**Section 5410.40 Rules**

a) Enrollment Required During Certain Periods

1) Carriers shall accept applications from eligible persons for Child Only Plan coverage during the open enrollment periods outlined in subsections (b), (c) and (d).

2) Carriers shall also accept applications from eligible persons for Child Only Plan coverage during a special enrollment period outlined in subsection (d), if the application is received within 30 days after a qualifying event.

3) Notwithstanding anything in this Part to the contrary, a carrier is not required to accept applications from eligible persons applying for a Child Only Plan during an open enrollment or special enrollment period if those persons have comprehensive major medical coverage available to be purchased by them at the time the Child Only Plan would become effective.

4) Except during an open enrollment period, carriers need not offer coverage to a Child Only applicant who had a Child Only Plan with a carrier during the 12 months prior to the application for Child Only coverage when that coverage was voluntarily terminated.

5) Carriers issuing Child Only Plans are not precluded from applying non-health related eligibility rules to persons applying for that coverage; however, carriers must uniformly apply those rules to all persons applying for a Child Only Plan.

b) Initial Open Enrollment

1) Carriers shall hold a one-time open enrollment period within 60 days after May 27, 2011. The initial enrollment period shall be no less than 31 days. During this open enrollment period, all children under the age of 19 making application for Child Only Plan coverage shall be offered coverage without any limitations or riders based on health status.

2) Notice of this open enrollment opportunity and instructions on how to enroll must be displayed prominently on the carrier's web site for the duration of the open enrollment period.

3) Applications for coverage during this initial open enrollment period shall become effective no later than 30 days after the end of the initial enrollment period, except that, if mutually agreed upon by the applicant and the carrier, an alternative effective date may be selected.

c) Biannual Open Enrollment for New Applicants

1) Each January and July, carriers shall hold an open enrollment period for Child Only Plan applicants for the duration of the entire month. During these open enrollment periods, all Child Only Plan applicants under the age of 19 shall be offered coverage without any limitations or riders based on health status.

2) Notice of the open enrollment opportunity and open enrollment dates for new applicants, as well as the opportunity to enroll due to a Qualifying Event, must be displayed prominently on the carrier's web site throughout the year.

3) Applications for coverage during a January open enrollment period shall become effective no later than March 1 following the open enrollment during which the application is received. Applications for coverage during a July open enrollment period shall become effective no later than September 1 following the open enrollment during which the application is received.

d) Special Enrollment

1) Notwithstanding anything in this Part to the contrary, an eligible person may apply for a Child Only Plan through a special enrollment opportunity when that person experiences a qualifying event.

2) For purposes of this Part, a qualifying event occurs only when:

A) A person's major medical coverage is involuntarily terminated, whether that coverage is provided to the person directly as a policyholder or as a dependent; and

B) The person does not have other comprehensive major medical coverage available to be purchased, whether by that person directly as a policyholder or as a dependent.

3) An eligible person who experiences a qualifying event shall have 30 days from the date of the qualifying event to apply to a carrier for a Child Only Plan.

4) For purposes of this Part, a qualifying event shall be considered to have occurred on the date that the person's previous major medical coverage was involuntarily terminated or notice of that termination was provided, whichever is later.