



Guide to Health Care
Dependent Eligibility

Hourly Active 2010



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: Grandchild, niece, nephew, siblings or half-siblings

2. Age

Effective January 1, 2009, dependent coverage ends at age 19 unless the child is a full-time student.

Children are generally eligible until the end of the year they reach age 24, if they earn under the IRS exemption amount (\$3,600 during the 2010 calendar year) **AND** are full-time students. (See “Full-Time Students Defined” section for eligibility requirements.)

The earnings limitation and full-time student status does not apply:

- If the child is under age 19
- If the child has been determined by the Company to be totally and permanently disabled.

There is no age restriction for totally and permanently disabled dependents that have been determined by the Company to be totally and permanently disabled prior to age 24.

Dependents that reach age 24 during the year 2010 will be removed December 31, 2010.

3. Marital Status

Children must be unmarried.

4. Residency

- Children must live with the primary enrollee 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 must be legally claimed as an exemption by the primary enrollee or 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).
- A child shall not be deemed to be “totally and permanently disabled” if he or she is engaged in regular employment or occupation for remuneration or profit which exceeds \$10,000 annually
- 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 24.

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.

If a child does not attend full-time for each of five months during the calendar year (not necessarily consecutive), the child loses eligibility on the last day in which the dependent is no longer a full-time student.

Michelle’s Law

Beginning January 1, 2010, any Dependent Child who has to leave school due to a serious illness or injury may be able to extend their health coverage after leaving school by requesting a “Medically Necessary Leave of Absence”. Dependent students, who are approved by the Company for a Medically Necessary Leave of Absence, may continue health coverage for up to one year. The Dependent Child must continue to meet all other plan eligibility requirements (relationship, residency, dependency and marital status) and their parent must continue to have Ford health plan coverage.

A “Medically Necessary Leave of Absence” means a leave of absence of such child from a postsecondary educational institution or any other change in enrollment of such child at such an institution, that:

- Begins while such child is suffering from a serious illness or injury
- Is medically necessary and
- Causes such child to lose student status for purposes of coverage under the terms of the Plan

Health Plan coverage for a child approved for a Medically Necessary Leave of Absence ends one (1) year after the first day of the Medically Necessary Leave of Absence or, if sooner, the date on which such coverage would otherwise terminate under the terms of the health plan (generally age 24 for full-time students).

The employee must complete and file an application for a Medically Necessary Leave of Absence with the Company within 60 days of the date of the dependent’s illness or injury that caused them to lose full-time student status. A copy of the application can be obtained by calling the NESC at 1-800-248-4444.

Children ages 19-24 must attend school full-time as defined by the school 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:

- Natural child
- Stepchild
- Child by legal adoption

2. Age

- Full-time students are eligible between the ages of 19 and the end of the year they reach age 23 with no income restrictions.
- Full-time students are no longer eligible in the year they reach age 24 once their income exceeds the IRS exemption amount (\$3,600 during the 2010 calendar year).

3. Marital Status

Children must be unmarried.

4. Residency

- Children must live with the primary enrollee 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 must be legally claimed as an exemption by the primary enrollee or spouse under Section 151 of the Internal Revenue Code for Federal income tax purposes

If the primary enrollee is legally responsible for providing health coverage for the child through a divorce decree, court order, or Qualified Medical Child Support Order (QMCSO), the eligibility rules for residency, dependency and full-time student may be waived based on the order.

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 or the dependent will be removed from coverage.



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** as a court ordered or Qualified Medical Child Support Order (QMCSO) dependent once you no longer have a legal obligation to provide health care coverage through a court order, divorce decree or QMCSO. See dependent eligibility rules on the previous pages.
- A child is **not eligible** when on active duty in the military.
- A child is **not eligible** if married.
- A child is **not eligible** once the legal guardianship papers expire.
- An employee 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 death is **not eligible** unless the child was conceived prior to the death of the employee.
- A "sponsored dependent" of a surviving spouse is **not eligible**, unless the dependent was enrolled at the time of the employee's death and the surviving spouse is eligible and enrolled for coverage.

Who IS ELIGIBLE for health care coverage?

Spouses

- Your spouse is **eligible**, if you are an eligible employee and enrolled for coverage.
- Your common-law spouse is **eligible** for coverage, if the relationship is recognized by the laws of the state in which you are enrolled for coverage, provided you meet the requirements for documentation of the status as may be necessary and required by the Company. 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, Texas and Utah.
- Your same-sex domestic partner is eligible for coverage if the relationship is recognized by the laws of the state in which you are enrolled, provided you meet the requirements for documentation of the status as may be necessary by law and required by the Company.

Children

See dependent eligibility rules on the previous pages.

Sponsored Dependents

Sponsored dependents are people other than your spouse or eligible dependent children. A sponsored dependent is a person who is either related by blood or marriage or a non-relative (such as fiancé) who resides your home. You must provide more than one-half of their support as defined by the Internal Revenue Code. A sponsored dependent must live in your home, must be claimed as an exemption on your Federal income tax returns, and 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.

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

