# SAMPLE ANNUAL AGE 26 LETTER

(Sent directly to impacted members by The Local Choice)

 October 2012

Dear :

Dependent children may be covered by your Key Advantage and HDHP Health Benefits Program through The Local Choice until the end of the calendar year in which they turn age 26. At the beginning of the next calendar year, they automatically lose eligibility for your health coverage.

The Plan’s record shows that you provide coverage for a child whose eligibility will end as of January 1, 2013 and you may be eligible for a reduced membership and lower premium cost. If you qualify, your membership may be reduced if you complete a new Enrollment Form and submit it before December 31, 2012 to be effective on January 1, 2013. If you wait longer than the time frame allowed by your flexible benefit program, you will not be allowed to reduce premium until your next Open Enrollment unless you have another consistent Qualifying Mid-Year Event. **Your 26-year-old-child will be automatically dropped from coverage. You must submit a new enrollment form to get any premium reduction for which you may be entitled.**

There are three health benefit options for children who lose coverage in The Local Choice Health Benefits Program due to age:

1. Continued coverage under The Local Choice Health Benefits Program is available if your child qualifies as an incapacitated dependent and meets the following conditions and eligibility requirements:
* 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.

Employees should contact their plan administrator for the necessary paperwork to request continued coverage for incapacitated dependent children who are age 26 and losing coverage. Completed requests must be returned to the plan prior to January 1, 2013. Employees enrolled in:

* **Key Advantage and TLC HDHP** should contact Anthem at 1-800-552-2682.
* **Kaiser Permanente** membersshould contact Kaiser at 1-800-777-7902.

The approval process can be time consuming. If you think your child may qualify, you should take immediate action. Contact your Group Benefits Administrator for assistance.

1. For groups with 20 or more employees, enrollment in Extended Coverage (COBRA) under the provisions of the Public Health Service Act is available. This coverage may last for up to 36 months. An Extended Coverage Election Notice, a TLC Enrollment Form and a Certificate of Creditable Health Coverage will be sent to your child.

 The Certificate of Creditable Health Coverage provides evidence of prior health coverage. Your child may need to furnish this document to an insurance company if they become eligible for coverage under a health plan that excludes coverage for prior medical conditions.

1. Enrollment in non-group coverage available through your current health benefits plan is also an option. In addition, there are many companies that offer individual coverage in the marketplace. You should contact them directly if you wish to purchase their non-group coverage.

If our records are incorrect and you do not have a dependent child who will reach age 26 by December 31, 2013, please notify your Group Benefits Administrator of your child’s correct date of birth.

Sincerely,



Walter E. Norman

Program Manager

The Local Choice Program

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