This process will launch in 2024, no later than July 31.

4. What documentation will be needed for the dependent eligibility verification process?

Employees covering dependents will be required to supply proof of eligible dependent status with documents such as, but not limited to:

- ✓ marriage certificate
- ✓ birth certificate
- ✓ adoption papers
- ✓ court order
- ✓ tax returns

5. What will happen if I keep an ineligible dependent in a benefit plan?

- If a dependent is deemed to be ineligible during the dependent verification process, that individual will be removed from coverage effective immediately, resulting in a mid-year loss of coverage for that individual.
- Termination of an ineligible dependent from coverage would not typically be a special enrollment event to allow mid-year enrollment in other group or Marketplace plans.
- For this reason, it is recommended that employees determine whether they have any ineligible dependents now and drop them during open enrollment, so that those individuals may seek other options for the new year.
- Below are resources for finding coverage outside of Exact Sciences benefit plans:
 - Healthcare.gov
 - Medicaid/CHIP
 - Individual Medical Insurance Plans (contact hr@exactsciences.com for additional information)

The included information provides examples of eligible dependents and possible documentation necessary to substantiate dependent eligibility. This is not intended to be fully representative of all eligible dependents or types of documentation used to verify dependent eligibility. The third-party vendor who conducts the verification process will provide greater detail when the process begins in 2024.

Except as otherwise provided in the applicable benefits booklets, certificates of coverage and other incorporated documents, your spouse, domestic partner and/or child must satisfy the eligibility requirements described in this document to participate in a particular benefit program.

This guide highlights the eligibility rules for certain benefit plans. If any statement herein, or any other communication, conflicts with the applicable plan documents, the plan documents will govern. Exact Sciences reserves the right to amend, modify or terminate its benefit plans and programs in any respect and at any time, with or without notice, and neither its benefit plans, nor your plan participation, will be considered a contract for future employment.