

Delaware Dependent Age Requirement Changes

On 6/1/2007 a new Delaware insurance law, House Bill 446 with Amendments 1 and 2 increasing the dependent age limit to age 24 went into effect. Under the law a dependent means a covered person's child by blood or law who:

- a. is less than 24 years of age;
- b. is unmarried;
- c. has no dependents of his or her own;
- d. is either a resident of Delaware or is enrolled as a full-time student at an accredited public or private institution of higher education;
- e. is not actually provided coverage as a named subscriber, insured, enrollee, or covered person under any other group or individual health benefits plan, group health plan, or church plan, or entitled to benefits under 42 U.S.C. § et. Seq.

If a carrier's contract with a subscriber provides coverage for a covered person's dependent to terminate at a specific age before the dependent's 24th birthday, the contract must nevertheless provide coverage to the dependent after that specific age until the dependent's 24th birthday.

Delaware Insurance Carriers

Delaware insurance carriers will need to comply with this new law. Blue Cross and Blue Shield of Delaware has already confirmed their compliance with the change and other Delaware insurance carriers should be implementing their adjustments shortly, if not already. If you have any questions, you may contact your insurer's customer service department or Andrew Grace or Fredonna Smith of The Conestoga Group to discuss at 610-889-9500 extension 105 or 103.

The Conestoga Group is an insurance, investment and employee benefits broker and consulting firm based in Frazer, PA. Conestoga specializes in providing financial products and services to small businesses and their owner/executives and other employees. Founder and President Brad Palmer is an Investment Advisory Representative of Commonwealth Financial Network-a registered investment advisor and member firm of the NASD/SIPC. Brad can be reached at 610-889-9500 extension 101 or at brad.palmer@conestoga.biz.

NOTICE

These legislative comments are our interpretations of information provided to us by various legal and other resources as of 6/4/07. It is possible the information was presented incorrectly or that we have misunderstood the presentation. The purpose of this communication is to provide you with basic summary information on the subject matter to assist you in determining if you may need to seek legal or other professional assistance. This update and its attachments should not be construed as legal, tax, investment, or other advice and does not take into consideration specific factors unique to the reader's situation.