



Massachusetts Health Care Reform Act

Definition of "Dependent Child"

An Explanation for the Clients of Benemax

Effective January 1, 2007, the Massachusetts Health Care Reform Act changed the definition of "dependent child" for medical benefit plans sponsored by companies headquartered in Massachusetts. Children are now eligible for coverage until age 26 or for 2 years following the loss of dependent status under the Internal Revenue Code, whichever occurs first. Under this new definition, a dependent does not have to be a full-time student to qualify for coverage.

A child who is under age 26 and is a dependent for federal tax purposes is eligible for coverage as a dependent.

A child who is under age 26 and was a dependent for federal tax purposes within the last 2 years is eligible for coverage.

A child who is under age 26 and has **not** been a dependent for federal tax purposes for at least 2 years is **not** eligible as a dependent.

In addition, Blue Cross and Blue Shield and Health New England (only) will continue to cover unmarried full-time student dependent children under age 25, even when they have not been a dependent for federal tax purposes for more than 2 years.

Blue Cross and Blue Shield, Health New England and UnitedHealthcare are holding a 2 month special enrollment period (1/1/07 – 2/28/07) for children who were not eligible for coverage under the old definition but who now qualify. Harvard Pilgrim Health Care and Fallon Community Health Plan are holding a special 30 day enrollment period (1/1/07 – 1/31/07).

Note, that for federal tax purposes, a dependent includes the taxpayer's son or daughter or a descendant of a son or daughter, who is under the age of 19 at the end of the tax year or is a student who is under the age of 24, who does not provide over one-half of his or her support for the tax year and who has lived with the taxpayer for more than one-half of the tax year.

If you have any questions about the new definition or any other provision of the Mass Health Care Reform Act, please contact Walter Hiltz, our Compliance Officer, at 508-359-4107 ext. 120 or e-mail walter@benemax.com.