



guide to health care

dependent eligibility

CHILDREN

Children of a primary enrollee or the children of the spouse of a primary enrollee are generally eligible for dependent health care coverage if **ALL** of the following **FIVE** eligibility rules are met:

✓ 1. Relationship

"Children" includes the employee's or retiree's:

- Natural child
- Stepchild
- Legally adopted child
- Child placed for legal adoption under age 18
- Child by legal guardianship

✓ 2. Age

Children are generally eligible until the end of the year they reach age 25 if they earn under the IRS exemption amount during the calendar year (\$2,750 for 1999, \$2,800 for 2000).

This earning limitation does not apply if the child is under age 19,

or

is a full-time student under age 24 (see "Full-Time Students Defined" section).

There is no age restriction for totally and permanently disabled dependents.*

✓ 3. Marital Status

Children must be unmarried.

✓ 4. Residency

Children must live with the primary enrollee or surviving spouse as a member of the household,

or

the primary enrollee must be legally responsible for providing health coverage for the child through a divorce decree, court order, or Qualified Medical Child Support Order (QMCSO).

Full-time students are considered to be living with the enrollee while they are away at school.

✓ 5. Dependency

Children may be legally claimed as an exemption by the primary enrollee, spouse, or surviving spouse under Section 151 of the Internal Revenue Code for Federal income tax purposes,

or

the primary enrollee must be legally responsible for providing health coverage for the child through a divorce decree, court order, or Qualified Medical Child Support Order (QMCSO).

PRINCIPALLY SUPPORTED CHILDREN

Principally supported children of a primary enrollee are generally eligible for dependent health care coverage if **ALL** of the following **FIVE** eligibility rules are met:

✓ 1. Relationship

"Principally Supported Children" are: Children related by blood or marriage to the primary enrollee (for example, grandchildren).

✓ 2. Age

Children are generally eligible until the end of the year they reach age 25 if they earn under the IRS exemption amount during the calendar year (\$2,750 for 1999, \$2,800 for 2000).

This earning limitation does not apply if the child is under age 19,

or

is a full-time student under age 24 (see "Full-Time Students Defined" section).

There is no age restriction for totally and permanently disabled dependents.*

✓ 3. Marital Status

Children must be unmarried.

✓ 4. Residency

Children must live with the primary enrollee or surviving spouse as a member of the household.

Full-time students are considered to be living with the enrollee while they are away at school.

✓ 5. Dependency

Children who were reported as dependents on the primary enrollee's most recent income tax return, or who qualify in the current tax year for dependency tax status.

* A dependent is determined to be totally and permanently disabled if they have a medically determinable physical or mental condition which prevents them from engaging in substantial gainful activity and which can be expected to result in death or be of long-continued or indefinite duration. The dependent must be disabled prior to the end of the calendar year in which they turn age 25.

FULL-TIME STUDENTS DEFINED:

Under Section 151 of the Internal Revenue Code, a full-time student is a child who is enrolled for the number of hours or courses the school considers to be full-time attendance. Schools include elementary schools; junior and senior high schools; colleges; universities; and technical, trade, and mechanical schools.

To be eligible for coverage, students must attend school full-time during some part of each of five months during the calendar year (not necessarily consecutive) and meet **ALL** of the **FIVE** eligibility rules below:

✓ 1. Relationship

"Full-Time Students" includes the employee's or retiree's:

- Natural child
- Stepchild
- Child by legal adoption
- Child by legal guardianship
- Principally supported child

✓ 2. Age

- Full-time students are eligible between the ages of 19 and 24 with no income restrictions.
- Full-time students are no longer eligible when they reach age 24 if their income exceeds the IRS exemption amount during the calendar year (\$2,750 for 1999, \$2,800 for 2000).

✓ 3. Marital Status

Children must be unmarried.

✓ 4. Residency

Children must live with the primary enrollee or surviving spouse as a member of the household, **or** the primary enrollee must be legally responsible for providing health coverage for the child through a divorce decree, court order, or Qualified Medical Child Support Order (QMCSO).

Full-time students are considered to be living with the enrollee while they are away at school.

✓ 5. Dependency

Children may be legally claimed as an exemption by the primary enrollee, spouse, or surviving spouse under Section 151 of the Internal Revenue Code for Federal income tax purposes, **or** the primary enrollee must be legally responsible for providing health coverage for the child through a divorce decree, court order, or Qualified Medical Child Support Order (QMCSO).



The Company requires a Social Security number for each dependent covered under the health care plans. If the dependent has not been assigned a Social Security number, it must be provided within six months.

Dependent Eligibility Rules

Who is NOT ELIGIBLE for health care coverage?

- A former spouse is **not eligible** after the final date of divorce.
- A child is **not eligible** once you no longer have a legal obligation to provide health care coverage through a divorce decree or court order.
- A child is **not eligible** when on active duty in the military.
- A child is **not eligible** if married.
- An employee, retiree, surviving spouse, or a dependent of a Ford employee is **not eligible** if covered under another Ford employee, retiree, or surviving spouse's coverage.
- A child born to a surviving spouse after the employee's or retiree's death is **not eligible**, unless the child was conceived prior to the death of the employee or retiree.
- A surviving spouse's new spouse is **not eligible**.
- A "sponsored dependent" of a surviving spouse is **not eligible**, unless the dependent was enrolled at the time of the employee's or retiree's death and the surviving spouse is eligible and enrolled for coverage.
- A "principally supported" child of a surviving spouse is **not eligible**, unless the child was enrolled or eligible to be enrolled by the deceased employee or retiree as of the date of death.

Who IS ELIGIBLE for health care coverage?

SPOUSES

- Your spouse **is eligible**, if you are an eligible employee or retiree and enrolled for coverage.
- Your common-law spouse **is eligible**, if you are an eligible employee or retiree and the relationship is recognized by the state in which you are enrolled for coverage. Common-law states include: Alabama, Colorado, District of Columbia, Florida (before 1/1/68), Georgia (before 1/1/97), Idaho, Indiana (before 1/1/58), Iowa, Kansas, Michigan (before 1/1/57), Mississippi (before 4/5/56), Montana, Ohio (before 10/11/91), Oklahoma, Pennsylvania, Rhode Island, South Carolina, South Dakota (before 7/1/59), Texas, and Utah.

CHILDREN

See dependent eligibility rules on the previous pages.

SPONSORED DEPENDENTS

Sponsored dependents are persons other than your spouse or eligible dependent children. A sponsored dependent is a person who is either related by blood or marriage or who lives in your home. You must provide more than one-half of their support as defined by the Internal Revenue Code, and they must qualify in the current year for tax dependency status or you must have claimed the sponsored dependent as an exemption for Federal income tax purposes on your most recent tax return. A sponsored dependent must be a resident of the United States for at least one full year prior to being enrolled for coverage and legally entitled to remain in the United States indefinitely before becoming eligible for coverage.

The cost of sponsored dependent coverage is paid by the primary enrollee and does not include dental or vision coverage.

Examples of potential sponsored dependents are:

- A child who no longer qualifies as a dependent because of age
- Your parents, if claimed as an exemption on your Federal income tax return

