

SCANTIC VALLEY REGIONAL HEALTH TRUST

IMPORTANT NOTICE

ENROLLMENT and COVERAGE for ADULT CHILDREN TO AGE 26

Effective July 1, 2011

The Patient Protection and Affordable Care Act (PPACA) of 2010 requires employers that offer health benefits to extend coverage to the Adult Children of their employees to the 26th birthday. Individuals whose coverage ended, or who were denied coverage (or were not eligible for coverage), because the availability of dependent coverage of children ended before attainment of age 26 are now eligible to enroll in plans offered by the Scantic Valley Regional Health Trust (SVRHT)* provided they are not offered health benefits through their own employer.

Blue Cross & Health New England plans: These plans are self-funded by SVRHT and have been Grandfathered under PPACA **Benefit-eligible employees may request enrollment in Blue Cross Blue Shield and Health New England Plans for Adult Children to age 26 who do not have another offer of insurance for 30 days from the date of the employer's first notice about Adult Child Eligibility.** Enrollment will be effective July 1, 2011.

Tufts HMO plan: This plan is fully insured and is not Grandfathered under PPACA. **Benefit-eligible employees may request enrollment in the Tufts HMO plan for Adult Children to age 26 for 30 days from the date of the employer's first notice about Adult Child Eligibility.** Enrollment will be effective July 1, 2011.

For more information contact **your Benefit Administrator.**

All enrollment forms to add Adult Children must be returned to your employer for July 1st effective date of coverage. Please contact your employer for the deadline to return your form.

Frequently Asked Questions:

Note: The term "employee" refers to active employees and retirees who are eligible for the health insurance benefit.

* Scantic Valley Regional Health Trust has determined its health plans provided by Blue Cross and Health New England to be Grandfathered under the Patient Protection and Affordable Care Act. The Tufts HMO plan is not grandfathered.

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1. Question: Who is included as an Adult Child under the federal reform law?

Answer: *Children* as defined by PPACA are the children, stepchildren, adopted children, and eligible foster children under age 26 of benefit-eligible employees. *Adult Children* are those age 19 through 25.

BCBS and HNE plans: In the case of Grandfathered plans*, coverage must be granted to an Adult Child of an employee (up to age 26), unless the Adult Child has an offer of insurance from his/her own employer, regardless of the child's tax filing status, marital status, and financial dependency on the parent.

Tufts HMO: In the case of Non-grandfathered plans, coverage must be granted to an Adult Child of an employee (up to age 26) regardless of the child's tax filing status, marital status and financial dependency on the parent.

An Adult Child, like any child of a benefit-eligible employee, may enroll as a dependent on the parent's Family plan. An Adult Child may not enroll unless the parent is enrolled.

2. Question: When can I enroll my Adult Child (under age 26) on my policy?

Answer: Now is the time to enroll your Adult Child (under age 26). You have 30 days from the date of this notice to submit the enrollment application. All applications must be received by 30 days after the date of this notice for coverage to be effective July 1, 2011.

3. Question: What documentation is required?

Answer: The subscriber (employee) must fill out an enrollment application and provide the following:

- *For a child or stepchild:* photo-copy of the child's birth certificate showing the parent-child relationship of the subscriber and/or spouse. In the case of a stepchild, the marriage certificate for the parent and stepparent, one of whom must be the employee.
- *For an adopted child:* photocopy of proof of placement letter or adoption letter.
- *For a foster child:* photocopy of placement letter or court order.
- *For BCBS and HNE enrollments, the employee must sign an AFFIDAVIT affirming that the Adult Child does not have an offer of health insurance from his/her employer.*

4. Question: My Adult Child age 19-26 is working and is eligible for coverage through his/her employer. Is my Adult Child eligible to enroll in my family health plan?

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Answer:

- BCBS and HNE: He/she is not eligible for BCBS or HNE plans.
- Tufts HMO: This Adult Child would be eligible for Tufts HMO only if he/she is living in the health plan's service area.

5. Question: My Adult Child (under age 26) is a full-time student who lives outside the health plan's service area while at school and is enrolled on my Family EPO/HMO plan (Network Blue NE, Health New England, or Tufts HMO). May we retain the EPO/HMO coverage we currently have and continue to cover my Adult Child?

Answer: Your Adult Child may remain on your current EPO/HMO Family plan while your Adult Child is a full-time dependent student out-of-area and enrolled in your coverage. However, your Adult Child (under age 26) will only be covered for emergency/urgent care services while he/she is outside the EPO/HMO service area. This has always been the case.

