

## Q&A on Dependent Status Verification

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## ★ Implementing Dependent Status Verification

### 1. Dependent Status Verification system

Q1-1: The Health Insurance Society has already certified my family members as dependents.

Why do I need to respond to the dependent verification every year?

A: The Ministry of Health, Labour and Welfare requires health insurance societies to assess the status of dependents annually because the relationship between the insured person and a dependent can change, even though the dependent has been certified by the Health Insurance Society. Therefore, the Health Insurance Society annually reviews the current income of dependents and other specifics to confirm whether dependents continue to meet the dependent certification criteria. (Insured persons must bear all costs of obtaining certifying documents, including transportation expenses.)

<Examples of cases in which family members lose their eligibility as dependents>

- ◇ A child or spouse has joined the Health Insurance Society of his or her employer.
- ◇ Their annual income from part-time or other work exceeds the base amount for dependent certification.
- ◇ Their total annual income from pensions and other sources exceeds the base amount for dependent certification.
- ◇ Their annual business, real estate, or other income, as indicated on their final tax return, exceeds the base amount for dependent certification.
- ◇ The dependent dies.

### 2. Persons subject to Dependent Status Verification

Q2-1: Are all dependents subject to Dependent Status Verification?

A: The verification excludes the following insured persons and dependents:

\* Insured persons not sent the verification slip (email)

- Voluntarily and Continuously Insured Persons
- Those working or undergoing training overseas

\* Even if the insured person has been sent the verification slip (email), the verification excludes the following dependents, and no documents need to be submitted for them. (Please make corrections if there have been any changes in address or other registered information.)

- Dependents aged 18 or younger and dependents who are high school students
- Dependents certified within the past year

### 3. Income standards

Q3-1: What are the income standards for dependent status?

A: The income standards are given below. Records of remittance are required for dependents who live apart from the insured (i.e., in another household).

<b>Dependent's age or other condition</b>	<b>Annual income (for salary income, use total cash earnings including the transportation allowance)</b>
Under 60 years of age	Less than 1.3 million yen
60 years of age or older	Less than 1.8 million yen
Recipient of disability pension	Less than 1.8 million yen
If the insured person and the dependent live in separate households	The dependent's annual income must be less than the amount remitted from the insured person.

Q3-2: My wife teaches English at home. Her income, as shown on the income certificate, was less than 1.3 million yen. Can she remain my dependent?

A: Income for self-employed individuals is not the income indicated on the income certificate (i.e., gross revenues minus expenses allowed under tax law) but gross revenues minus direct necessary expenses, as recognized by health insurance societies. This is because the scope of income considered for dependent certification is the income available to pay for living costs. In certain cases, this means a family member may not be certified as a dependent, even if the income indicated on the income certificate is less than 1.3 million yen.

## ★ Web system for Dependent Status Verification

### 4. Web input

Q4-1: How do I access Dependent Status Verification Web system?

A: On the first day of the verification (September 3), insured persons will be sent a URL, ID, and password by email. Use this information to access the system. (During the verification period, a banner linking to Dependent Status Verification Web system and the system's URL will also appear on the Health Insurance Society Website.)

Health Insurance Society Website: <http://www.takeda-kenpo.or.jp/>

Q4-2: I have three family members subject to the verification. I have documents for two of them, but I can't confirm the income of the third at this time, so I'd like to enter that information later. Can I save the information I've already entered and complete the verification later?

A: Until the deadline for Web input (September 28), you may save the information you have entered and then answer more questions later. Contact the Health Insurance Society if you'd like to add or replace attached documents or revise your verification responses after the deadline (September 28).

Q4-3: The phone rang while I was entering my responses and interrupted my entry for a while.

Do I need to reenter all my responses?

A: To protect your personal information, the system will log you out automatically after 30 minutes. If this happens, enter the URL sent to insured persons by email to access the system once again. <See Q4-1.>

The information you already entered will be saved automatically.

## 5. Verification

Q5-1: I plan to leave my current employer during the verification period. Do I still need to answer the verification?

A: Before the dependent verification, a question will appear asking if the insured person plans to leave his or her current employer or be posted overseas. Under “Choose one of the following that best describes your current situation and click ‘Next,’” select “I plan to leave my current employer by the end of November 2018,” then enter the “Planned last date” and click “Next.” Your responses to the verification are complete at this point.

\* You do not need to submit documents verifying your dependents’ income.

\* To remove a family member from the list of dependents before the planned date to leave your current employer, submit the Notification of Loss of Eligibility as Health Insurance Dependent (<http://www.takeda-kenpo.or.jp/en/system/data/news/25/sikaku.pdf>) to the Health Insurance Society. <See **9. Removing a family member from list of dependents:** Q9-1.>

Q5-2: I’ve already submitted a Notification of Loss of Eligibility as Health Insurance Dependent for my wife and returned her health insurance card, but she is indicated as being subject to this verification. Do I need to reply to the verification?

