



Extending Health Insurance for an Adult Child

Most people know that an adult child with a disability can be covered by their parents' health insurance plan up until the age of 26. When the adult child turns 26-years-old, the coverage often can be continued through COBRA for a limited time (and usually for a substantially higher premium).

However, what is less known is that some adult children may be able to continue the same health insurance coverage at the same rate under their parents' plan after age 26. For the coverage to continue, the following criteria must be met:

- The adult child is incapable of self-sustaining employment because of an intellectual, developmental, or physical disability
- The adult child is dependent on the parent for support and maintenance¹

Under the law, the time to apply for the extension is limited. Proof of the individual's incapacity for employment and financial dependency must be submitted to the insurance company no later than 31 days after the adult child's 26th birthday. The insurer may require the same proof to be submitted on an annual basis.

Employers that are self-insured may be exempt from extending coverage. It is important to find out whether an employer qualifies for an exemption and also to learn the details of the employer's extension policy.

HIPP Program: The Health Insurance Premium Payment (HIPP) program may also help families reduce out-of-pocket costs for insurance. Families with at least one person who gets Medicaid may be eligible to enroll in HIPP, which covers the premium or part of the premium for employer-sponsored health insurance and for COBRA. For more about the HIPP program, and to see if your family is eligible, visit the TCDD website: http://tcdd.texas.gov/hipp_with_star_plus/.

¹Texas Insurance Code, Title 8, Subtitle A, §1201.059, <http://www.statutes.legis.state.tx.us/Docs/IN/htm/IN.1201.htm/>