- BCBS and HNE EPO/HMO plans: After graduating or otherwise leaving school, your Adult Child may remain on your BCBS or HNE EPO/HMO plan for as long as he/she is under age 26, not offered insurance by his/her own employer, and living within the health plans' service area.
- Tufts HMO plan: After graduating or otherwise leaving school, your Adult Child may remain on your Tufts HMO plan for as long as he/she is under age 26 and living within the health plan's service area.

6. Question: I am enrolled in an EPO/HMO plan, and my Adult Child (under age 26) has a permanent address outside the health plan's service area. May we retain the EPO/HMO coverage we have and add my Adult Child?

Answer: No. Your Adult Child who lives outside the health plan service area is not eligible to be on an EPO/HMO plan. You will need to decide if the entire family will change to the BCBS PPO plan in order to cover your Adult Child who lives outside the service area, or remain on your EPO/HMO plan but not cover the Adult Child. Please review the benefits and costs carefully before making a decision. You will not be able to switch coverage until the next Open Enrollment, i.e. for July 1, 2012, unless you have a Qualifying Event.

7. Question: What if my Adult Child (under age 26) moves out of the EPO/HMO health plan service area *after* I have placed him/her on my plan?

Answer: If the Adult Child is establishing residency outside the service area for more than 3 months, it is the employee's responsibility to notify the employer of this change. If the employee wishes, the family may change to the PPO plan and thereby continue to

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cover the Adult Child. Otherwise, the Child will be dropped from the EPO/HMO plan's coverage and will be offered COBRA Continuation Coverage. Please see the "IMPORTANT" note at the end of this Q&A, page 4.

8. Question: My Adult Child (under age 26) is currently on my plan as a full-time dependent student. Do I have to submit a new enrollment application?

Answer: No. You do not need to submit a new application if the Adult Child (under age 26) is already enrolled on your health plan provided you are not changing plans. If you are changing plans, you must fill out a new enrollment application.

9. Question: What if my Adult Child (under age 26) is currently on COBRA coverage?

Answer: You may cancel COBRA coverage for your Adult Child (under age 26) and complete an enrollment form to add your Adult Child to your policy effective July 1, 2011. See qualifications above regarding residency requirements for EPO/HMO plans.

10. Question: When does coverage end for my Adult Child (under age 26) and what options are available for coverage then?

Answer:

- BCBS and HNE plans: As long as you remain eligible for coverage as an employee, coverage ends for your Adult Child effective at 12:01 A.M. on the Adult Child's 26th birthday or at the time he/she is offered insurance by his/her own employer or when he/she establishes residence outside the service area.
- Tufts HMO plan: As long as you remain eligible for coverage as an employee, coverage ends for your Adult Child effective at 12:01 A.M. on the Adult Child's 26th birthday or when he/she establishes residence outside the service area.
- All plans: COBRA coverage will be offered to your Adult Child when he/she turns 26 or otherwise loses eligibility for coverage. If your Adult Child does not wish to take COBRA, he/she can call the Massachusetts Health Connector at 1-877-623-6765 or go online at www.mahealthconnector.org to shop for health coverage. If your Adult Child age 26 or older is enrolled in a school of higher education, there may be a health benefits plan available to students.

11. Question: My Adult Child has a child. May the child of my child be enrolled in my Family plan?

Answer:

BCBS and HNE plans: No. The Patient Protection and Affordable Care Act does not require employers or health plans to cover the dependents of the employee's children.

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Self-funded health plans are not required to cover dependents of dependents under State law.

Tufts HMO: Yes, provided the Adult Child meets the dependency requirements of State Law. Tufts is subject to State Law since it is offered as a fully insured plan.

12. Question: My Adult Child is married. May the spouse of my Adult child be enrolled in my Family plan?

Answer:

All plans: No. Neither the Patient Protection and Affordable Care Act (PPACA) nor State Law requires employers or health plans to cover the spouses of the employee's children.

13. Question: My Adult Child is handicapped and is mentally or physically incapable of earning his/her own living and is currently enrolled on my health plan. Do I need to do anything during the Open Enrollment to maintain my dependent's coverage?

Answer: No. The health plans periodically re-certify handicapped dependent coverage. Adult Children who are handicapped and incapable of earning a living are eligible to remain on the parent's coverage beyond age 26, subject to periodic re-certifications.

14. Question: I am enrolled in a Family Dental plan through my employer. Is my Adult Child covered to age 26 on the dental plan?

Answer: No. Dental plans are not subject to the Patient Protection and Affordable Care Act. There are no changes to eligibility for the dental plan.

IMPORTANT: It is the responsibility of the employee to notify the employer of any changes in Adult Child status, such as moving out of the service area or access to other employer group coverage. If you do not notify the employer of changes, and if it is found that your Adult Child is ineligible, you could be responsible for all medical charges that he/she incurs.

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