

# GUIDE TO Dependent Eligibility

## For General Motors Hourly Employees



**GM**

**This brochure summarizing the dependent eligibility provisions for health care coverages is presented as a matter of general information only. The detailed terms and conditions of the General Motors Health Care Program for Hourly Employees shall govern with respect to all matters referred to herein.**

This brochure is for use by **hourly** primary enrollees who are employees and provides general information concerning which dependents may be eligible for coverage under the General Motors Health Care Program for Hourly Employees (the Program). Only those dependents who are eligible for coverage may be enrolled.

Information concerning eligibility for same-sex domestic partners and their children is available from the GM Benefits & Services Center at 1-800-489-4646.

Final authority to determine eligibility in accordance with the Program provisions rests with General Motors Corporation. Primary enrollees are liable for costs, fees and expenses incurred by General Motors if any dependent claimed is determined to be ineligible.

In order to enroll, or maintain enrollment for dependents, primary enrollees are required to provide Social Security numbers for all dependents for whom a Social Security number is required to claim an exemption on the primary enrollee's Federal income tax return and whatever documentation is necessary to establish eligibility for the Program. Examples of such documentation include (but are not necessarily limited to):

- Marriage certificate
- Birth certificate
- Adoption or guardianship papers
- Information from the U.S. Internal Revenue Service or Social Security Administration
- Divorce decree
- Court orders affecting paternity and health care responsibility, such as a Qualified Medical Child Support Order (QMCSO)
- Proof of citizenship/U.S. residency

Refusal or failure to provide the documentation required to substantiate claimed eligibility of a dependent shall result in denial or withdrawal of eligibility for such dependent.

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The categories of eligible dependents are listed below. Use the charts along with this information to help determine dependent eligibility.

1. The **spouse** of an eligible and enrolled hourly employee is an eligible dependent.
2. Generally, there are five tests of eligibility for a **dependent child**. To be entitled to enrollment, a child **must meet each applicable test**. In some cases, a child not otherwise eligible may become eligible as a function of a divorce decree or a Qualified Medical Child Support Order (QMCSO) under Federal law (see Item 4).
  - a. **Relationship** – The child must be the primary enrollee’s child, the child of an employee, a child in the process of being adopted by an employee, or a child related by blood for whom the employee, or the employee’s spouse is the legal guardian.

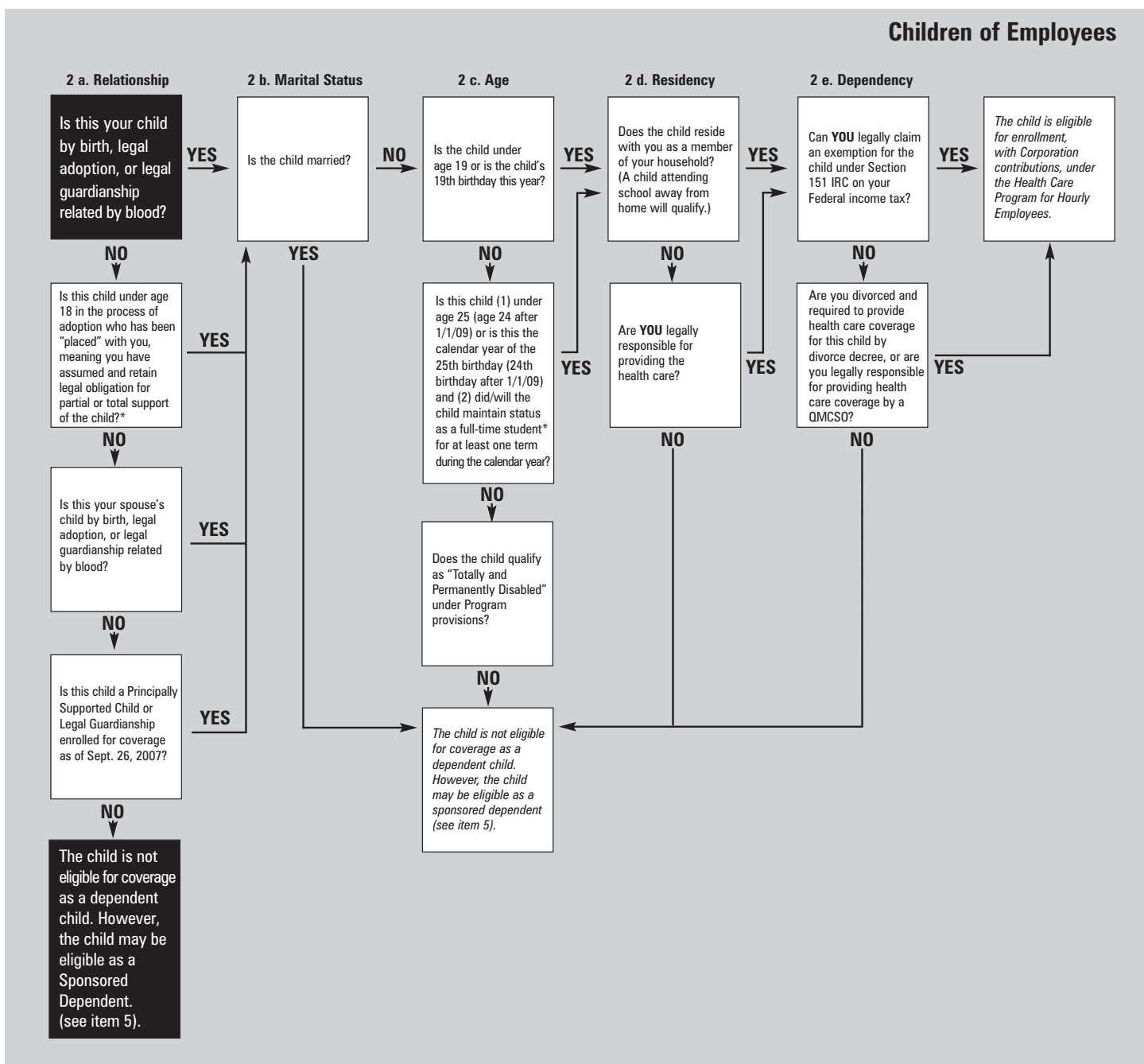
In the case of a pending legal adoption, a child under the age of 18, if otherwise eligible, may be enrolled once the child is “placed” with the employee or the employee’s spouse. As defined by OBRA ’93, “placed” means “the assumption and retention of a legal obligation for total or partial support of such child in anticipation of adoption.”
  - b. **Marital Status** – The child must not be married.
  - c. **Age** – The child must not have reached the end of the calendar year in which he/she turns age 25 unless the child was determined to be totally and permanently disabled prior to the end of such year and continuously thereafter. “Totally and permanently disabled,” for this purpose, **means having any medically determinable physical or mental condition which prevents the child from engaging in substantial gainful activity and which can be expected to result in death or to be of long-continued or indefinite duration**. If a child first becomes totally and permanently disabled after the end of the calendar year in which age 25 is attained, or if the child was so disabled, recovers, and again becomes disabled after such age, coverage as a dependent child will not be reinstated.

