

Agent Update



An Update From BlueChoice HealthPlan Sales/Marketing

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CHANGES TO DEPENDENT ELIGIBILITY

The federal government has passed two new laws which will impact dependent eligibility for health insurance. Below, you will find some information about the changes that may be important to you and your clients.

Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA)

CHIPRA impacts fully insured and self-funded groups. It amends the tax code and HIPAA to require a new special enrollment period for employees or dependents who are eligible but not enrolled in a group health plan AND who lose coverage under Medicaid or State Children's Health Plan (S-CHIP) due to loss of eligibility. To be eligible for the special enrollment period, the employee must request enrollment under the group health plan no later than 60 days after the termination date of Medicaid or S-CHIP coverage. There are also provisions for publicly-funded premium assistance but that provision is not applicable in South Carolina. Group health plans must begin administering the new CHIPRA special enrollment rights as of April 1, 2009.

Michelle's Law

Michelle's Law impacts insured and self-funded groups. It amends ERISA, the Public Health Service Act and the Internal Revenue Code. It states if a dependent child, who is covered as a dependent enrolled in a postsecondary school, must leave school because of a medically necessary leave of absence, the group health plan must continue to cover the child, even though the dependent is not enrolled in school. This coverage must extend for either one year from the date the medical leave started or the date on which coverage would otherwise terminate under the terms of the plan, whichever comes first. Michelle's Law is effective for Plan years beginning on or after October 9, 2009.

We hope this summary information will be helpful to you. Please consult the full text of the laws for more detail. CHIPRA is Public Law 111-3 and Michelle's Law is Public Law 110-381.