

## **Michelle's Law Coverage for Dependent College Students**

Michelle's Law ensures that dependent students who take a medically necessary leave of absence do not lose health insurance coverage. Michelle's Law is named after a New Hampshire college student, Michelle Morse, who continued her studies while battling colon cancer in order to maintain health insurance coverage under her parents' plan. Michelle died of colon cancer in November 2005 at the age of 22.

The 2010 health care reform bill, or Affordable Care Act (ACA), further expanded coverage requirements for dependents. Under ACA, group health plans or insurers who provide dependent coverage for the children of a participant must continue to make coverage available until the participant's child attains age 26, regardless of student or marriage status.

### **Coverage Benefits**

Michelle's Law allows seriously ill or injured college students, who are covered dependents under group health plans, to continue coverage for up to one year while on medically necessary leaves of absence. The leave must be medically necessary as certified by a physician, and the change in enrollment must commence while the dependent is suffering from a serious illness or injury and must cause the dependent to lose student status.

Under Michelle's Law, a dependent child is entitled to the same level of benefits during a medically necessary leave of absence as the child had before taking the leave. If any changes are made to the health plan during the leave, the child remains eligible for the changed coverage in the same manner as would have applied if the changed coverage had been the previous coverage, so long as the changed coverage remains available to other dependent children under the plan.

### **Notice Requirements**

The law requires group health plans to provide notice of the requirements of Michelle's Law, in language understandable to the typical plan participant, along with any notice regarding a requirement for certifying student status for plan coverage.

### **Effective Date**

This federal coverage mandate applies to health plans governed by the Employee Retirement Income Security Act (ERISA), the Public Health Service Act (PHSA), and the Internal Revenue Code (IRC), and became effective for plan years beginning on or after Oct. 9, 2009. Calendar year plans were required to comply beginning Jan. 1, 2010.

### **Impact Of Health Care Reform**

ACA diminished the impact of Michelle's Law. ACA states that if a group health plan or insurer provides dependent coverage for the children of a participant, the plan must continue to make the coverage available until the child attains age 26, regardless of student status. However, the plan is not required to make dependent coverage available to dependents that are eligible to enroll in their own employer-sponsored health plan. Thus, the impact of Michelle's Law on group health plans will generally be limited to plans not yet subject to ACA's requirements, grandfathered plans before 2014 and other plans that provide coverage to dependent students who are age 26 or over.