



# Health Reform Changes for Federal Benefits Program

A Mandatory Reference for ADS Chapters 476

Reference Issuance Date: 10/04/2011  
Policy Issuance Date: 09/16/2010  
Responsible Office: HR/ELR  
File Name: 476mac\_100411

On March 23, 2010, President Obama signed the Affordable Care Act, (ACA), and Public Law 111-148. Several provisions of the ACA will affect eligibility and benefits under the Federal Employees Health Benefits (FEHB) Program.

The law:

- Allows married children to be covered
- Removes residency requirements
- Removes dependency requirements; and
- Does not require children to be students or have prior or current insurance coverage to be placed on their parent's Self and Family enrollment

Please read the following section carefully as the actions you take will impact when your child's FEHB coverage begins under this new law.

-----What Are the Changes to FEHB Program Dependent Eligibility Rules Under the ACA?

All changes are effective on January 1, 2011.

Children between the ages of 22 and 26 are covered under their parent's Self and Family enrollment up to age 26.

Married children (but NOT their spouse or their own children) are covered up to age 26. This is true even if the child is currently under age 22.

Children who are eligible for or have their own employer-provided health insurance are eligible for coverage up to age 26.

Stepchildren do not need to live with the enrollee in a parent-child relationship to be eligible for coverage up to age 26.

Children who are incapable of self-support because of a mental or physical disability that began before age 26 are eligible to continue coverage. Contact your human resources office or retirement system for additional information.

Foster children are eligible for coverage up to age 26.

FEHB Program plans will send notice to all their enrollees of the coverage eligibility changes as apart of that plan's Open Season communications.

In cases where children have employer-provided health insurance and are covered under their parent's Self and Family enrollment, the children's employer-provided health insurance will be the primary payer. FEHB will be the secondary payer.

-----How Do I Add a Newly Eligible Child To My Enrollment?

If you currently have a Self and Family enrollment and you do not change to another health plan or option during Open Season, contact your FEHB plan and give them information on your newly eligible child. Do not complete an SF-2809, Health Benefits Election Form, or enter dependent information in your agency's self-service enrollment system to add your child to your existing Self and Family enrollment. Your child's coverage will be effective on January 1, 2011.

If you currently have a Self Only enrollment and you have newly eligible children, you must change your enrollment from Self Only to Self and Family if you want your children to be covered. You must use an SF-2809 or the agency self-service enrollment system to make this change.

If you are not currently enrolled and you want FEHB coverage since your children are now eligible, you must enroll for Self and Family coverage to provide coverage for your children. You must use an SF-2809 or the agency self-service enrollment system to make this change.

Important: If you are enrolling or changing your enrollment, be sure to include all children up to age 26 when completing your SF-2809 or using the agency's self-service enrollment system.

-----How can I enroll or change my enrollment so that my child is covered January 1, 2011?

Be aware: The effective date of coverage for your newly eligible children depends upon the event used to enroll or change enrollment.

You may change your enrollment from 31 days before to 60 days after January 1, 2011. Your change to Self and Family will take effect on the first day of the pay period that includes January 1, 2011. Your child will be covered on January 1, 2011. If you make your QLE change after January 1st, your child will be covered retroactively to January 1, 2011 and you will pay retroactive premiums back to the effective date of the enrollment or change.

-----How Does This Affect Eligibility For Temporary Continuation of Coverage (TCC)?

Children who lose coverage due to reaching age 26 are eligible for TCC for up to 36 months even if they previously had TCC.

If you are a child of an FEHB enrollee and you are now enrolled under Temporary Continuation of Coverage (TCC), you may no longer need your TCC enrollment since you will be covered under your parent's Self and Family enrollment. Once you are assured of coverage under your parent's Self and Family enrollment, you may want to cancel your TCC enrollment.

To cancel your TCC, contact the National Finance Center at:

USDA, National Finance Center  
DPRS Billing Unit  
PO Box 61760  
New Orleans, LA 70161-1760

If you have additional questions, please contact the National Finance Center at (800) 242-9630 or [nfc.dprs@usda.gov](mailto:nfc.dprs@usda.gov).

### Flexible Spending Accounts

Expanded Coverage for Your Child's Eligible Health Care Expenses Beginning January 1, 2011, an employee enrolled in FSAFEDS may request reimbursement for eligible health care expenses incurred by a natural child, stepchild, adopted child, eligible foster child, or a child who is placed with the employee for legal adoption. The child does not need to reside with the employee or qualify as the employee's tax dependent. Prior to January 1, 2011, eligible children were limited to those who you could claim as dependent(s) on your Federal Tax return.

The ACA has also extended the age of a child who may incur eligible expenses under an employee's Health Care FSA. Expenses of an employee's child are covered through the taxable year prior to the taxable year in which the child turns age 27. This means the child's health care expenses are not eligible for reimbursement during the entire taxable year in which the child turns age 27. For example, enrollees cannot be reimbursed for expenses incurred by a child who turns 27 anytime in 2011.

The ACA does not affect Dependent Care FSAs. Need more information?  
Call FSAFEDS at 1-(877) 372-3337/ TTY 1-(800) 952-0450.

### Other Federal Benefits Programs

Other Federal benefits programs are not affected by the Affordable Care Act for 2011. The Act has made no changes to the Federal Employees Dental and Vision Insurance Program (FEDVIP), the Federal Employees' Group Life Insurance Program (FEGLI) or the Federal Long Term Care Insurance Program (FLTCIP). Health care reform does not extend coverage for children until age 26 or provide coverage for married dependent children under these programs.

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