A: Since the verification is based on enrollment data as of August 1, 2018, those who lost their eligibility thereafter are indicated as subject to the verification. Under “Is the family member subject to the verification currently a dependent under the Takeda Health Insurance Society?” on the verification, select “Already removed from list of dependents,” then click “Next.” Your responses to the verification are complete at this point.

\* You do not need to submit documents verifying your dependents’ income.

Q5-3: What happens if I don’t reply to the verification during the period Dependent Status Verification Web system is accepting verification responses?

A: The Health Insurance Society will send repeated reminder emails to those who do not respond to the verification via the Web system.

If you still fail to respond and submit the necessary documents, the health insurance card for family members subject to the verification will be invalidated, and you will be asked to return them to the Society.

## **6. Uploading documents to be submitted**

Q6-1: How do I upload documents from my computer to the Web system?

A: After you respond to dependent verification, the system will indicate the documents you need to submit for each family member. Obtain the necessary documents and convert them into digital files, like PDFs or photos. Click the “Upload Documents to Submit” button under “List of Dependent Family Members” to jump to the “List of Family Members Subject to verification” page. Select the family member’s name and click “Select File” to upload the document(s).

Q6-2: How do I upload documents from a smartphone as photos?

A: After you respond to the dependent verification, the system will indicate the documents you need to submit for each family member. Obtain the necessary documents. Click the “Upload Documents to Submit” button under “List of Dependent Family Members” to jump to the “List of Family Members Subject to Verification” page. Select the family member’s name and click “Select File” to launch the camera app, take a picture of the document. Once you photograph the document, the photo file will be uploaded automatically.

Q6-3: Are there any restrictions on file formats for documents to submit?

A: Files in the following formats can be uploaded: PDF, JPG, PNG.

Q6-4: Is the system for transmitting the uploaded files secure?

A: Uploaded files are encrypted before they are transmitted.

Q6-5: What should I do with the originals of documents I upload?

A: Keep the document originals until the end of Dependent Status Verification (the end of November). The Health Insurance Society may ask to verify them. Thereafter, you can dispose of them, if you wish.

## **7. Content entered**

Q7-1: What should I do to confirm the content I’ve entered?

A: Click the “Output List of Documents to Submit” button under “List of Dependent Family Members” to output a “Dependent Check Sheet.” Use this to confirm the dependent information, the verification responses entered, and the documents submitted for each family

member. You also can review your responses to the verification on the webpage during the period in which the Web system is available (through November 30).

Q7-2: I recently noticed a mistake in one of the documents after completing my responses to the verification and uploading the documents. How can I replace the document I submitted with a corrected version?

A: You can make as many revisions as you like until the deadline for Web input (September 28). Contact the Health Insurance Society if you'd like to add or replace attached documents or revise your verification responses after the deadline (September 28).

## **8. Family members not subject to the verification**

Q8-1: I have a child less than 18 years of age who isn't subject to the verification. The child's name is grayed out on the webpage and can't be selected. Does this mean that I don't have to do anything?

A: Click "Dependent Information" to display the registered information. Review the information and correct any errors in the address or other information. (Enter the address for the dependent's actual residence.)

## **★ Removing/maintaining the Status of Dependent family members**

### **9. Removing a family member from list of dependents**

Q9-1: My wife was unemployed when certified as a dependent, but now she has an income (of less than 1.3 million yen) from a part-time job and appears to have been issued a health insurance card by her employer. Do I need to do something to remove her from the list of dependents?

A: If her employer issued a health insurance card, you are required to submit a notification of dependent removal, regardless of her income. Under the following verification question—“If a family member subject to the verification becomes a member of another health insurance society or begins earning income exceeding the base amount, he or she must be removed from your list of dependents. Are you sure you do not need to remove the family member from your list of dependents?”— select “2. Remove the family member from list of dependents.” Under “Reason for dependent removal,” select “Employment,” then enter the “Date he or she became employed” under “Date of dependent removal” and click “Next.” Your responses to the verification are complete at this point.

\* You do not need to submit documents verifying your dependents’ income, but you must to submit a Notification of Loss of Eligibility as Health Insurance Dependent.

> To remove a family member from the list of Dependents, submit a Notification of Loss of Eligibility as Health Insurance Dependent to the Health Insurance Society by one of the following methods:

◎ If you are using HUE (the Takeda HR system), apply via HUE.

- “HUE” → “HR” → “Applications/Information Disclosure” → “Other Applications” → “Other Changes in Family Members” → “Finalize” → “Notices to Submit to Remove a Family Member from Health Insurance Society Dependents”
- Select “Reason for loss of eligibility as dependent” under “Dependent Status Verification XX.”
- Print the Notification of Loss of Eligibility as Health Insurance Dependent, affix your official seal, and send to the Health Insurance Society.

