

## Extension of Dependent Benefits Frequently Asked Questions

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

Each year in June, many dependents — because of their age, student status or other factors — become ineligible for their parents' insurance policies. The recently passed health care reform legislation extended dependent coverage to age 26 for plan years beginning September 23, 2010. Our extension of benefits fills the coverage gap between June and September 23, 2010.

**Q2. Who will benefit from this extension of dependent benefits?**

Fully insured members who would have lost dependent benefits based on their birthday will now be eligible to continue benefits as a result of this action. This includes fully insured group and individual plans. We hope to also include our self-insured clients and their members.

**Q3. When will this go into effect?**

Over the next few weeks, we will notify all fully insured individuals and groups of this expansion of benefits. Continued coverage of dependents enrolled in our affiliated health plans will go into effect automatically. Members who do not wish to maintain coverage for their dependents will be required to disenroll the member.

**Q4. How will eligible individuals be identified? Do they need to contact customer service or will you continue their coverage automatically?**

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

**Q5. How and when will members be notified?**

Employers will be provided with information for their employees that they can distribute. Additionally, our Customer Service teams are equipped to answer questions our members may have.

**Q6. Will this apply to new applicants for coverage or only those currently enrolled?**

This extension of benefits applies to existing members only.

**Q7. How many young people could benefit from the extension of benefits?**

At this time we believe hundreds of thousands of our members in our affiliated health plans will benefit from this action.

**Q8. 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.



**Q9. 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.

**Q10. 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?**

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. The letters were sent out before we decided to extend dependent coverage earlier than the implementation date required by the health care reform legislation.

**Q11. Why are insurers implementing this benefit change before September 23, 2010, the date required in the legislation? Is this another loophole in the legislation, similar to the "guarantee issue for children" provision? Is Health and Human Services asking you to do this before the law is implemented because of this legislative oversight?**

Our parent company is the nation's largest health benefits company, with more than 33 million members in its affiliated health plans. Protecting the health of members is our first priority. As such, we felt strongly that we must address this coverage gap that could leave millions of young Americans vulnerable to costly health expenditures.

**Q12. Will this be retroactive?**

No. This will apply only to members who would be affected from June 1, 2010, on.

**Q13. Are there any regulatory hurdles that you will need to overcome?**

We are actively consulting with state and federal regulators.

**Q14. Can ASO or fully insured groups opt-out of the extension of benefits?**

We encourage our customers to join us in this effort to prevent coverage gaps for young individuals; however, we understand that in certain situations this may not be possible. Therefore, [ASO, and any fully or partially self funded accounts over 100 lives](#) are able to opt out of the extension. We will work with these groups on an individual basis to ensure their needs and the needs of their employees continue to be met.

**Q15. Does this apply to specialty business (that is, dental, vision, life, EAP, pharmacy)?**

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