

Amended: 5/13/2010

Extension of Dependent Coverage to Age 26 Frequently Asked Questions

Q1. Why is Blue Shield implementing the extension of dependent coverage prior to the law's September 23 effective date?

Each year in June, many dependents — because of their age, student status, or other factors — become ineligible to remain on their parents' health coverage. The recently passed federal healthcare reform law extends dependent coverage to age 26 (regardless of full-time student status) for plan years beginning on September 23, 2010. By implementing this provision effective June 1, 2010, we will fill what would have been a gap in coverage.

Q2. Who will benefit from this extension of dependent coverage?

Dependents of subscribers on fully insured group plans if the group itself has not opted out of this early extension. The opt-out provision does not apply to groups of 2-50, but groups of 51+ may opt out of this early extension by providing Blue Shield with notice during the month of May. This extension also applies to dependents of subscribers on ASO groups which have chosen to opt in during the month of May, and Individual and Family Plan (IFP) subscribers who would have otherwise lost coverage based on their birthday.

The extension described in these FAQs does not apply for CalPERS and FEHBP.

Q3. When will this go into effect?

On June 1, 2010. Over the next few weeks, we will notify Blue Shield-covered employer groups of this expansion of coverage.

Q4. Will this be retroactive?

No, this early June 1, 2010, implementation of the policy will not be retroactive. This will apply only to current dependent members as of June 1, 2010. Please note that this does not apply to any dependents that may have lost coverage prior to June 1, 2010, due to in-force eligibility guidelines. Those dependents will not be able to join coverage until the next plan renewal on or after September 23, 2010.

Q5. How will eligible individuals be identified? Do they need to contact customer service or will you continue their coverage automatically?

Blue Shield will identify all affected individuals. Eligible dependents enrolled in fully insured group and IFP plans do not have to take any action – their coverage will continue until they reach age 26 (unless their parents take them off their policy, or they belong to a group that chooses to opt out of this coverage extension.)

Q6. How will members be notified?

Blue Shield will communicate this coverage extension to customer employer groups. Additionally, our customer service teams are prepared to answer questions from members.

Q7. Will this apply to new applicants for coverage or only those currently enrolled?

The June 1, 2010, extension of dependent coverage benefits applies to existing members only. If a dependent cancelled coverage prior to June 1, 2010, they will have to wait until their parents' plan renewal date to re-enroll. Plans that renew after September 23, 2010, will all provide coverage of dependents to age 26 (regardless of full-time student status).

Q8. If a member has already received a letter stating a dependent will no longer be eligible for coverage effective June 1, 2010, does the member need to do anything?

No, the subscriber does not need to take any action for the dependent to remain eligible. The dependent will not be removed from the plan effective June 1, 2010, unless the subscriber specifically requests that the dependent no longer be on the plan.

Q9. Can fully insured groups or ASO accounts opt out of the extension of benefits?

The coverage extension will be implemented for all of Blue Shield's small groups (2-50). Blue Shield will also apply this extension across the board for all fully insured large groups (51+) and LPS underwritten groups; however, fully insured large groups and LPS fully insured groups may elect to opt out by providing Blue Shield with notice during the month of May. The opt-out form can be [downloaded](#).**

ASO groups will have the opportunity to opt in to this extension. The opt-in form can be [downloaded](#).**

Q10. Does this apply to Blue Shield's Specialty Benefits business?

Updated as of 5/13/2010: This coverage extension also applies to certain specialty coverage such as vision and dental plans. *While the new federal legislation does not apply to life insurance, Blue Shield has decided to apply this coverage extension to life insurance as well.**

* Life insurance is underwritten by Blue Shield of California Life & Health Insurance Company.

** Downloads:

- Download the Large Group opt-out form
<https://www.blueshieldca.com/producer/download/public/FinalOptOut.pdf>
- Download the ASO opt-in letter
<https://www.blueshieldca.com/producer/download/public/FinalOptInASO.pdf>