

HORIZON BLUE CROSS/BLUE SHIELD MEDICAL AND PRESCRIPTION COVERAGE FOR OVER-AGE DEPENDENTS

On January 1, 2009, an amendment to the Under 30 Dependents Law (Chapter 375) became effective. Under this law, dependents 30 years of age or younger who would otherwise lose coverage due to an age limit under their parent's group health plan (age-out) will be permitted to elect continued coverage if they meet certain eligibility requirements. Like Chapter 375, the new law provides an over-age dependent with another option in addition to COBRA or New Jersey Group Continuation (NJGC), which allows dependents to continue to be covered under a group health benefits plan for a period of time when certain events occur that make a dependent ineligible for group coverage.

Eligibility requirements

An over-age dependent is defined as the child of a subscriber by blood or law who meets all of the following requirements:

- Is 30 years of age or younger;
- Is unmarried and is not a domestic partner or in a civil union;
- Has no dependents of his/her own;
- Is either a resident of New Jersey or is enrolled as a full-time student at an accredited public or private institution of higher education;
- Is not covered under any other group or individual health benefits plan, group health plan, church plan, health benefits plan and is not covered under Medicare;
- Is the child of a parent who is actively covered as an employee under a group health plan that is a fully-insured plan issued in New Jersey, and is enrolled in a unit of coverage that covers dependents (unless all children have already aged-out);
- Provides evidence of prior, creditable coverage or receipt of benefits from another individual health benefits plan, group health plan, church plan, health benefits plan or Medicare.

Electing and obtaining coverage

Eligible over-age dependents who wish to enroll must make a positive election in writing to continue coverage under the primary insured's (subscriber's) health plan by completing an enrollment form (see *Enrolling* below).

Aging-out and other qualifying events are no longer conditions of eligibility. The DU31 mandates continuous open enrollment. An overage dependent may establish and re-establish eligibility and make a DU31 election multiple times before his or her 31st birthday.

Enrolling

To enroll, your over-age dependent must complete the *Horizon Enrollment/Change Request Form (#6859)*, verify eligibility above and submit the completed form to Taryn Ragonese-Carlson, Benefits Coordinator. Please note for dependents aging out in the middle of a plan year, their coverage will continue until December 31. You will receive notification at the end of October about the options available for your dependent.

The cost for continuation

Currently, the Horizon premium charge for over-age dependent coverage is calculated at **60.8 percent of the single rate of the plan in which you, the employee are enrolled**. This includes a two percent administrative fee. This charge will apply to each over-age dependent enrollee.

These rates change every July 1.

Premium billing

Horizon BCBSNJ will bill over-age dependents directly and the over-age dependents will send the premium payment directly to the insurance carrier. Over-age dependents are required to enter an address on the *Enrollment/Change Request Form* even when it is the same as the primary insured's address.

Note: You must continue to receive coverage as a covered employee under the same plan as the dependent. Coverage for the dependent will be issued as stand-alone coverage.

WHEN COVERAGE ENDS

Coverage for an enrolled over age child will end when the child no longer meets any one of the eligibility requirements listed above, or when the covered parent's coverage ends (for example: termination of employment, divorce, or death of the covered parent). Coverage may also be terminated in the event of non-payment of the required premiums.

Chapter 375 coverage ends on the first of the month following the event or the date that makes the child ineligible.

Coverage will be terminated if premiums are not received within 30 days of the payment due date. If the coverage was used and the premium(s) was not paid, the parent and Chapter 375 subscriber will be responsible for the additional monthly premiums. To terminate coverage, contact Horizon. A letter signed by the covered parent is also acceptable.

Important information

If your over-age dependent is not eligible for dependent to age 31 continuation election when he/she first ages-out (for example, he/she is living outside New Jersey and is not a full-time student), he/she would be eligible to continue coverage under COBRA. The Horizon Dental coverage or DGNJ dental is only available to dependents through COBRA continuation. A separate package will be mailed to each dependent for all lines of coverage, including dental, as per federal law.

If you have questions, please contact Taryn Ragonese-Carlson, Benefits Coordinator. You can also find additional information on the New Jersey DOBI Web site at http://www.state.nj.us/dobi/division_consumers/du31.html.