

MICHELLE'S LAW

Michelle's Law permits seriously ill or injured college students to continue coverage under a group health plan when they must leave school on a full-time basis due to their injury or illness and would otherwise lose coverage. The federal law becomes effective for plan years beginning on or after October 9, 2009 (January 1, 2010 for calendar-year plans). It amends ERISA, the Internal Revenue Code, and the Public Health Act. The legislation was inspired by and named for a New Hampshire college student who was diagnosed with cancer but continued her full-time student schedule in order to continue her health insurance coverage.

Who Must Comply?

The law applies to fully insured and self-funded group health plans that provide coverage to older dependent children based on student status at postsecondary educational institutions. Plans that do not have student status as an eligibility requirement do not have to comply with this law. Self-funded state and local government health plans may elect to opt out by filing an election with the U.S. Department of Health and Human Services. (Information about opting out is available at <http://www.cms.hhs.gov/SelfFundedNonFedGovPlans>.)

How Does the Law Work?

- The continuation of coverage applies to a dependent child's leave of absence from (or other change in enrollment) a postsecondary educational institution (college or university) because of a serious illness or injury, while covered under a health plan. This would otherwise cause the child to lose dependent status under the terms of the plan.
- Coverage will be continued until: 1) one year from the start of the medically necessary leave of absence, or 2) the date on which the coverage would otherwise terminate under the terms of the health plan; whichever is earlier.
- The child must have been enrolled in the health plan as a dependent on the basis of his/her student status on the date immediately preceding the leave of absence.
- Written certification must be provided by the treating physician stating that the child is suffering from a serious illness or injury that requires a medically necessary leave of absence.
- The dependent child will be entitled to the same benefits he/she had before taking the leave of absence. If any changes are made to the plan during the leave, the child will be eligible for the changed coverage, as long as the changed coverage remains available to dependent children under the plan.



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MICHELLE'S LAW (continued)

Notice Requirements

All affected group health plans and insurers must provide information about a student's rights under Michelle's Law with any plan notice requiring certification of student status. The notice must be understandable to the typical plan participant. Plan documents, SPDs, and enrollment forms should be amended to include information about the right to extended leave. Contact Benecon for assistance or more information.

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