



DIVISION OF INSURANCE  
1560 Broadway, Suite 850  
Denver, Colorado 80202

**Frequently Asked Questions for HB 05-1101  
Dependent Health Care Coverage for Persons under 25 Years of Age  
(§10-16-104.3, C.R.S.)**

HB 05-1101 requires individual and group health benefit plans that offer dependent coverage, to offer to the parent, for an additional premium if applicable, by rider or supplemental policy provision, the same dependent coverage for an unmarried child who is under twenty-five years of age, who does not meet the definition of a dependent as defined by Section 10-16-102(14), C.R.S., if the child has the same legal residence as the parent or if the child is financially dependent upon the parent.

At the discretion of the policyholder, the policyholder or the parent must pay, if applicable, the additional premium for a rider or supplemental policy provision.

1. Do dental and vision only policies have to offer this additional coverage?

HB05-1101's effective date provision notes that this law applies to health benefit plans. Section 10-16-102(21), C.R.S., defines health benefit plans and this definition does not include dental and vision only policies as well as a number of other types of limited benefit or supplemental policies.

2. When must the offer of the rider be made to the parent?

HB05-1101's effective date provision notes that this law applies to health benefit plans *issued or renewed* on or after January 1, 2006. Therefore, for renewing plans, unless the individual or group health plan renews on January 1, this offer does not have to be made until the renewal date.

3. How is financial dependency determined? Can the child's status as a dependent for tax purposes be used?

Financial dependency is not defined in the statute; therefore, the child must be, in some part, financially dependent on the parent. Dependency requirements for tax purposes should not be used to disqualify dependents since this test is not required by the law. It should be noted that the same language is used in the definition of a dependent in Section 10-16-102(14), C.R.S.

4. Do all employer groups have to offer this coverage?

No. Colorado health insurance laws do not apply to the federal employee plans, self-funded health policies and they typically do not apply to a policy that was issued to an employer located in another state that includes Colorado residents.

5. Do association groups have to offer this coverage?

Yes, for any health benefit plans being offered to their members.

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6. What happens if a dependent child is no longer a full-time student as of December, but the health benefit plan doesn't renew until July?

Since the rider isn't offered to the parent until renewal, coverage through COBRA, a short-term health policy or some other type of policy will have to be obtained to cover the period of time the dependent child will not have coverage available through the group plan.

7. Can the employer or other group policyholder decide not to offer this additional coverage to its employees or members?

No. This offer must be made to the parent. However, there may be an additional charge to the parent for the rider.

Additional questions should be directed to:

Consumer Affairs  
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