

Special Notice

For Pennsylvania Producers



Pennsylvania Dependent Coverage Eligibility FAQ

Effective December 7, 2009 for new or renewing fully insured small business and key accounts plans situated in Pennsylvania, The State of Pennsylvania requires health insurers to give employers the option of having coverage extended to include an uninsured child through and including the age of 29 (Adult Dependents). To be eligible the child (Adult Dependent) would have to meet all of the following requirements:

- Be unmarried
- Have no dependents
- Be a resident of Pennsylvania OR enrolled as a full-time student at an institution of higher education
- Have no coverage under another health insurance policy

Once the employer selects this option, an amendment will be added to the policy. Then, the insured person will be able to request coverage for their eligible Adult Dependent during the group's open enrollment period or during a special enrollment period if the insured person has experienced a qualifying event as indicated on their policy's certificate of coverage.

General Information:

Can an employer or group choose not to offer coverage to Adult Dependents through their health plan?

Yes. The decision to provide coverage to dependents through and including the age of 29 belongs to the employer or group. If selected, an amendment will be added to the certificate of coverage.

Which UnitedHealthcare products are impacted? Can Adult Dependents enroll on dental and/or vision, if group offers it?

The requirements are applicable to all UnitedHealthcare fully insured group medical and HMO products. It does not apply to ASO clients. It does not apply to stand-alone products, such as dental or vision.

Does the law apply to all Pennsylvania residents with a UnitedHealthcare policy?

No, the law only applies to dependents of employees covered under a group contract situated in Pennsylvania. Therefore, if a Pennsylvania resident is covered under a UnitedHealthcare policy situated in a different state, the law does not apply. For example, if a Pennsylvania resident is covered under a policy situated out of Texas, this law does not apply.

When can an employer elect this option? Can they change in the middle of a plan year?

Employer groups can elect to add the amendment ONLY upon new business or renewal. Changes cannot be made off renewal.

Eligibility Requirements:

What are the criteria for coverage for dependents between the limiting ages and 30?

The dependent must not be married, may not have a dependent of their own, must be a Pennsylvania resident or enrolled as a full-time student, and must not be covered under another health insurance policy. If the dependent marries, has a dependent child, moves from the state or ceases to be a full-time student, becomes covered as a named enrollee under other medical insurance, eligibility for coverage terminates.

For groups that have selected the amendment, can a dependent child who has previously lost coverage, because they reached the limiting age (or other reasons), regain coverage?

Yes, once the group has selected the amendment, the Adult Dependent can request coverage, however, creditable coverage will still be requested. The dependent's re-enrollment is not retroactive.

For groups that have selected the amendment, does the law apply to a dependent who resides outside the state of Pennsylvania?

If the employee is covered under a contract situated in Pennsylvania AND the dependent is a full-time student, the dependent may be eligible for such coverage if he or she meets all the other coverage criteria. However, if the dependent is not a full-time student and resides outside Pennsylvania or does not meet other criteria, the dependent is not eligible for coverage.

Rating and Billing Information:

How will UnitedHealthcare price these Adult Dependents?

Adult Dependents will be enrolled as part of the group as an employee (EE) and will be assessed the single employee coverage rate.

The law indicates that employers are not required to contribute to any premium increases that result from the additional coverage. An employer may agree to do so, however. In addition, insurers may determine increases in premiums related to coverage for the Adult Dependent past the limiting age of nineteen (or 25 for full-time students).

Should Adult Dependents be included in the census if you are working on quoting a new group?

The Adult Dependent should not be included in the census.

How will billing be handled? Will the employer be billed or will the Adult Dependent be billed separately?

UnitedHealthcare will include the premiums associated with Adult Dependents within the employer group's invoice. The employer will be responsible for collecting premium payments from Adult Dependents and remitting to UnitedHealthcare along with their monthly premium payment.

Amendment and Enrollment Information:

How does the group request this coverage be added on renewal to an existing group, or if new business, at time of case install?

Groups must complete the following three steps to request this amendment.

1. Complete the **PA Request for Adult Dependant Coverage Form** indicating that the group is electing to add the Adult Dependant amendment to their policy.
2. Complete a standard Employee Enrollment Application and clearly indicate that it is an Adult Dependant applying by checking "other" under "reason for application", and writing-in "Adult Dependant."
3. Choose the appropriate group situation. Please note: existing customers may only add this amendment at the time of renewal.
 - a. **New small business customers (groups sized 2-99)** who elect the Adult Dependent option need to be clearly identified on the new business coversheet. In the comments section of the coversheet, the AE must note that the employer has elected the Adult Dependent amendment. This will highlight to the Installation team the need to add the rider to the group contract at installation. If there is an Adult Dependent applying for coverage as of the effective date, and we receive a completed Employee Enrollment Form for this dependent, the Installation team will enroll the Adult Dependent as an Employee under the group contract.
 - b. **Existing small business customers (groups sized 2-99)** can request this amendment at plan_changes@uhc.com. This will make the Adult Dependent option available.
 - c. **New and existing key accounts customers (groups sized 100+)** who elect this "amendment" should notify Underwriting and/or Sales to elect this amendment.

