



INFORMATIONAL MEMORANDUM

OIR-08-5M

ISSUED

June 30, 2008

Office of Insurance Regulation

Kevin M. McCarty

Commissioner

All Life and Health Insurers and All Health Maintenance Organizations (HMOs)

Dependent Coverage

The purpose of this memorandum is to notify Life and Health Insurers of the legislative changes to Sections 627.602, 627.6562, and 641.31, Florida Statutes (F.S.), enacted in the 2008 Regular Session of the Florida Legislature. This notice is not intended to be a comprehensive analysis of the bill. You are encouraged to review specific bills found by legislative bill number at www.leg.state.fl.us.

SENATE BILL 2534

Section 8 – Scope, format of policy.

Section 627.602(1)(c), F.S., is amended to require all health contracts offering coverage for dependent children of a policyholder to comply with the provisions of s. 627.6562, F.S.

Section 9 – Dependent Coverage.

Effective upon becoming a law and applicable to policies issued or renewed on or after October 1, 2008.

Section 627.6562, F. S., is amended to require an insurer that offers coverage under a group, blanket or franchise health insurance policy that insures dependent children, to offer the policyholder or certificateholder the option to insure a child to the end of the year in which the child reaches the age of 30, if the child meets certain criteria.

Insurers are not required to cover services provided before October 1, 2008, however; nothing in this section prohibits an insurer or HMO from increasing the limiting age for dependent coverage to age 30 in policies or contracts issued or renewed prior to the effective date of this act.

Until April 1, 2009, the parent of a child who qualifies for coverage under this act, but whose coverage as a dependent was terminated under the terms of the plan before October 1, 2008, may make a written election to reinstate coverage, without proof of insurability. The plan may require the payment of a premium, as appropriate, subject to approval by the Office, for any period of coverage relating to a dependent's written

election for coverage. Notice regarding the right of reinstatement must be provided to the covered person in the certificate of coverage prepared for covered persons by the insurer or by the covered person's employer. Such notice may be given through the group policyholder.

Section 10 – Health Maintenance contracts.

Section 641.31, F.S., is amended to require all health maintenance contracts providing coverage for a member of the subscriber's family to comply with the provisions of s. 627.6562, F.S.

To assure compliance with Florida Statutes, all rates, notices, and contract amendments applicable to the dependent children qualifying under s. 627.6562(5)(a),(b) and (c), F.S., must be filed with the Florida Office of Insurance Regulation.

If you have any questions regarding the filing process, please contact Gary Edenfield, Life and Health Product Review, Florida Office of Insurance Regulation at Gary.Edenfield@flor.com or at (850) 413-3152.