

Early Extension of Dependent Benefits Frequently Asked Questions

Q1. What is the reason for this extension of dependent benefits?

The newly enacted health care reform legislation states that coverage must be offered for a subscriber's or participant's children or dependents who are under the age of 26, beginning with plan years after September 23, 2010. This requirement applies to grandfathered and non-grandfathered plans. The U.S. Department of Health and Human Services has clarified in its interim final regulation that financial dependency on or residency with the subscriber or participant is not required. Additionally, there is no requirement for the dependent to be unmarried, a student, unemployed or any combination of these factors. For grandfathered group health plans, a dependent is not eligible for coverage on the subscriber's or participant's coverage if the dependent is otherwise eligible for employer-sponsored health coverage.

To provide coverage to dependents who otherwise may have faced a gap in coverage due to age, student status or other factors, we implemented this provision beginning on June 1, 2010. This enabled graduating students in May to continue coverage uninterrupted.

Q2. When will this go into effect?

Our early extension of benefits took effect on June 1, 2010, to provide coverage to dependents who otherwise may have faced a gap in coverage due to age, student status or other factors. This enabled graduating students in May to continue coverage uninterrupted. Coverage will be extended automatically for these members. Members who do not wish to maintain coverage for their dependents may disenroll the dependent.

Q3. How are eligible individuals identified? Do they need to contact customer service or will you continue their coverage automatically?

Eligible dependents currently enrolled will be identified in our computer systems by birthday. Continued coverage will be automatic, requiring members who do not wish to maintain coverage for their dependents to disenroll the dependent.

Q4. How and when will members be notified?

Employers were provided with information to distribute to their employees. We have mailed notification letters to some of our Individual members who may have received termination letters before our decision to extend this benefit early. Additionally, our Customer Service teams are equipped to answer questions members may have.

Q5. Does this apply to new applicants for coverage or only those currently enrolled?

The early extension of benefits applies to existing members only and only for those dependents who would age off their parent's coverage on June 1, 2010.

Q6. My child graduated in early May. Is he or she still eligible for the extension of benefits?

Our early extension of benefits took effect on June 1, 2010, to provide coverage to dependents who otherwise may have faced a gap in coverage due to age, student status or other factors. This enabled graduating students in May to continue coverage uninterrupted. We are working to ensure these dependents remain active on their parent's plan and if they were inadvertently terminated, they will be promptly reinstated.

Q7. I've heard the definition for dependent is changing. What does that mean?

The newly enacted health care reform legislation states that coverage must be offered for a subscriber's or participant's children or dependents who are under the age of 26. This requirement applies to grandfathered and non-grandfathered plans. The U.S. Department of Health and Human Services has clarified in its interim final regulation that financial dependency on or residency with the subscriber or participant is not required. Additionally, there is no requirement for the dependent to be unmarried, a student, unemployed or any combination of these factors. For grandfathered group health plans, a dependent is not eligible for coverage on the subscriber's or participant's coverage if the dependent is otherwise eligible for employer-sponsored health coverage.

Q8. If a member has already received a letter stating a dependent will no longer be eligible for coverage on June 1, does the member need to do anything?

In some cases letters were mailed before we decided to extend the dependent coverage benefit early. Our early extension of benefits to these dependents is intended to provide coverage for dependents who otherwise may have faced a gap in coverage. The dependent will no longer be removed from the insurance plan unless the member specifically requests that the dependent no longer be on the plan. Follow-up letters are being sent to Individual members to reinstate dependents who should not have been disenrolled. For members who receive their benefits through their employer group, the employer has been provided with information to share with you.

Q9. I have a Medicare/Medicaid plan. Does this apply to me?

Most Medicare/Medicaid plans are for a single individual only and do not include dependents, so this extension of benefits does not apply to those programs.

Q10. What happens if members do not take the proactive step of disenrolling their family members? Will they face extra charges?

Members are required to notify their health plan if there is a change in status of an individual in the family. If dependents should no longer be considered for benefits because they now have their own coverage, or they wish to discontinue coverage, members need to contact their health plan to update their information.

Q11. Is this retroactive?

No. The early extension of this benefit only applies to current members who would be affected from June 1, 2010, on. Our goal in implementing this provision of the recently enacted federal health care reform legislation early is to fill the gap in coverage for students and others between June 1, 2010, and the full implementation of the recently enacted health care reform legislation. We are working to ensure these dependents remain active on their parent's plan, and if they were inadvertently terminated, they will be promptly reinstated.

Once the full implementation of the provision takes effect beginning with plan years on or after September 23, 2010, dependents who previously aged off of their parent's plan will be eligible to re-enroll.

Q12. Does this apply to specialty business (that is, dental, vision, life, EAP, pharmacy)?

The early extension of this provision also applies to those with certain specialty coverage such as vision, dental, life and pharmacy. The early extension does not apply to Employee Assistance Programs.