

# For your benefit



April 20, 2011

## ***Federal Healthcare Reform Changes to Requirements for Providing Health Care to Dependents***

- The law requires health plans that provide dependent coverage for children to continue to make the coverage available for adult children up to the age of 26. This extended coverage must be provided for plan years beginning on or after September 23, 2010 and upon group renewal.
- Adult dependents are the adult children of individuals covered on a group health plan. Coverage must be granted to dependents up to age 26, regardless of their tax filing status, marital status, or financial dependency on their parent. However, coverage does not have to be granted to the spouse or child of a covered adult dependent although under Massachusetts law the child of a covered adult dependent (grandchild) is eligible for coverage.
- The regulations contain no requirement that adult dependents under age 26 maintain student status in order to be eligible for coverage or be considered dependents by IRS standards.
- The new law does not change COBRA requirements, and COBRA will apply to adult dependents when they are qualified beneficiaries (the same as it applies to any other qualified beneficiaries).

This information is provided for informational purposes only and does not constitute legal advice. Please consult your legal counsel regarding your specific situation.

## ***Employee Health Insurance Responsibility Disclosure Forms for 2011***

Massachusetts employers of 11 or more full time equivalent employees (in accordance with Massachusetts Health Care Reform regulations) must collect an Employee HIRD form from each employee that declines to enroll in employer-sponsored medical insurance or declines to use the employer's Section 125 Cafeteria Plan to pay for medical insurance.

There is no requirement to submit a paper Employer HIRD report to the Division of Health Care Finance and Policy or any other state government entity.

2011 forms are available online at [www.mass.gov](http://www.mass.gov) in English and various other languages.

## ***Census Updates to Insurance Carriers***

If you have group life and/or disability insurance, you should report salary changes to your carrier at least on an annual basis. Some plans require changes as they occur and others at plan anniversary each year. It's important to send the updates to your carrier so that claims may be paid at the correct income.

**If you have further questions at this time, please feel free to contact Rosalyn Seale at [rseale@proctorandcompany.com](mailto:rseale@proctorandcompany.com) or Brian Donovan at [bdonovan@proctorandcompany.com](mailto:bdonovan@proctorandcompany.com)**

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