



Summary and Q&A of the Patient Protection and Affordable Care Act (PPACA) and how the dependent coverage extension will affect employer groups

According to PPACA, health plans will have to remove lifetime limits on coverage and allow children to stay on their parents' policies to age 26 effective for plan anniversary dates after September 23, 2010.

Q: Will MVP cover eligible dependents to age 26, before that element of the (PPACA) takes effect on September 23, 2010?

A: Yes, MVP will cover eligible dependents to age 26, before that element of (PPACA) takes effect on September 23, 2010.

- This applies to all dependents, not just student dependents.
- All fully-insured MVP products, in all of our service areas, will follow this methodology.
- MVP enforced terminations of dependents who were no longer eligible under their parent's plan until May 1, 2010 (students and dependents who lost their eligibility under their parent's plans during April were terminated April 30, 2010).
- MVP will continue to cover eligible dependents to age 26 who were covered on or after May 1, 2010.

Q: If a dependent's coverage is terminated because of age prior to May 1, 2010, they can re-enroll during the plan's next renewal date after September 23, 2010?

A: Yes

Q: If a dependent under age 26 (non-covered) has a qualifying event, such as loss of coverage, would we allow that dependent to enroll prior to the plan's renewal on or after September 23, 2010?

A: No, dependents not currently covered and not eligible for dependent coverage under the current policy can not enroll until the plan's next open enrollment period following the effective date of the dependent to 26 provisions in PPACA.

Q: Can a group decline to extend coverage to dependents until the group's renewal date when the Federal law takes effect?

A: A group can request that MVP terminate dependents who would have aged off the group plan and MVP will honor those requests.

Q: Will self insured employers be required to extend dependent coverage before the Federal law takes effect.

A: No, self insured employers may choose to extend coverage, but MVP will not extend coverage on their behalf.

Q: Must the child be a student, unemployed, unmarried, not eligible for coverage elsewhere, or are we continuing at this point to follow the same "dependent" criteria?

A: MVP's recent decision to extend coverage to young adults to mitigate the coverage gap only affects dependents who were on a policy as of May 1, 2010. The definition of dependent is therefore not a factor. MVP is waiting for the federal regulators to define exactly who qualifies as a "dependent" prior to implementing the dependent to 26 mandate which is effective for plan years beginning on or after September 23, 2010.

Q: Can dependents be added retroactively?

A: No.

Q: Can you confirm that after 9/23/2010, adding dependents will follow the same process - i.e. qualifying event or open enrollment, not anytime they want?

A: Dependents can be added to plans only during an open enrollment period or after a qualifying event. Dependents that have previously aged off a policy can not be added until the plan's next open enrollment period after 9/23/2010.

Q: As of 9/23/10, will the dependent to 26 be part of the core benefit or will it be a rider?

A: It will be included in all plan's core benefits and will be added via a mandatory amendment or rider to all new and renewing plans beginning with plan years on or after September 23, 2010.

In some cases, state law requires MVP to make coverage available for dependents that are over the age of 26. MVP will continue to comply with those state law requirements.

For more information about PPACA and how it will impact your organization, please call your MVP Account Representative.