HUE: [https://mytakeda.sharepoint.com/sites/geos/Japan/HR/ja-jp/Pages/hue\\_index.aspx](https://mytakeda.sharepoint.com/sites/geos/Japan/HR/ja-jp/Pages/hue_index.aspx)

- ◎ If you are not using HUE, fill out and affix your official seal to the Notification of Loss of Eligibility as Health Insurance Dependent (for Dependent Status Verification) and send to the Health Insurance Society.

Notification of Loss of Eligibility as dependent (for Dependent Status Verification)

[http://www.takeda-kenpo.or.jp/system/data/etc/62/62\\_1.pdf](http://www.takeda-kenpo.or.jp/system/data/etc/62/62_1.pdf)

Sample of completed Notification of Loss of Eligibility as Health Insurance Dependent (for Dependent Status Verification)

[http://www.takeda-kenpo.or.jp/system/data/etc/63/63\\_1.pdf](http://www.takeda-kenpo.or.jp/system/data/etc/63/63_1.pdf)

- > The Dependent's Takeda Health Insurance Society health insurance card will no longer be valid after the date on which the dependent loses his or her dependent status.

Q9-2: My wife was unemployed, and the amount on her income certificate (last fiscal year's income) was less than 1.30 million yen. She recently began working, and we expect her income to exceed 1.30 million yen. What should we do?

A: Your wife will need to be removed from the list of dependents if you expect her income over the coming one year period to exceed the base amount. Under "If a family member subject to the verification becomes a member of another health insurance Society or begins earning income exceeding the base amount, he or she must be removed from your list of dependents. Are you sure you do not need to remove the family member from the list of dependents?" on the verification, select "2. Remove the family member from list of dependents." Under "Reason for dependent removal," select "Income exceeds base amount," then enter "December 1" under "Date of dependent removal" and click "Next." Your responses to the verification are complete at this point.

\* You do not need to submit documents verifying dependents' income, but you must submit a Notification of Loss of Eligibility as Health Insurance Dependent. Send it to the Health Insurance Society. <See Q9-1.>

Q9-3: My mother turned 65 and has begun receiving pension benefits. She has no other income. How should I estimate her projected income for the coming year?

A: The base amount of income standards for a dependent aged 60 or older is less than 1.8 million yen per year (150,000 yen per month).

If your mother's monthly pension income is less than 150,000 yen, she may remain a dependent. Submit the documents indicated on the webpage.

If your mother's monthly pension income is 150,000 yen or more, she must be removed from the list of dependents. Answer the verification as described under <Q9-2> and submit a Notification of Loss of Eligibility as Health Insurance Dependent to the Health Insurance Society. Your responses to the verification are complete at this point.

Q9-4: When responding to this Dependent Status Verification, I completed the procedures to remove a family member from my list of dependents retroactively to a past date. What consequences will this have?

A: If a dependent is removed retroactively, you will be required to refund any medical care expenses or other benefits paid by the Health Insurance Society for that family member through the date on which the dependent lost his or her dependent status. Additionally, after losing his or her dependent status, the family member will need to join National Health Insurance or apply for a change to a Category 1 insured person under the National Pension System. To complete these procedures, go to the municipal office of the municipality where the family member resides. (Use the Certificate of Loss of Eligibility issued by the Health Insurance Society to join National Health Insurance.)

## 10. Maintaining a family member's Dependent Status

Q10-1: My wife has continued to work part time, earning less than 1.3 million yen per year, since before she became a dependent. She switched employers this year, but her income remains unchanged. What should I do? Do I need to submit any documents other than the income certificate?

A: Under "If you answered 'Salary income,' choose the applicable employment conditions from below" on the verification, select "2. Left previous employer and began working for another company," enter the "First work date at current company," then click "Next."

\* The document you need to submit for the dependent in this case is the employment contract or three months' pay statements.

\* You do not need to submit these documents if the place of employment changed before certification of the family member as a dependent.

Q10-2: My wife lives with me. After she left her job last year, she became a dependent under the Takeda Health Insurance Society. She's currently unemployed, but her income exceeds the base amount because the income certificate (showing income for the previous fiscal year) includes her salary from the time she was employed. What should I do?

A: Under "If you answered 'Salary income,' choose the applicable employment conditions from below" on the verification, select "3. Left job and have no salary income," enter the "Last date," then click "Next."

\* In this case, the document you need to submit for the dependent is the income certificate.

\* If the family member left his or her job on or after the date of certification as a dependent, you must also submit a separation certificate.

