

Health Care Reform:

Dependent Coverage For Children Up Until The Age of 26

Topic: Dependent Coverage For Children Up Until The Age of 26

Background: Plans that provide coverage for dependents are required to extend the coverage of dependents (adult children) to age 26, regardless of their eligibility for other insurance coverage, effective Sept. 23, 2010.

Plans must provide coverage to all eligible dependents, including those who are not enrolled in school, not dependents on their parents' tax returns, and those who are married. Your children can join or remain on your plan even if they are:

- married
- not living with you
- attending school
- not financially dependent on you
- eligible to enroll in their employer's plan

Commonly Asked Questions & Answers:

Is the spouse of the dependent or the children of the dependent covered?

No. Health reform does not require that the spouse of a dependent or the dependent of a dependent (grandchild) be covered.

If a dependent loses a job that provides coverage, is that a qualifying event to move to the parent's coverage?

Yes. This is a special enrollment under the Health Insurance Portability and Accountability Act (HIPAA) (e.g., loss of other coverage).

What is the definition of "dependent" as it applies to the Patient Protection and Affordable Care Act (the Act)?

A group health plan or insurer may base eligibility for dependent child coverage only in terms of the relationship between a child and participant, and may not deny or restrict coverage based on factors such as financial dependency, residency, student status, employment or marital status. The health reform regulations do not provide a definition of "child" for these purposes.

What to expect?

Once a dependent reaches maximum age "up to age 26", eligibility will be terminated on the last day of their dependent's birth month. A Maximum Age Letter along with a Certificate of Credible Coverage will be issued by the insurance carrier.

Resources:

HealthCare.gov Website

<http://www.healthcare.gov/law/features/choices/young-adult-coverage/index.html>

United States Department of Labor – Fact Sheet

<http://www.dol.gov/ebsa/newsroom/fsdependentcoverage.html>