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PAOO-07

To: Health Benefits Administrators
From: Employee Benefits Division
Subject: Implementation of Three Months Extended Dependent Student Coverage:
Enrollees of Participating Agencies.
Date: May 9, 2000

Effective May 1, 2000, Enrollees in the New York State Health Insurance Program (NYSHIP) may extend the coverage of their dependent students who complete the coursework required for graduation (referred to as "graduating dependent students" throughout this memo) for three months.

Three Months Extended Student Coverage

The benefits that may be extended for three months include the health insurance and State administered Dental and Vision coverage. Graduating dependent students are now eligible for three months of extended coverage starting the 1st day of the month following the month in which course work required for graduation is completed. There is no EXTRA cost for the extended coverage period, **but family coverage must be continued for the three months.** After the three-month extension, the graduating dependent student will be eligible for the full thirty-six months of COBRA coverage.

Criteria to Qualify for Three Months Extended Coverage

* Dependent students must have completed coursework for graduation in a qualified course of study at an Accredited Secondary or Preparatory School, College or other Educational Institution.

o The graduating dependent student -must be- covered under the enrollee's NYSHIP coverage at the time coursework for graduation is completed.

o The enrollee MUST apply for the extension prior to the end of the month in which the student completes coursework for graduation. The application form PS-465, "Health Insurance Application, Three Month Extended Dependent Student Coverage", must be completed by the enrollee and the educational institution from which the dependent is graduating. A copy of the PS-465 application form is enclosed and should be used as a master to produce the necessary forms for your agency.

- The three months extended coverage is offered only to graduating dependent students not otherwise eligible to continue NYSHIP coverage. For example, graduating dependent students who have been accepted for fall admission at an Accredited Secondary or Preparatory School, College or other Educational Institution in a qualified course of study are already eligible to continue NYSHIP coverage through the summer. When the graduating dependent student hasn't yet been accepted for fall attendance, the enrollee should request the three month extended coverage to ensure coverage through the summer.
- Graduating dependent students -between the ages of 19 and 25 are eligible for the three months extension. Dependents that become 25 during the extended coverage period lose eligibility at the end of the month in which they turn 25. They are not entitled to the full three months of extended coverage. An 18 year old graduate, who becomes 19 during the extended coverage period, may apply for the three month extension. Their extension period will be the three months following the month in which course work required for graduation is completed.

Enrollment Procedures

- Two new transactions will be used to signify that an enrollee's **dependent has** met the requirements for the three months extended coverage. Processing instructions will be sent in a future HBA memo.
 - CCO/EXT: when the dependent student is the enrollee's only eligible dependent.
 - DEP/EXT: when the enrollee has more than one eligible dependent.
- If you are a NYBEAS agency, you will process either a CCO/EXT or a DEP/EXT at the time of application by the enrollee. If you normally send your transactions to the Employee Benefits Division for processing, complete a PS-503.1 with the appropriate transaction code. A copy of the PS-465 should be attached to the transaction form. At the end of the threemonth extended coverage period, you should follow your Agency's **regular COBRA** procedures for these dependents.
- If the enrollee does not want the three months **extended coverage, regular COBRA** continuation is still available. Follow your agency's normal procedures for **COBRA** continuation coverage.

First Year Implementation - May 2000

Enrollees whose dependents are completing their Course work in May 2000, may not have enough time to complete and submit a PS-465, "Health Insurance Application, Three Month Extended Dependent Student Coverage" before the end of May. For this reason, we will allow Health Benefits Administrators (HBAs) - to retroactively process the three months of extended coverage for these students. HBAs may process the CCO/EXT and DEP/EXT transactions until June 30. Applications received after that date should be forwarded to EBD for processing.

Examples:

1. Q Student age 22, completes course work in May, receives degree at a graduation ceremony in June. When does the three months extended coverage period begin?
 - A. The first day of the month following the month that course work was completed. The three months extended coverage period would begin on June 1'.

2. Q. Student age 19, quits high school in February. Is the dependent eligible for three months extended coverage?

A. No, since the dependent did not complete course work required to graduate, (s)he is not eligible for three months of extended coverage upon quitting school. The dependent's coverage will end on the last day of February and the dependent should request a COBRA application from the agency Health Benefit Administrator within 60 days of loss of coverage.

3. Q. Dependent age 18 completes course work in June and receives a diploma at a graduation ceremony in June. Dependent's 19th birthday is in August. Is this dependent eligible for three months of extended coverage?

A. Yes, this dependent may apply for the three month extended coverage period, which **will** continue until the end of September.

4. Q. If the enrollee is on a Leave of Absence, does the dependent student still qualify for three months extended coverage?

A. Yes, the dependent student is eligible for three months of extended coverage if the enrollee's health insurance premium payments are up to date and the enrollee meets the rest of the criteria stated above.

5. Q. This graduating student dependent is the only dependent on my health insurance coverage. Can I change my coverage to individual and still have my child covered for the three months following graduation?

A. No, you must continue family coverage in order to provide the extended coverage to your student dependent. The three months of extended coverage is not "free". It allows you to keep the graduating student dependent on your NYSHIP family coverage for three months beyond the month in which the student completes course work. In the past, if this dependent was over 19, (s)he would no longer be eligible for NYSHIP coverage under your family policy once (s)he completed course work required for graduation.

6. Q. After the three months of extended coverage is completed, when is my graduating dependent student eligible for COBRA coverage?

A. COBRA continuation begins on the first day of the month following the third month of extended coverage.

7. Q. Is my graduating dependent student required to pick up **COBRA** coverage in order to qualify for the three months of extended coverage?

A. No, your graduating dependent student does not have to enroll in **NYSHIP COBRA**. The thirty-six months of coverage are available if the dependent chooses to enroll, it is not mandatory.

8. Q. Dependent aged 19 graduates from high school and takes a year off before starting college. Does the dependent get three months extended coverage? When (s)he graduates from college at age 23 does (s)he qualify for another three months of extended coverage?

A. Yes, a graduating dependent student is entitled to the three months of extended coverage each time there is a qualifying graduation. There is no limit on the number of times this benefit can be used.