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Deputy Commissioners

JOY HATCHETTE  
Associate Commissioner  
Consumer Education and Advocacy

200 St. Paul Place, Suite 2700, Baltimore, Maryland 21202  
Direct Dial: 410-468-2000 Fax: 410-468-2020  
1-800-492-6116 TTY: 1-800-735-2258  
[www.mdinsurance.state.md.us](http://www.mdinsurance.state.md.us)

## **CONSUMER ADVISORY**

### **Dependent Health Coverage Up to Age 26**

The new federal health care reform law, known as the Patient Protection and Affordable Care Act (PPACA), requires health insurers to provide more benefits. Some of these benefits were already required to be offered in Maryland but some are new. Some apply to your current health insurance; others apply only if you buy new health insurance.

One of the most noteworthy changes is that for plan or policy years that begin on or after September 23, 2010, a child may stay on the parents' health insurance policy or HMO contract until age 26 even if the child is not financially dependent.

A child may stay on their parents' plan regardless of whether they:

- are married;
- live with their parents;
- are in school; or
- are financially dependent on their parents.

This law applies to individual insurance policies, new employer plans, and existing employer plans. For group employer plans that existed before March 23, 2010, the law does not require the child to be eligible for coverage under the parent's employer plan, if the child is eligible for coverage through another employer plan (for example, if the child is offered coverage through the child's employer.)

If you would like to add your child on to your plan, check with your health insurer, HMO or employer benefits manager to see what steps you need to take.

Also, if your child is permanently and totally disabled and is incapable of self support due to mental or physical incapacity, your child may remain covered under a parent's policy. For additional information about coverage options for a disabled child, please contact your insurer or employer.

Once your child is no longer eligible for coverage under a parent's policy, the child does have other options. He or she may qualify for COBRA coverage. Not all group policies

have COBRA provisions. Check with your insurer or employer to see if COBRA coverage is an option for your child. Be sure you understand the requirements for obtaining COBRA coverage, the cost and the covered benefits.

Your child may purchase coverage directly through an insurer in the non-group market. There are many insurers that offer coverage in the individual market and some have policies specifically designed to meet the needs of younger adults. In Maryland, these policies are subject to medical underwriting. When your child applies for individual coverage, he or she will be asked to fill out a health risk assessment form.

If an insurer refuses to issue a policy because your child has a particular health condition and your child is not eligible for COBRA coverage, your child may qualify for coverage through the Maryland Health Insurance Plan (MHIP). Contact MHIP at 888-444-9016 to determine if this option is available.

The Maryland Insurance Administration has information available regarding health coverage that you might find helpful. The information includes a *Consumer Guide for Health Insurance*, as well as a list of all the carriers who sell individual health insurance or individual HMO coverage in Maryland, including contact information. The Maryland Insurance Administration's web site is [www.mdinsurance.state.md.us](http://www.mdinsurance.state.md.us). The telephone number is 1-800-492-6116.