

*NEW JERSEY*  
**SMALL EMPLOYER HEALTH BENEFITS PROGRAM**

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**ADVISORY BULLETIN**

**97-SEH-03**

**To: SEH Program Members and Interested Parties**  
**From: Wardell Sanders, Assistant Director**  
**Re: Dependent Participation**  
**Date: April 25, 1997**

**BEGINNING WITH PLANS ISSUED OR RENEWED ON OR AFTER  
JUNE 1, 1997, CARRIERS MAY NO LONGER USE A DEPENDENT  
PARTICIPATION REQUIREMENT.**

The standard small employer health benefits plans currently include variable text which would permit a carrier to impose a dependent participation requirement. Upon further review of the law, the New Jersey Small Employer Health Benefits ("SEH") Program Board believes that the use of a dependent participation requirement conflicts with the guaranteed issuance requirements of the law. As a result, the SEH Board has proposed modifications to its regulations removing the variable text regarding dependent participation. That proposal appeared in the April 7, 1997 edition of the *New Jersey Register*. Accordingly, since the SEH Board believes that a dependent participation requirement is in conflict with the law, the SEH Board is notifying carriers that beginning with plans issued or renewed on or after June 1, 1997, a dependent participation requirement shall not be used.