

# State Employees' Group Insurance Program

## ADULT CHILD INFORMATION PACKET

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

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

Members who have an adult child who meets the eligibility requirements and wish to add them to their State coverage must complete a Group Insurance Enrollment/Change Form and return it to their agency Group Insurance Representative (GIR) within 60 days of experiencing an eligible qualifying event. Members may request the form from their agency GIR or by visiting the Benefits website at [www.benefitschoice.il.gov](http://www.benefitschoice.il.gov).



## State Employees' Group Insurance Program

# Adult Child Group Insurance Benefits

(05/06/2010)

**If you have a child age 19 or older that was previously 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 three categories are **in addition** to the dependent categories of Student, Handicapped and Other. Pre-existing condition limitations apply to adult children enrolled after July 31, 2009.

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 adult child 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 24 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. These adult children are **not eligible** for life insurance coverage.
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. These adult children are **not eligible** for life insurance coverage.
3. **Student Medical Leave of Absence** – Dependents currently enrolled in the student category who are between the ages of 19 and 24 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 24), whichever comes first. These adult children **are eligible** for life insurance coverage.

### **When Can I Enroll My Adult Child?**

An adult child may be enrolled in the group insurance program during the Benefit Choice Period or upon experiencing a qualifying change in status. The member must submit the request to add the dependent within 60 days of the qualifying event. Coverage will be effective the later of (1) the date of the qualifying change in status or (2) the date of the request to add the dependent.

## How Much Will Adult Child Coverage Cost?

**Update:** Adult Children and Veteran Adult Children who have not reached, or will not reach, their 27<sup>th</sup> birthday before December 31<sup>st</sup>

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. If you are an **annuitant or survivor**, premiums will be deducted from your annuity check or survivor benefit.

If you are an active full-time employee, annuitant or survivor you should use the current dependent rates located in the annual Benefit Choice Options booklet. 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.

**Update:** Veteran Adult Children Age 26 - 30

The cost of coverage for a Veteran Adult Child age 26 – 30 will vary depending on whether the child qualifies as an IRS tax dependent. If the dependent meets the qualifications as a tax dependent and 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. If you are an **annuitant or survivor**, premiums will be deducted from your annuity check or survivor benefit.

If the child no longer qualifies as a tax dependent, the premiums 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. The [rate chart](#) containing the rates for members required to pay 100% of the cost is posted on the Benefits website.

## 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 **Group Insurance Enrollment/Change Form** and return it to your agency Group Insurance Representative (GIR) with the required documentation within 60 days of experiencing an eligible qualifying change in status event (see 'What Documentation is Necessary to Enroll an Adult Child' on page 3). The form is available on the Benefits website.

### **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 and the Eligibility Certification Statement.
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), a Birth Certificate and the Eligibility Certification Statement.
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 and the Eligibility Certification Statement.

### **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 periodically conduct random audits of these three adult child categories to verify the eligibility. 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 (the member) 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.