

State Employees' Group Insurance Program

# ADULT CHILD SPECIAL ENROLLMENT PACKET

- Sponsored Adult Child
- Veteran Adult Child
- Student Medical Leave of Absence

The Special Enrollment Period will be held May 1 through July 31, 2009.

This packet contains information regarding enrollment, eligibility and documentation requirements, as well as coverage and cost information and an enrollment form.

Members who have an adult child who meets the eligibility requirements and wish to add them to their State coverage must complete a Special Enrollment Period/Eligibility Certification Statement form and return it to your agency Group Insurance Representative (GIR) by July 31. You may request the form from your agency GIR or by visiting the Benefits website at [www.benefitschoice.il.gov](http://www.benefitschoice.il.gov) on or after May 1, 2009.

After the Special Enrollment Period, members will need to have an eligible qualifying event in order to add an adult child to their coverage.



**MAY 1 THROUGH JULY 31, 2009**

**State Employees' Group Insurance Program**  
**Special Enrollment Period for**  
**Adult Child Group Insurance Benefits**

(04/02/2009)

**If you have a child age 19 or older that is currently not eligible for coverage under the State of Illinois Group Insurance Program, you may be able to add them to your coverage under Public Act 95-0958.**

Public Act 95-0958 provides for the extension of health, dental, vision and prescription coverage for three new categories of dependents, referred to as 'Adult Children', who may or may not have previously had coverage under the State of Illinois Group Insurance Program. These new categories are **in addition** to the current dependent categories of Student, Handicapped and Other. Adult children added under these new categories are **not eligible** for life insurance coverage. Pre-existing condition limitations will not apply during the Special Enrollment Period.

Adult children enrolled in the State Employees Group Insurance Program are subject to the same deductibles, family caps, etc., as any other dependent. If you are interested in enrolling an adult child you should read the following information carefully for eligibility, enrollment and documentation requirements, as well as tax and premium information.

**Who is Eligible for Adult Child Coverage?**

In order to qualify for adult child coverage, the adult child **must be unmarried**. The three new categories and the associated requirements are:

1. **Sponsored Adult Child** – Adult children that do not qualify as a student (that is, the adult child is either age 23 or older, or the child is not attending school in a full-time capacity), handicapped or student military extension dependent may qualify for the sponsored adult child category. The age requirement for a sponsored adult child is age 19 up to, but not including, age 26.
2. **Veteran Adult Child** – Adult children between the ages of 19 and up to, but not including, age 30 who have served as a member of the active or reserve components of any of the branches of the Armed Forces of the United States are eligible for coverage as long as they are an Illinois resident and received a release or discharge other than a dishonorable discharge.
3. **Student Medical Leave of Absence** – Dependents currently enrolled in the student category who are between the ages of 19 and 23 and subsequently go on a medical leave of absence or have reduced their course load to part-time due to a catastrophic illness or injury. Coverage for adult children in this category will terminate 12 months after enrollment in the category, or until the coverage would have otherwise lapsed pursuant to the terms and conditions of the policy (such as turning age 23), whichever comes first.

**When is the Special Enrollment Period?**

**A special 90-day enrollment period will be held May 1 through July 31, 2009.**

Coverage will begin July 1, 2009, for adult children enrolled during May or June. Coverage for adult children enrolled during July will be effective the first day of the pay period following the date of the request.

### How Much Will Adult Child Coverage Cost?

The cost of coverage for an adult child will vary depending on whether the adult child qualifies as an IRS tax dependent. You should consult with a tax advisor regarding whether your adult child qualifies as a tax dependent.

- **Adult Child Qualifies as IRS Tax Dependent**

If you are an actively working member, premium deductions will be payroll deducted on a **pre-tax** basis using the same rate structure as all other qualified IRS tax dependents. Annuitants and survivors that enroll an adult child will have the premium deducted from their annuity check or survivor benefit.

If you are an active full-time employee, annuitant or survivor you should use the current dependent rates as a basis and assume a slight increase for the new plan year. If you are a part-time employee required to pay a percentage of your health and dental coverage, contact your agency GIR for assistance in determining the premium.

- **Adult Child Does Not Qualify as an IRS Tax Dependent**

Premium deductions will be payroll deducted **post-tax** at a rate of 100% of the cost of the coverage, regardless of how many dependents you currently have on your coverage. In other words, the State will not contribute toward the cost of the coverage; you will be responsible for paying the amount the State normally contributes toward dependent premiums plus the member portion. A chart containing the rates for members required to pay 100% of the cost will be posted on the Benefits website when available.

### How Is Support Amount Determined for Tax Purposes?

As a general rule, you must provide more than half of the total support of an adult child in order to claim them as a tax dependent. If you are interested in enrolling an adult child you can use the support worksheet in IRS Publication 501 (Exemptions, Standard Deduction and Filing Information) to determine the amount of support they provide (available at [www.irs.gov](http://www.irs.gov)). In general, you should compare the amount of support you provide for your adult child versus the amount of support the adult child receives from all sources, including the support provided by you, social security, welfare payments and the support the adult child supplies for himself or herself. Support includes food, shelter, clothing, medical and dental care, education and the like.

If you have an adult child **who qualifies** as a tax dependent, but then loses that status, you will need to contact your GIR to notify them of the change. If you plan to continue the coverage, your premium will increase to 100% of the cost of the coverage with no portion contributed by the State. The new premium amount will be deducted on a post-tax basis effective the first full pay period following the notification.

### How Do I Enroll My Adult Child?

To enroll your adult child, complete the **Special Enrollment Period- Eligibility Certification Statement** and return it to your agency Group Insurance Representative (GIR) with the required documentation by the end of the Special Enrollment Period (see 'What Documentation is Necessary to Enroll an Adult Child' on page 3). The form will be available on the Benefits website closer to the beginning of the enrollment period.

### **What Documentation Is Necessary to Enroll an Adult Child?**

You must provide the following supporting documentation to your GIR before the adult child will be enrolled:

1. **Sponsored Adult Child** – Birth Certificate.
2. **Veteran Adult Child** – Proof of Illinois residency, a Veterans' Affairs Release Form (DD-214) stating the date the adult child was released from service (or equivalent) and a Birth Certificate.
3. **Student Medical Leave of Absence** – Clinical certification of need for part-time student status or medical leave from a physician licensed to practice medicine.

### **Will I Need to Periodically Prove Continued Eligibility for My Adult Child?**

As with any other dependent that is 19 years of age or older, you will be required to certify semi-annually that the adult child continues to meet Group Insurance Program eligibility requirements. Requirements will be provided at the time of the certification.

The Department of Central Management Services will be periodically conducting random audits of these new categories to verify the eligibility of the adult children. Falsifying information/documentation in order to obtain/continue coverage under the Group Insurance Program is considered a fraudulent act. The State of Illinois will impose a financial penalty, including, but not limited to, repayment of all premiums the State made on behalf of the adult child, as well as expenses incurred by the Program.

Active employees who are found to have falsified documentation in order to cover their adult children under the State Employees' Group Insurance Program could be subject to discipline up to and including discharge.

### **Are Children of an Adult Child Eligible for Coverage?**

Dependent children of an adult child are not eligible for coverage unless you have legally adopted the child or are their legal guardian. Court documentation is required to prove the guardianship or adoption.

### **What If My Adult Child No Longer Qualifies for Coverage?**

If at any time the adult child becomes ineligible for benefits, it is your responsibility to immediately notify your agency Group Insurance Representative (GIR). Adult children who lose eligibility for coverage will be offered the option of continuing coverage under the provisions of COBRA.