

STUDENT BENEFITS COVERAGE

Continuing Coverage for Your Overage Dependent

Summer is going fast, September is coming and your dependent child is preparing to return to post-secondary school. What do you need to do to ensure that their extended health and dental benefits coverage does not get terminated?

Definition of dependent child

Dependent children are eligible for coverage under your employee benefits plan, typically up to the age of 21, depending on insurance policy in place. If your dependent child attends an educational institution full-time, the insurer will consider them to be an “overage dependent”, and continue benefits coverage to age 25, and age 26 in Quebec.

Student declaration

At the beginning of September, Johnstone’s Benefits will send a verification letter to employers to distribute to their employees whose dependent children currently identified as students and are 21 and older. When you receive this letter, we request that you certify the student status of your overage dependent child. If they are an eligible student, you must indicate the educational institution that your child attends, sign the form and return to us. If we do not receive verification of continuation of coverage, benefits for your overage dependent will terminate effective September 30th.

Studying in another province or country

Extended health plans include provisions for out-of-province and out-of-country medical emergencies during temporary absences while travelling due to business or pleasure. Depending on the overall maximum included in the specific extended health policy, it may mean employees don’t need to purchase additional travel insurance, however we recommend adequacy of coverage be reviewed with each trip outside of Canada.

If your dependent child is attending an educational institution in another province or country, the insurer may not consider their absence as “travel” for purposes of coverage. Rather, they may consider the student to be taking residence in another location, which can complicate their benefits coverage.

THE JOHNSTONE’S ADVANTAGE

Our mission is simple:
Treat each client as if they were our only client.

Our value is clear:
We are completely independent. We work for you and offer total flexibility on insurers and plans.

We offer all your group insurance services including administration, brokerage, consulting, and communications.

We provide dedicated client support, customization and flexibility to meet all of your company’s benefits needs. And we make **solid group plans simple.**



Most insurers will consider extending coverage for dependents who are away for educational reasons, while others may apply an additional premium. When it is clear that a dependent will live outside of the province, it is important you contact our office before the student leaves. We can check if existing coverage can be extended, and if so, whether there is an additional cost.

Provincial health coverage continuation

The student must maintain their provincial health coverage to continue eligibility for extended health.

A reminder that effective January 1, 2017, for residents of BC, there are no premiums for coverage dependents (19 to 24 years old) who are attending post-secondary school full time.

Each province has established guidelines for continuation of provincial health coverage for students outside of the typical province of residence. This information can be found on provincial government websites.

Provincial health will only cover the services of physicians and hospitals while outside the student's normal province of residence.

Common to other provinces, residents of BC who leave the province temporarily to attend a recognized educational institution may retain eligibility for coverage for the period of their studies, with the following conditions:

- be a Canadian citizen or a person lawfully admitted to Canada for permanent residence
- make his or her home in British Columbia
- be physically present in Canada for six of the 12 months immediately preceding departure, and

- be in full-time attendance at an educational facility recognized by the Medical Services Commission

Upon completion of studies, students are required to return to BC by the last day of the month following the month in which their studies are completed.

Students who do not return within this timeframe are required to fulfill a wait period upon their return.

Reminder on claiming rules

When both spouses have employer sponsored benefit plans, the payment order is as follows:

- Claims are paid first under the employee's own plan, and then any outstanding balance can be claimed under the spouse's plan.
- Claims for dependent children follow the "birthday rule" – submit claims first to the plan of the parent whose month and day of birth is earlier in the calendar year, and then any outstanding balance to the other parent's plan.

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