

Case Study

Dependent Eligibility Verification Saves \$70,000 in the First Year

Why Dependent Verification Matters More Than Ever

Rising healthcare costs and increasing regulatory scrutiny have made Dependent Eligibility Verification a critical priority for plan sponsors. Employers today are under pressure to ensure that every dollar spent on employee benefits is accurate, compliant, and cost-effective.

In this case study, we explore how a structured dependent eligibility audit helped a construction company uncover ineligible dependents, improve data accuracy, and achieve measurable savings, all while reducing administrative burden.

Client Overview

The client, a small midwestern construction organization, manages employer-sponsored health benefits for a diverse workforce. With multiple family structures and dependent types enrolled in the plan, maintaining accurate eligibility records required consistent oversight. Clarity and confidence in plan data were important to ensure **benefit cost control**, maintain **employee benefits compliance**, and minimize long-term administrative strain through a structured **dependent eligibility verification process**.

2 Phase Verification Process



61
Members Covering
Dependents



52
Spouses



102
Children

The Challenge

The organization needed to confirm that the working spouse exclusion was applied appropriately and that all enrolled dependents met plan eligibility requirements, but the process required significant coordination.

HR teams were responsible for tracking participation, following up with employees, and reviewing documentation against plan rules, creating inefficiencies and increasing the risk of covering **ineligible dependents**.

Without a structured and well-supported dependent verification process, it was difficult to ensure consistency, maintain accurate records, and identify ineligible dependents in a timely manner. This left the plan exposed to unnecessary costs and added pressure on internal teams.



The Strategy

Lumelight led a structured dependent eligibility verification process designed to bring clarity and consistency to the experience. The approach combined clear communication, defined timelines, and a centralized workflow for document collection and review. Employees were guided through the process with straightforward instructions, multiple reminders, and access to support when needed.

Behind the scenes, Lumelight **reviewed 100% of eligibility records** and compared submitted documentation against plan requirements. A call center and a variety of secure document submission channels **made it easy for employees to respond**, while **real-time reporting** gave the client visibility into progress throughout the process, on demand.

Rather than relying on manual tracking, Lumelight's dependent eligibility audit gave the client a single, consistent process that brought together communication, verification, and reporting. This made it easier to manage participation, reduce confusion, and ensure that each determination strengthened overall benefits **plan integrity**.



6.7%
Ineligible
Dependents



846.43%
Return on Investment



\$70,000
First Year Savings



\$7,000
Avg. Annual Cost
per Dependent

The Impact

The organization gained a clearer and more reliable view of **dependent eligibility** across the plan. Over 90% of dependents were verified as eligible, while a small number of **ineligible or unverified dependents** were identified and could be addressed appropriately.

The process also delivered measurable financial impact, with an estimated \$70,000 in annual healthcare cost savings and a strong return relative to the cost of the project.

Equally important, the experience became easier for the client to manage moving forward. Their HR team spent less time tracking down documentation and more time operating within a structured, scalable **dependent verification process**. Employees benefited from clearer guidance, and the organization now has a stronger foundation for maintaining ongoing **employee benefits compliance** and controlling healthcare costs over time.

