

Frequently Asked Questions– New York State COBRA extension

When does this law take effect?

The law is effective for policies or contracts issued, renewed, modified, altered or amended on or after July 1, 2009. *For most policies, the new benefit will apply on the policy's annual renewal date.*

I am covered through a self-insured plan. Does this law apply to me?

No. The law only applies to fully insured plans.

I live in New York and my employer's office is in New York but my employer purchases the group policy from a neighboring state. Am I eligible for this benefit?

No. The extension of continuation coverage does not apply to contracts purchased outside of New York State. However, you may be eligible for a similar law in the state that the contract is purchased in.

Does this law change COBRA or state continuation coverage in any other way?

No. All current COBRA and mini-COBRA coverage laws will still apply. Also, health insurance benefits will remain the same. The only difference is that participants on state continuation can continue their health insurance for up to 36 months rather than 18 months. Participants on COBRA can continue their health insurance for up to 18 months after their 18 months of federal COBRA has been exhausted.

If I am entitled to federal COBRA, do I have additional continuation rights under New York law?

As noted about, if you are eligible to continue health coverage under COBRA for 18 months, then you can continue coverage under state continuation coverage for an additional 18 months. Note, however, that you have up to a total of 36 months of coverage when combining the COBRA and state continuation benefits.

What happens to existing COBRA participants?

If a current participant has state or federal continuation coverage at the time of the effective date (the first renewal on the plan on or after July 1, 2009), then the participant is eligible for the 18 month extension.

Does the size of my employer affect the length of time of continuation coverage?

No. Former employees will be allowed to extend their health insurance from 18 months to 36 months, regardless if they worked for a small employer or large employer.

Will employers have to pay the cost of the additional coverage?

No. Employees will continue to pay the premium cost. The eligible participant will pay up to 102% of the cost of a single participant rate on the group health plan.

Does this extension of continuation coverage apply to Healthy NY?

Yes. The extension applies to Healthy NY group contracts.

Under the previous state continuation coverage laws, people determined to be disabled under Title II or Title XVI of the Social Security Act were entitled to 29 months of continuation coverage. Has this law changed?

Yes. People determined to be disabled under Title II or Title XVI of the Social Security Act are now entitled to up to 36 months of continuation coverage. There is no longer a specific section in the law pertaining to these people, because all eligible persons are entitled to continuation coverage for 36 months.

People who are disabled under Title II or Title XVI of the Social Security Act and who are eligible for federal COBRA are eligible for up to 29 months of federal COBRA coverage, plus up to an additional 7 months of state continuation coverage, for a total of up to 36 months. Federal law states that these people are responsible for up to 102% of the premium for months 1 through 18 of coverage and up to 150% of the premium for months 19 through 29 of coverage. Under the new law, they would also be responsible for up to 102% of the premium for months 30 through 36 of coverage.

People who are disabled under Title II or Title XVI of the Social Security Act and who are eligible for state continuation coverage are eligible for a total of up to 36 months of coverage and would pay 102% of the premium for months 1 through 36 of coverage.

Can the duration of state continuation coverage end earlier than 36 months?

Yes. The 36 month period may end sooner due to the following reasons: (1) timely premium payment is not made to the plan; (2) the employer ceases to maintain any group health plan (including successor plans); (3) the employee or member is covered under any other group health plan that is not maintained by the employer, even if that other coverage is less comprehensive than COBRA or continuation coverage; or (4) the qualified beneficiary becomes entitled to Medicare benefits.

Does this extension of continuation coverage apply to health plans arranged by union funds?

Yes. The new law would apply to health plans provided by union funds, as long as the union fund is not self-insured. If the union fund is self-insured, they are exempt from this new law.

What if I need more information about this law?

Please contact Corporate Synergies Group, Inc.



NOTE: This is not intended to be tax or legal advice. Please consult your tax or legal advisor. Certain services are subject to an additional brokerage and consulting fee and are not available in all jurisdictions.

Dependent to Age 29 Option – Frequently Asked Questions

When does this law take effect?

The law is effective for policies or contracts issued, renewed, modified, altered or amended on or after September 1, 2009. *For most policies, the new benefit will apply on the policy's annual renewal date.*

Does this law apply to self-insured plans?

No, it does not apply to self-insured plans.

Does this law to contracts delivered outside of New York State?

No. This law does not apply to contracts delivered outside of New York State. A policy delivered outside of New York State is not subject to New York State law.

I live in New York and my parent's employer's office is in New York but my parent's employer purchases the group policy from a neighboring state. Am I eligible for this benefit?

No. This law does not apply to contracts purchased outside of New York State. However, you may be eligible for a similar law in the state that the contract is purchased in.

Who is eligible for the Dependent to Age 29 law?

In order to participate, the young adult's parent, and the young adult to meet certain requirements.

- The Coverage

The coverage must:

1. Be a group health insurance policy that includes coverage for dependents;
2. Be issued for delivery in New York State; and
3. Be fully insured (this benefit does not apply to self-insured plans).

- The Parent

The parent must be eligible for coverage under the group policy as an employee or member of the group.

- The Young Adult

The young adult must:

1. Be unmarried;
2. Be 29 years of age or under;
3. Not be insured by or eligible for health insurance through his or her own employer;
4. Live, work or reside in New York State or the health insurance company's service area; and
5. Not be covered under Medicare.

Please note that the young adult does not have to live with a parent, be financially dependent on a parent, or be a student.

Who will notify me of this benefit?

