

COMPLIANCE OVERVIEW

Provided by Boyd Consulting Group

Michelle's Law – Coverage for Dependent Students

Michelle's Law was enacted in 2008 to ensure that dependent students who take a medically necessary leave of absence do not lose health insurance coverage. 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.

When Michelle's Law was enacted, many health insurance plans required adult children to have full-time student status to be eligible for dependent coverage. However, due to the Affordable Care Act's (ACA) reforms, most group health plans no longer impose a full-time student status requirement for dependent eligibility.

Under the ACA, group health plans or insurers that provide coverage for dependent children must continue to make coverage available until a child attains age 26, regardless of student status. Thus, Michelle's Law will generally apply only to health plans that provide coverage to dependent full-time students who are age 26 or older.

LINKS AND RESOURCES

- Text of Michelle's Law ([ERISA §714](#))
- Department of Labor's "[elaws advisor](#)" for determining compliance with Michelle's Law.
- DOL's [Self-Compliance Tool](#) for health plans, which addresses compliance with Michelle's Law.

HIGHLIGHTS

COVERAGE REQUIREMENTS

- If a dependent child is no longer enrolled as a full-time student due to a serious injury or illness, the health plan must continue coverage for one year after the medically necessary leave of absence begins.
- The law only impacts health plans that require dependent children to have full-time student status for eligibility.
- Due to the ACA's reforms, most health plans no longer condition dependents' eligibility on full-time student status.

NOTICE REQUIREMENTS

- Group health plans that are subject to Michelle's Law must provide a notice to participants with any notice requiring a certification of student status.

This Compliance Overview is not intended to be exhaustive nor should any discussion or opinions be construed as legal advice. Readers should contact legal counsel for legal advice.

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COVERAGE REQUIREMENTS

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

If a group health plan requires a certification of student status for coverage under the plan, it must send a Michelle's Law notice along with any notice regarding the certification requirement. The Michelle's Law notice must be written in language understandable to a typical plan participant and must describe the terms of the continuation coverage available under Michelle's Law during medically necessary leaves of absence.

IMPACT OF THE ACA

The ACA's adult child coverage mandate diminished the impact of Michelle's Law on many health plans. Under the ACA, if a group health plan or insurer provides dependent coverage for children, the plan or insurer must continue to make the coverage available until the child attains age 26, regardless of student status. Thus, the impact of Michelle's Law on group health plans will generally be limited to health plans that provide coverage to dependent students who are age 26 or over.