Coverage Options for Over Age Dependents

Current Eligibility: You may cover your unmarried children under age 19 in the medical, dental and life insurance plans. You may cover your unmarried children age 19 to the attainment of age 25 as long as they are a full-time student in an accredited college or university.

Patient Protection and Affordable Care Act (PPACA): Effective January 1, 2011 the PPACA will allow you to cover your dependent children up to age 26 under your policy unless they have access to other employer group health coverage. The PPACA eliminates the requirement that your child be an unmarried full-time student after age 18. During annual enrollment you will be able to add any eligible dependent children under age 26 to your coverage.

Coverage Options for Over Age Dependents until January 1, 2011:

COBRA – In order to avoid forfeiture of your dependent child’s COBRA continuation rights, the deadline for informing Human Resources of your child losing eligibility is 60 days after the later of (1) the qualifying event (birth date or graduation); or (2) the date on which your dependent child would lose coverage under the terms of the Plan as a result of the qualifying event.

COBRA may be elected retroactively to the loss of coverage by paying the required premium. The cost of COBRA individual coverage under the HMO is $538.25 per month and $523.77 per month for the PPO. Contact Ken Emerson at 207-786-8271 for more information on your COBRA option.

Individual Coverage: There are also individual insurance coverage options available. More information on options available in Maine can be found in the Maine Bureau of Insurance Consumer Guide to Individual Health Insurance http://www.maine.gov/pfr/insurance/consumer/indhlth.htm .

Individual Coverage Plans are Creditable which means that as long as there is less than a 90 day break in coverage before your child is covered under an Individual Plan pre-existing conditions will be covered. If longer than a 90 day break in coverage has occurred then the plan may impose restrictions on coverage for pre-existing conditions. Plan designs and cost vary greatly under Individual Coverage plans. Generally, you could purchase a high deductible plan for a young adult at less than the cost of COBRA.

Short-term Medical Plans: Another type of medical plan options available for young adults is what is termed a Short-term Medical Plan. Short-term Medical Plans are not Creditable which means they do not cover pre-existing conditions. They are of a limited duration, generally 1 – 6 months and typically cost much less to cover a young adult than COBRA.

Keep in mind that short term plans are loaded with pre-existing condition exclusions, limitations, and caps. These plans can work for healthy individuals who understand the varying restrictions. Short term plans do not come under the same regulations and minimum requirements as group and individual plans.

More information on either Individual or Short-term Plans can be obtained from:

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