Q10–3: My wife lives with me and until recently gave English conversation classes at home. She is my dependent because her income after deducting direct necessary expenses from net sales is less than 1.3 million yen. She recently closed the business, and she’s currently unemployed. What should I do?

A: Under “If you answered ‘Self-employment income,’ choose the applicable business conditions from below” on the verification, select “2. Have closed the business and have no business income,” enter the “Date of closing business,” then click “Next.”

\* In this case, the documents you need to submit are the notice of business discontinuation and income certificate.

\* You do not need to submit the notice of business discontinuation if the business was discontinued before the date of certification of the family member as a dependent.

## ★ Documents to submit

### 11. Income certificate

Q11–1: For which period should I submit the income certificate?

A: Obtain a certificate for fiscal 2018 (showing income for fiscal 2017).

Q11–2: Where do I go to obtain an income certificate? Is there someplace I can go to obtain an income certificate on a weekend or holiday?

A: You can obtain an income certificate from the municipal office (tax department) of the municipality in which you resided as of January 1 of this year. If you have an Individual Number Card of the Social Security and Tax Number System (“My Number Card”) or a Basic Residents’ Registration card, you can also obtain an income certificate at a convenience store. If you moved since January 1, go to the municipality where you lived back then. Some

municipalities provide this service by post. For more information, check the Website of your nearest municipality or contact the municipality office directly.

Q11-3: Do I need to submit an income certificate even if the dependent's income hasn't changed?

A: Yes. You are required to submit an income certificate even if the dependent's income stayed the same.

Q11-4: Can I submit a certificate of income and withholding tax instead of an income certificate?

A: A certificate of income and withholding tax shows only salary income. An income certificate is required because the Society must ascertain all annual income, including income earned from working multiple jobs and business income.

Q11-5: Can I submit a notice of residents' tax instead of an income certificate?

A: The individual residents' tax can be paid in two ways: special collection (deducted from salary) or ordinary collection (paid using a tax statement; used by those with business income and others). The Society cannot ascertain total income for persons who earn both types of income but submit only one of the forms. This is why the notice of residents' tax cannot be accepted in place of an income certificate.

Q11-6: Can I obtain an income certificate for a family member subject to the verification who has no income?

A: Yes. You are still required to submit an income certificate for family members who have no income. In such cases, some municipalities use the title "certificate of taxation (nontaxation)" instead of an income certificate.

## **12. Final income tax return**

Q12-1: I don't have a copy of my final income tax return and other documents. What should I do?

A: Obtain and submit a copy from the tax office. We apologize for any inconvenience this requirement may cause.

Q12-2: My wife is self-employed. Do I need to submit only the income certificate and final income tax return?

A: You must also submit an income statement or a profit and loss statement to verify direct necessary expenses.

## **13. Requirement for document submission and delays in submitting documents**

Q13-1: Do I need to submit all the documents specified on the webpage? What happens if I don't submit one or more of the documents?

A: You are required to submit all documents specified on the Webpage to allow the Society to evaluate dependent eligibility. If any are missing, under Article 50, Paragraph 7 of the enforcement regulations to the Health Insurance Act, your dependent's health insurance card will be invalidated and you will be asked to return the card to the Society.

Q13-2: I can't obtain a document before the deadline. Can I submit that document separately past the deadline?

A: No. Submit the documents once you have all of them. If you do not submit them by the deadline, the Health Insurance Society will send a reminder email. If the documents will be delayed significantly, indicate this in your response to the email.

## 14. Remittance records

Q14-1: I remit a monthly allowance to my mother, who is my dependent and lives apart from me.

What remittance records do I need to submit?

A: You need to submit documents indicating the remitting party, the party receiving the remittance, when the remittance was made, and the amount of the remittance.

- Remittance by bank transfer: A copy of the bank account passbook (pages showing three months' remittances and passbook cover)
- Internet remittance: Printed copy of webpage (clearly showing three months' remittances)
- \* Since the Society cannot confirm that a family member depends on your income for a living without proof of remittance, he or she will be removed from the list of dependents. If this happens and you wish to add the family member as a dependent once again, prepare the necessary documents before beginning the application procedures.
- \* Note that this means cases in which funds are handed over in cash or several months' allowance is transferred all at once (on receiving a bonus, for example) will not be recognized because they do not meet the definition of providing continuing support for the family member.

Q14-2: Do I need remittance records while on an unaccompanied job posting?

A: You do not need to submit remittance records while living apart from family members due to an unaccompanied job posting ordered by the Company.

- An unaccompanied job posting refers to the case in which either the husband or the wife is posted to a remote location due to a job transfer ordered by his or her employer.
- Note that even while you are away on an unaccompanied job posting, parents, children, or other family members living apart from your spouse will be considered to live apart from you.

- If you and your spouse live apart for personal reasons, you are considered to live separately and must submit remittance records.