



## The Local Choice Health Benefits Program

**To:** The Local Choice Group Benefits Administrators

**From:** Walter E. Norman, Program Manager  
The Local Choice Health Benefits Program

**Date:** October 2012

**Subject:** Dependent Children Losing Eligibility at the End of 2012

Dependent children lose eligibility for The Local Choice Health Benefits Program at the end of the year in which they turn age 26. Dependents that lose eligibility due to age will be removed from coverage effective January 1, 2013. If by dropping the dependent child, the member qualifies to reduce membership from family to dual coverage or from dual coverage to single, **the member must complete and submit a new enrollment** form within the time frame required by your flexible benefits document and no longer than 60 days of the loss of coverage. All changes must be prospective and if submitted after the flexible benefit time frame, the member must wait until Open Enrollment or have another Qualifying Mid-year Event to receive the reduction in premium.

The Local Choice Health Benefits Program will allow eligible dependent children who are incapacitated to remain in the plan as long as they remain incapacitated. To continue coverage, all of the following conditions must be met:

- the incapacitation must have existed prior to the loss of eligibility due to age,
- the dependent must, live at home,
- the dependent must be unmarried,
- the dependent must receive more than one-half of his or her support from the employee,
- the dependent must have been continuously covered, and
- the plan administrator must approve continued coverage.

It is the employee's or retiree's responsibility to contact the appropriate plan directly for the paperwork needed to request continued coverage for incapacitated dependents who are losing coverage due to age. Completed requests must be received by the plan prior to January 1, 2013. Members enrolled in:

- **Key Advantage and TLC HDHP** should contact Anthem at (800) 552-2682.
- **Kaiser Permanente members** should contact Kaiser at (800) 777-7902.

If timely application for continued coverage of an incapacitated dependent child is made and approval is not received by December 31, 2012 the child will be removed from coverage but if approval is later granted, they may be retroactively reinstated to January 1, 2013.

This year, TLC will directly notify employees and retirees whose children will lose eligibility on January 1, 2013. Enclosed is a sample of the letter that was mailed to those participants and a report listing employees who will be impacted. Please note that this report was run in September 2012 and will not include participants who entered the program after that time. You will need to identify and contact anyone who falls into this category. You must send all terminated dependents a Certificate of Creditable Coverage. If your group is COBRA eligible, you must also send a TLC enrollment form and a COBRA/Extended Coverage Election Notice to them.