

Coverage of Children to Age 24

This Bulletin is directed to all insurers writing policies of accident and sickness insurance, as defined by IC 27-8-5-1, and all health maintenance organizations. House Bill 1678 (Pub. Law 218-2007) extends coverage to children up to age 24 in individual policies (Sec. 45, IC 27-8-5-2(a)(3); group policies (Sec. 48, IC 27-8-5-28); and HMO plans (Sec. 50, IC 27-13-7-3(a)(26)). This Bulletin is intended to provide guidance on the implementation of these statutory changes.

I.

COVERAGE EXTENDED

HB 1678 requires individual insurers, group insurers, and HMOs to provide coverage to children up to age 24 at the policy anniversary date, or at renewal of the policy, or at open enrollment, or when a qualifying event, as defined by HIPAA, occurs. The policyholder, certificate holder, or subscriber must make a request to the insurer or HMO before the child must be provided coverage. An individual insurer, group insurer, or HMO, at its discretion, may choose to allow a child to be added outside of these time periods. The individual insurer, group insurer, or HMO may prescribe a form to be used, require written notification in some other form, and/or set reasonable notification requirements. Upon request a child may added back onto a policy if the child became ineligible for coverage and then becomes re-eligible. An insurer or HMO may treat a child less than 24 years of age who will be added back onto the insured's policy like a late enrollee for purposes of covering preexisting conditions.

II.

COVERAGE ELIGIBILITY

For individual policies, group policies, and HMO plans, the Department interprets the statutory provisions to provide coverage to any child (not restricted to legal guardianship) who is financially dependent on an insured, and the child of an insured who is a non-custodial parent.

III.

NOTICE PROVISIONS

If an individual insurer, group insurer, or HMO has a policy provision that excludes coverage for children at an age less than 24, the policy must be changed to reflect the new law. Notice may be provided at the policy anniversary date, or at renewal of the policy, or at open enrollment. In the case of group or HMO coverage, notice to the employer is sufficient.

Questions regarding these changes to the law should be directed to Health Deputy Carol Cutter, who can be reached at (317) 232-5695 or ccutter@idoi.IN.gov.

INDIANA DEPARTMENT OF INSURANCE


James Atterholt, Commissioner