NOTE: Effective, January 1, 2009, the child must not have reached the end of the calendar year in which he/she turns age 19 unless the child is a full-time student for at least one term during the calendar year and has not reached the end of the calendar year in which he/she turns age 24.
  - d. **Residency** – The child must reside with the primary enrollee as a member of such person’s household. (A child temporarily away from home while attending school is considered to be a member of the household.) If the child is not a member of the household, the **employee must be legally** responsible for the provision of health care for the child [e.g., per a divorce decree, an order of a court, a paternity order or a Qualified Medical Child Support Order (QMCSO)].
  - e. **Dependency** – The child must be dependent upon the primary enrollee, meaning that the primary enrollee must be able to **legally** claim an exemption for such child, under Section 151 of the Internal Revenue Code (IRC), for Federal income tax purposes. The Internal Revenue Service (IRS) is the final arbiter of whether or not a primary enrollee legally can claim an exemption. The burden rests on the primary enrollee to establish eligibility. Guidelines for claiming an exemption can be found in IRS Publication 501. Note that under current IRS guidelines a parent cannot claim an exemption for a child age 24 or older, unless the child had gross income less than the amount stipulated by the IRS for the calendar year under the “Gross Income Test” (e.g., \$3,400 for 2007). This rule applies even if the child is a full-time student.

An exception may be made for a child of an **employee**, if such employee is legally responsible for the provision of health care for the child as stipulated in a **divorce decree, or the employee is legally responsible for the provision of health care coverage per a QMCSO** (see Item 4).
3. Principally-supported children are eligible if they were enrolled for coverage as of September 26, 2007, and are related to the primary enrollee by blood or marriage, and meet all the other requirements for eligibility of children as defined in the Program. **The child must reside with and be dependent upon the primary enrollee.**
4. Legal Guardianships, not related by blood to the primary enrollee, that were enrolled for coverage as of September 26, 2007, meet all the other requirements for eligibility of children as defined in the Program. **The child must reside with and be dependent upon the primary enrollee.**
5. A Qualified Medical Child Support Order (QMCSO), as provided under OBRA ’93, allows the child of an employee named in the order to be enrolled if the child meets all requirements of a dependent child other than residency and/or dependency.

General Motors Corporation is the Plan Administrator and reserves the right to determine whether a Medical Child Support Order is “qualified” within the meaning of the Federal law. To be qualified, the order must:

- a. be a judgment, decree, or order;
- b. be issued pursuant to a state domestic relations law by a court of competent jurisdiction;
- c. provide child support or health care coverage for the child of the employee;
- d. relate to benefits;
- e. create, recognize or assign to an alternate recipient the right to receive benefits for which the employee is eligible;
- f. clearly specify the names and last known mailing addresses of the alternate recipient(s) and the employee;
- g. describe the type of coverage and plan(s) to which the order applies (or provide sufficient information to enable the Plan Administrator to determine these items);
- h. describe the period to which the order applies, and
- i. not require a type or form of benefit or option not otherwise provided under the Program.



\*A child, age 18 or over, living with you pending adoption, or a child under age 18, in the process of adoption, who has not been “placed” with you (as defined by OBRA ‘93), is not eligible for Corporation contributions for health care coverage until the adoption is finalized. In the interim, sponsored dependent coverage may be available.

**6. Sponsored Dependents** are individuals other than those specified above, who are related to the primary enrollee by blood or marriage, or, if not so related, who reside with the primary enrollee. To be eligible, they must be dependent upon such primary enrollee as previously defined. Sponsored dependents who are not citizens of the United States must have resided in the United States for one full year and must be legally entitled to remain in the United States indefinitely.

If a sponsored dependent's coverage is discontinued (because of voluntary cancellation, failure to make the required payments, or failure to meet the eligibility provisions) and a request for reinstatement is made, the effective date will be the first day of the sixth month following receipt of the application and any necessary supporting documentation. This does not apply if coverage was canceled because a primary enrollee lost coverage while on layoff, personal leave of absence, etc.

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

