



## Questions and Answers Related to Dependent Coverage Due To Changes in Federal and State Law As Well As Actions Taken By Our Health Plan

### CHANGES FROM FEDERAL LAW ON DEPENDENT COVERAGE:

**Q. What does the federal mandate require?**

A. The new federal law says that health policies that provide coverage for dependent children must offer coverage to the age of 26. When individuals turn 26, they are no longer eligible, by federal law, to be a dependent on their parents' health coverage.

**Q. When does it apply?**

A. For plan years beginning on or after Sept. 23, 2010. In other words, members will have the ability to add dependents who are under age 26 to their family policy upon annual renewals starting Sept. 23.

**Q. What products are affected?**

A. The law applies to insured individual and group products as well as self-funded products. That would include the standardized direct pay HMO and HMO/POS products and Healthy New York direct pay and group products. It does not apply to Medicaid, Family Health Plus, Child Health Plus, Medicare supplement and Medicare Advantage products.

**Q. Does an adult child need to be financially dependent upon the subscriber?**

A. No, nothing in the law requires that an adult child be financially dependent upon the subscriber. Nor does the law require that the adult child reside with the subscriber.

**Q. Can the adult child be married and still be eligible if under the age of 26?**

A. Yes, adult children who are married qualify for coverage under this provision.

**Q. Will grandchildren be covered?**

A. No.

**Q. Will an additional premium be required for coverage to age 26?**

A. No additional premium, such as a surcharge or special addition, to the family premium will be required.

**Q. Can an adult child be eligible for dependent coverage if the adult child is eligible for coverage through an employer?**

A. We are uncertain at this time because provisions of the law are unclear on that issue and regulations have not been issued yet.

**Q. Are there additional eligibility requirements?**

A. The law requires the federal Department of Health and Human Services to issue regulations further defining dependents eligible for coverage.



## **HOW THE COMBINATION OF FEDERAL AND STATE LAWS WORK WITH STATE CHANGES IMPACTING DEPENDENTS THROUGH AGE 29:**

**Q. How does the recent state law about dependents through age 29 work with the federal change?**

A. First, self funded groups are exempt from having to follow state rules, so the state law related to dependents through age 29 is only for insured groups subject to state law.

Second, dependent coverage for adult children from the ages of 26 through 29 will involve an extra cost associated from the purchase of a rider and there are eligibility rules that apply.

Groups and individual direct pay policyholders have the right to buy a “make available” rider that adds coverage to adult children from age 26 through age 29 if they are:

- Unmarried
- Ineligible for employer group coverage
- Live, work or reside in their policyholder parents’ service area.

Once individuals reach the age of 30, they are no longer eligible by state law to be dependents on their parents’ health coverage.

## **SPECIAL ACTION BEING TAKEN BY OUR HEALTH PLAN PERTAINING TO ADULT CHILDREN UNDER AGE 26:**

**Q. So what action is your health plan taking that is different from what the federal government is doing?**

A. In essence, here’s what we’re doing: If you are an adult child under the age of 26 who is currently a dependent on your parents’ health insurance policy with us, we are taking steps that will prevent you from losing that coverage between now and when the federal mandate kicks in.

**Q. Does that apply to all products?**

A. It applies to all our commercial insured products sold to groups as well as standardized direct pay HMO and HMO/POS products and Healthy New York.

**Q. What does it not apply to?**

- A. It does not apply to:
- Self-funded products,
  - Medicaid,
  - Family Health Plus,
  - Child Health Plus,
  - The Federal Employees Health Benefits Program,
  - Medicare supplement products, and
  - Medicare Advantage products.



**Q. What if I'm 23 and just got off my parents' commercial health coverage – can I get back on right now?**

A. No, but when your parents' commercial coverage renews anytime from Sept. 23 on, you will be eligible until you are age 26.

**Q. What if I am age 26 now? Can I get dependent coverage?**

A. If you meet eligibility rules and your parents have commercial coverage with a group that has purchased a rider for dependent coverage through age 29, you may qualify for coverage from age 26 through age 29 in New York State.

Under state law, health plans are also required to offer continuation of coverage to all unmarried young adults through age 29. This coverage mirrors the coverage of the insured parent but it would be in the form of a single contract that the young adult would pay for.