The insurer will provide written notification to currently participating employees (not young adults) in each certificate of coverage *and* at least 60 days prior to the date the young adult who is covered as a dependent under the parent's policy would otherwise have coverage terminate due to reaching the maximum age for dependent coverage.

Insurers must also notify employees of the initial 12-month open enrollment period, which runs for 12 months following renewal of the health insurance policy or contract.

If you think that you are eligible for this benefit but do not receive notice, please contact your parent's insurer.

When may I enroll?

There are four times when you may enroll:

1. **When You Would Otherwise Age Off a Policy**
If you are currently covered under a parent's policy, you may enroll within 60 days of the date that your coverage would otherwise end due to reaching the maximum age for dependent coverage. Coverage will be retroactive to the date that your coverage would otherwise have terminated.
2. **When You Experience a Change in Circumstances**
You may enroll within 60 days of newly meeting the eligibility requirements. Coverage will be prospective and will start within 30 days of when the insurer receives notice of your election and premium payment. Examples of changes in circumstance would be a young adult moving back to New York State after living outside the state or losing health insurance coverage sponsored by an employer.
3. **During an Annual 30-Day Open Enrollment Period**
Your parent's insurer will have an annual 30-day open enrollment period. If you meet the eligibility requirements, you may elect coverage during this period. Coverage will be prospective and will start within 30 days of when the insurer receives notice of your election and premium payment.

4. **During the Initial 12-Month Open Enrollment Period**

There is an initial 12-month open enrollment period, which runs for 12 months following the first renewal of the health insurance policy or contract. If you meet the eligibility requirements during this initial 12-month open enrollment period, you may enroll during this time. Coverage will be prospective and will start within 30 days of when the insurer receives notice of your election and premium payment.

What happens if I aged off the plan before the effective date? May I enroll?

Yes. You may enroll within 60 days of the open enrollment period after aging off the plan.

If I elect this benefit, when will my coverage start? Will it be retroactive to the last time that I had coverage?

Coverage will be retroactive if you elect it within 60 days of the date that you would otherwise age off a parent's policy. In all other cases, coverage will be prospective and will start no more than 30 days from the date that the insurer receives notice of your election and premium payment.

What is the cost?

The cost may not exceed 100% of the single premium rate. Participants will pay 100% of the cost of the single rate of coverage.

How do I enroll?

To enroll, you should notify the insurer in writing and include payment of the first month's premium. Contact the plan administrator or insurer to find out the amount of the premium.

I have a child. Does this make me ineligible?

No. Young adults with children may make an "Age 29" election if they meet the eligibility criteria. However, young adults' children cannot be covered under the "Age 29" law. If you need to cover you children, you may want to consider **Child Health Plus**. Child Health Plus is available at a reduced premium to children in families who are up to 400% of the Federal Poverty Level (\$58,280 for a family of two) and at full price for children above that level.

I am eligible for coverage through my employer, but it has very poor benefits. Am I eligible for the "Age 29" benefit?

If your employer provides health insurance that includes both medical and hospital benefits, then you cannot make an "Age 29" election. If your employer provides coverage that does not include both medical and hospital benefits, then you may be eligible if you meet the other requirements.

I am eligible for COBRA/state continuation coverage from my former employer. Am I eligible?

Yes, as long as you meet the other requirements for the young adult option. You can elect COBRA/continuation coverage through your employer *or* you can instead make an "Age 29" election.

I am covered through Healthy NY. May I still make an “Age 29” election?

If you have Healthy NY coverage as an individual, then you may make an “Age 29” election if you meet the eligibility requirements. If you have Healthy NY through your employer, then you cannot make an “Age 29” election, because you have employer-sponsored insurance.

If my parent separates from his or her employer or group and is no longer eligible for health insurance, am I eligible?

No. If this occurs, then you would lose the right to the young adult option.

If my parent has COBRA/state continuation coverage, am I eligible?

Yes, you are still eligible while your parent has COBRA/state continuation coverage, if you meet the eligibility requirements.

I had “Age 29” coverage and then it ended because I no longer met the eligibility requirements. My situation has changed, and I meet the eligibility requirements again. Can I get “Age 29” coverage again?

Yes. You are not limited to having this coverage only once. You may elect it within 60 days of newly meeting the requirements or during the annual 30-day open enrollment period.

If I exhaust my benefits under the “Age 29” law, may I elect COBRA or state continuation coverage and receive an additional 36 months of coverage?

No, when your coverage under the "Age 29" young adult option terminates, you would not have a COBRA/state continuation right at that time.

Can the parent enroll the young adult in the young adult option?

Yes. Parents may enroll their young adults in the option for them.

If my parent’s employer offers several different medical packages, do I get to choose which one I want?

No. You will receive the same medical package as your parent.

If my parent receives medical, dental and vision coverage, am I eligible for all three?

The general rule is that the dependent be entitled to medical, surgical and hospital benefits. Some medical plans are richer than others.

I have “Age 29” coverage but cannot make my premium payment on time. Is there a grace period?

Yes. There is a 30-day grace period. If you do not make full payment within the 30-day grace period, then your coverage will be terminated back to the date that the last premium payment was received.

When will coverage end?

Coverage will end when one of the following occurs:

1. You terminate your coverage pursuant to the terms of the policy.
2. Your parent loses eligibility for group health insurance.
3. You no longer meet the eligibility requirements.
4. You do not pay the premium in full within the grace period.
5. The group insurance policy is terminated and not replaced.

What if I need more information about this law?

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NOTE: This is not intended to be tax or legal advice. Please consult your tax or legal advisor. Certain services are subject to an additional brokerage and consulting fee and are not available in all jurisdictions.