



**State of New Jersey**  
DEPARTMENT OF BANKING AND INSURANCE  
INDIVIDUAL HEALTH COVERAGE PROGRAM

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**ADVISORY BULLETIN**  
**08-IHC-02**

May 29, 2008

To: IHC Program Member Carriers that Issue Coverage  
IHC Program Interested Parties

From: Ellen DeRosa  
Executive Director

**Re: Adopted Amendments Regarding Coverage for Civil Union Partners**

The Individual Health Coverage Program Board proposed amendments to the regulations and standard plans and specimen Basic and Essential plan to comply with the requirements of P.L. 2006, c. 103. The Notice of Adoption was published in the May 19, 2008 *New Jersey Register*. Both the proposal and the adoption are posted on the website at <http://www.state.nj.us/dobi/ihcpage.htm>

As stated in the notice of proposal, since the proposed amendments to the standard plans affect only specific sections of the policy forms, carriers will be given the option to implement the forms changes by using the Compliance and Variability Rider set forth at N.J.A.C. 11:20 Appendix Exhibit D or by incorporating the change into the standard plans and the Basic and Essential plan. The text to be included on the Compliance and Variability rider by those carriers that choose that option is set forth below.

**Text to be included on Exhibit D, Compliance and Variability Rider**

Please note that the following uses the terms Policy and Policyholder. If amending an HMO plan, these terms should be changed to Contract and Contractholder.

I. The Definition of Dependent is deleted and replaced with the following:

**Dependent** means Your:

- a) Spouse;
- b) unmarried Dependent child who is under age 19; and
- c) unmarried Dependent child from age 19 until his or her 23rd birthday, who is enrolled as a full-time student at an Accredited School. Full-time student status will be as defined by

the Accredited School. We can require periodic proof of a Dependent child's status as a full-time student.

Under certain circumstances, an incapacitated child is also a Dependent. See the **Eligibility** section of this [Policy].

Your "unmarried Dependent child" includes:

- a) Your biological child,
- b) Your legally adopted child,
- c) Your step-child,
- d) The child of your civil union partner,
- e) the child of Your Domestic Partner if the child depends on You for most of his or her support and maintenance, and
- f) children under a court appointed guardianship.

We treat a child as legally adopted from the time the child is placed in the home for purpose of adoption. We treat such a child this way whether or not a final adoption order is ever issued. Also, any other child over whom You have legal custody or legal guardianship or with whom You have a legal relationship or a blood relationship is considered a Dependent Child under this [Policy] provided the child depends on You for most of the Child's support and maintenance and resides in Your household. (We may require that You submit proof of legal custody, legal guardianship, support and maintenance, residency in Your household, blood relationship or legal relationship, in Our Discretion.)

A Dependent does not include a person who is on active duty in the armed forces of any country.

A Dependent does not include a person who resides in a foreign country. However, this does not apply to a person who is attending an Accredited School in a foreign country who is enrolled as a student for up to one year at a time.

At Our discretion, We can require proof that a person meets the definition of a Dependent.

II. The Definition of Spouse is deleted and replaced with the following:

**Spouse** means an individual: legally married to the [Policyholder] under the laws of the State of New Jersey; or the [Policyholder's] Domestic Partner pursuant to P.L. 2003, c. 246; or the [Policyholder's] civil union partner pursuant to P.L. 2006, c. 103, as well as a person legally joined with the [Policyholder] in a same sex relationship in another jurisdiction if such relationship provides substantially all of the rights and benefits of marriage.

III. The first paragraph of the **Adding Dependents to your [Policy]** provision is deleted and replaced with the following.

**Spouse** - You may apply to add Your Spouse by notifying Us in writing at any time. You must submit an application to Us to change Your type of coverage. If Your

application is made and submitted to Us within 31 days of Your marriage or documentation of domestic partnership or civil union, the Spouse will be covered from the date of the Spouse's eligibility.

IV. The first paragraph of the **Conversion Rights for Divorced Spouses** provision is deleted and replaced with the following.

**IF YOUR MARRIAGE OR DOMESTIC PARTNERSHIP OR CIVIL UNION ENDS**

If Your marriage ends by legal divorce or annulment, or Your domestic partnership or civil union dissolves, the individual coverage for Your former Spouse ends. The former Spouse may convert to an individual contract during the conversion period. The former Spouse may cover under his or her individual contract any of his or her Dependent children who were covered under this [Policy] on the date this coverage ends. See **Exceptions** below.

If you have any questions concerning amending the standard plans, the basic and essential plan, or use of the compliance and variability rider, please contact me by email at [ellen.derosa@dobi.state.nj.us](mailto:ellen.derosa@dobi.state.nj.us) or by phone at 609-633-1882 ext. 50302.