

CONTINUING DEPENDENT INSURANCE COVERAGE FOR ADULT CHILDREN

There are two methods by which parents can continue dependent insurance coverage for adult children:

- New Jersey law covering children with and without disabilities until age 30
- Continuing coverage for adult children with developmental disabilities.

The New Jersey law covering adult children with and without disabilities is intended to cover those adult “boomerang” children who move back home. In general, for adult children with developmental disabilities, it is preferable to use that continuing coverage provision because:

- Coverage continues indefinitely as long as parents are employed; there is no upper age limit for the adult children with developmental disabilities; and
- It’s easier to obtain and parents can use proof like eligibility for guardianship, SSI, Medicaid, DDD, etc. to document need.

Under this provision, children with developmental disabilities who are covered under a family health insurance plan can continue being covered at no extra cost to their family when they reach adulthood, as long as they are not capable of “self-sustaining employment.” A form, Certification of Disability for the Handicapped Children provision, must be secured from the employer or insurance company and completed at or before the time the child’s eligibility as a dependent would normally end. Once the child is no longer covered by the parent’s health insurance policy, it is usually not possible to reinstate coverage. Federal COBRA regulations mandate that parents be given the option of continuing to cover their child by paying the full cost of the coverage. However, if the child has a permanent disability, the parents can continue coverage of that child at no extra cost by filling in the designated form at the proper time.

Note: If parents switch their jobs, both the New Jersey law requiring insurers to cover adult dependent children up to age 30 and the requirement for continuing coverage for adult dependent children with developmental disabilities transfer dependent coverage under HIPAA.