



June 1, 2010

**Re: Age 26 Dependent Coverage Provision**

Dear Group Administrator:

We would like to provide you with the most current information regarding Federal Health Care Reform. Please take a moment to review this important information.

The *Patient Protection and Affordable Care Act of 2010*, as amended by the *Health Care and Education Reconciliation Act of 2010* (together referred to as the Federal health care reform law), includes provisions to extend health care coverage on parents' policies to adult children. Specifically, this provision extends coverage to adult children up to age 26 on their parents' policy, for plan benefit years beginning on or after September 23, 2010.

Recognizing that many young people may lose their coverage because of their age, student status, (including graduation from school) or other factors, CareFirst has joined 38 other independent Blue Cross and Blue Shield plans to accelerate the extension of dependent coverage to **June 1, 2010**. This extension of coverage applies to all CareFirst members insured under our individual, direct-to-consumer plans, as well as members who receive CareFirst coverage through their employer's fully insured plan.

If any of your employees have dependents that were due to age off in May 2010, no action is necessary. The dependent's coverage will continue – uninterrupted - on June 1<sup>st</sup> and remain in effect until the dependent turns 26.

As of June 1, 2010 eligible dependents that are currently not enrolled may enroll and secure coverage under their parent's policy. Dependents must be under the age of 26 to qualify for coverage. A married dependent qualifies, but his/her spouse and children do not. Qualified dependents must be added between June 1 and September 30, 2010. Otherwise, they will be required to wait until the group's next open enrollment period.

For grandfathered plans (group health plans in existence on March 23, 2010), the employer group may, at the group's discretion, exclude a dependent from coverage under their parent's plan if the dependent is eligible for coverage under another employer-sponsored health plan. Please note that the ability to exclude a dependent because of the availability of other coverage expires on January 1, 2014. After that date, a dependent up to age 26 can be covered under their parent's plan regardless of the availability of other coverage.

Group plans established after March 23, 2010, cannot exclude an otherwise eligible dependent from their parents' group coverage, even if the dependent has other coverage available.

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Please note that you are required to notify your employees of this change and how it might impact them. Since there is significant media attention relating to this provision, and many questions from members who may want to take advantage of this extended benefit as a result, I suggest that you make this information available to them as soon as a possible.

For a list of frequently asked questions about the *Age 26 Dependent Coverage Provision*, please visit [www.carefirst.com/dependent](http://www.carefirst.com/dependent). For your convenience, we have also posted a sample notice you can copy, personalize and share with your employees.

Should you have any questions about our dependent coverage policy, please contact your broker or call (888) 285-8311.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Margolis". The signature is fluid and cursive, with a long horizontal stroke extending from the end.

Steve Margolis  
Senior Vice President, Small/Medium Administrative Services Unit