How to Enroll Adult Dependents on existing groups opting for coverage?

If the Adult Dependent option is selected by the group, dependents will remain under family coverage until they reach the limiting age (19 for dependents, 25 for students). Upon attaining the limiting age, assuming they meet the Adult Dependent eligibility requirements, the Adult Dependent will be terminated from the family coverage and enrolled as an Adult Dependent under the employee (EE) billing line.

1. **Small Groups (2-99)** should remit standard employee enrollment application via mail or fax. Indicate an Adult Dependant is applying by checking "other" under the "reason for application" and writing "Adult Dependant" in the space provided on the application. The application must also include both a request to terminate the adult dependent from family coverage (if applicable) and a request to enroll the dependent as an Adult Dependent. If there are any questions on terminating the adult dependent and/or enrolling as an employee (EE), please reach out to the Broker and Employer call center at 1-888-UHC-HLP1.

Please note: EmployereServices should not be used for enrolling Adult Dependents for Small Groups (2-99).

2. **Key Account Groups (100+)** may enroll Adult Dependents using EmployereServices, Electronic Eligibility or Paper Eligibility.
- a. **Using Employer eServices:** After the employer has elected to have the coverage for the Adult Dependent and the case has been set up, the following process should be followed:
- 1) First terminate the dependent on the family/member's record, if applicable. If not, skip to step #2. Select:
 - Enrollment
 - Terminate
 - Search for the member and select dependents name in the drop down window
 - Enter term date
 - Submit
 - 2) Next, enroll the Adult Dependent as a new Employee under his/her own ID under the appropriate plan variation and reporting code for the Adult Dependent structure Enrollment. Select:
 - Enrollment
 - Add
 - Employee
 - Enter effective date enter address, SSN etc.
 - Product information screen enroll /modify coverage and select the plan variation and reporting code for this overage dependent coverage.
 - Submit
- b. **Using Electronic Eligibility:** Employers should send a termination of the existing dependent record under the parent employee ID, if applicable, and add the Adult Dependent record to their eligibility file following the same procedures used for enrolling a regular employee. During the installation of a group, employers will need to work with their Implementation Manager to ensure that their Adult Dependents are enrolled into the appropriate plans built for Adult Dependents.
- c. **Using Paper Eligibility:** Employers should remit standard employee enrollment application via mail or fax. Indicate Adult Dependent application by checking "other" under the "reason for application" and writing-in "Adult Dependant". This must include both a request to terminate the adult dependent from family coverage (if applicable) and a request to enroll the adult dependent as an employee (EE). If there are any questions on terminating the adult dependent and/or enrolling as an employee (EE), please reach out to the Broker and Employer call center at 1-888-UHC-HLP1.

Will they be enrolled as individual coverage or still be considered part of the group?

Adult Dependents should be enrolled as part of the group, under the employee (EE) billing line.

Does the group get any kind of report as to who is on the coverage so they can notify these overage eligible members of Open Enrollment changes?

Employers will be responsible for managing the eligibility of dependents to determine when dependents become eligible for the Adult Dependent coverage (i.e. child to Adult Dependent or student to Adult Dependent), as well as when dependents exceed eligibility requirements (attain age 30). Reports will not be generated at this time; however, UnitedHealthcare will continue to explore options to facilitate this process in the future for employers.

Will UnitedHealthcare still be requesting full-time student status information?

Yes, full-time student status will be verified for dependents up to age 25 that remain as a dependent under the employees plan. This will not apply to dependents under the Adult Dependent option that will be paying the full EE billed rate. However, employers will need to ensure Adult Dependents continue to meet the eligibility requirements as appropriate.

Is the group responsible for terminating the Adult Dependent record when he/she turns 30 or when the Adult Dependent's parent is no longer covered under the plan?

Yes, employers will need to ensure Adult Dependents continue to meet the eligibility requirements, as appropriate, and terminate the Adult Dependent when he/she is no longer eligible.

Other Miscellaneous Questions:

Will Adult Dependent women who become pregnant be covered through her pregnancy, delivery and postpartum care?

An Adult Dependent who becomes pregnant could still meet all the eligibility requirements; however, once she gives birth to a dependent child, eligibility would need to be terminated. Employers will need to ensure Adult Dependents continue to meet the eligibility requirements, as appropriate.

Is there any special communication going out to employers from UnitedHealthcare on administration of this new law?

No, there will not be any special communications going out to employers at this time.

Will the creditable coverage requirement be waived?

Creditable coverage requirements will still be required.

Does this new law have tax implications?

Coverage of dependents who do not meet the IRS definition of a qualifying child may have tax implications so the employer and insured should be instructed to consult with their tax advisors.