



General Assembly

February Session, 2000

***Raised Bill No. 532***

LCO No. 2074

Referred to Committee on Public Health

Introduced by:  
(PH)

***An Act Concerning Health Insurance Portability And Extended Health Insurance Coverage.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsections (c) and (d) of section 38a-476 of the general  
2 statutes are repealed and the following is substituted in lieu thereof:

3 (c) All health insurance plans and insurance arrangements shall  
4 provide coverage, under the terms and conditions of its policies or  
5 contracts, for the preexisting conditions of any newly insured  
6 individual who was previously covered for such preexisting condition  
7 under the terms of his preceding qualifying coverage, provided the  
8 preceding coverage was continuous to a date less than [sixty-three] one  
9 hundred twenty days prior to the effective date of the new coverage,  
10 exclusive of any applicable waiting period, except in the case of a  
11 newly insured group member whose previous coverage was  
12 terminated due to an involuntary loss of employment, the preceding  
13 coverage must have been continuous to a date not more than [ninety]  
14 one hundred fifty days prior to the effective date of the new coverage,  
15 exclusive of any applicable waiting period, provided such newly  
16 insured group member or dependent applies for such succeeding

17 coverage within [sixty-three] one hundred twenty days of his initial  
18 eligibility.

19 (d) With respect to a newly insured individual who was previously  
20 covered under qualifying coverage, but who was not covered under  
21 such qualifying coverage for a preexisting condition, as defined under  
22 the new health insurance plan or arrangement, such plan or  
23 arrangement shall credit the time such individual was previously  
24 covered by qualifying coverage to the exclusion period of the  
25 preexisting condition provision, provided the preceding coverage was  
26 continuous to a date less than [sixty-three] one hundred twenty days  
27 prior to the effective date of the new coverage, exclusive of any  
28 applicable waiting period under such plan, except in the case of a  
29 newly insured group member whose preceding coverage was  
30 terminated due to an involuntary loss of employment, the preceding  
31 coverage must have been continuous to a date not more than [ninety]  
32 one hundred fifty days prior to the effective date of the new coverage,  
33 exclusive of any applicable waiting period, provided such newly  
34 insured group member or dependent applies for such succeeding  
35 coverage within [sixty-three] one hundred twenty days of such  
36 individual's initial eligibility.

37 Sec. 2. Section 38a-554 of the general statutes is repealed and the  
38 following is substituted in lieu thereof:

39 A group comprehensive health care plan shall contain the minimum  
40 standard benefits prescribed in section 38a-553 and shall also conform  
41 in substance to the requirements of this section.

42 (a) The plan shall be one under which the individuals eligible to be  
43 covered include: (1) Each eligible employee; (2) the spouse of each  
44 eligible employee, who shall be considered a dependent for the  
45 purposes of this section; and (3) dependent unmarried children, who  
46 are under the age of nineteen or are full-time students under the age of  
47 twenty-three at an accredited institution of higher learning.

48 (b) The plan shall provide the option to continue coverage under  
49 each of the following circumstances until eligible for other group  
50 insurance: (1) Notwithstanding any contrary provision of this section,  
51 upon layoff, reduction of hours, leave of absence, or termination of  
52 employment, other than as a result of death of the employee or as a  
53 result of such employee's "gross misconduct" as that term is used in 29  
54 USC 1163(2), continuation of coverage for such employee and his  
55 covered dependents for the periods set forth for such event under  
56 federal extension requirements established by the Consolidated  
57 Omnibus Budget Reconciliation Act of 1985 (P.L. 99-272), as amended  
58 from time to time, (COBRA); (2) upon the death of the employee,  
59 continuation of coverage for the covered dependents of such employee  
60 for the periods set forth for such event under federal extension  
61 requirements established by the Consolidated Omnibus Budget  
62 Reconciliation Act of 1985 (P.L. 99-272), as amended from time to time,  
63 (COBRA); (3) during an employee's absence due to illness or injury,  
64 continuation of coverage for such employee and his covered  
65 dependents during continuance of such illness or injury or for up to  
66 twelve months from the beginning of such absence; (4) upon  
67 termination of the group plan, coverage for covered individuals who  
68 were totally disabled on the date of termination, shall be continued  
69 without premium payment during the continuance of such disability  
70 for a period of twelve calendar months following the calendar month  
71 in which the plan was terminated, provided claim is submitted  
72 therefor within one year of the termination of the plan; (5) the coverage  
73 of any covered individual shall terminate: (A) As to a child, the plan  
74 shall provide the option for said child to continue coverage for the  
75 longer of the following periods: (i) At the end of the month following  
76 the month in which the child marries, ceases to be dependent on the  
77 employee or attains the age of nineteen, whichever occurs first, except  
78 that if the child is a full-time student at an accredited institution, the  
79 coverage may be continued while the child remains unmarried and a  
80 full-time student, but not beyond the month following the month in  
81 which the child attains the age of twenty-three. If on the date specified

82 for termination of coverage on a dependent child, the child is  
83 unmarried and incapable of self-sustaining employment by reason of  
84 mental or physical handicap and chiefly dependent upon the  
85 employee for support and maintenance, the coverage on such child  
86 shall continue while the plan remains in force and the child remains in  
87 such condition, provided proof of such handicap is received by the  
88 carrier within thirty-one days of the date on which the child's coverage  
89 would have terminated in the absence of such incapacity. The carrier  
90 may require subsequent proof of the child's continued incapacity and  
91 dependency but not more often than once a year thereafter or (ii) for  
92 the periods set forth for such child under federal extension  
93 requirements established by the Consolidated Omnibus Budget  
94 Reconciliation Act of 1985 (P.L. 99-272), as amended from time to time,  
95 (COBRA); (B) as to the employee's spouse, at the end of the month  
96 following the month in which a divorce, court-ordered annulment or  
97 legal separation is obtained, whichever is earlier, except that the plan  
98 shall provide the option for said spouse to continue coverage for the  
99 periods set forth for such events under federal extension requirements  
100 established by the Consolidated Omnibus Budget Reconciliation Act of  
101 1985 (P.L. 99-272), as amended from time to time, (COBRA); and (C) as  
102 to the employee or dependent who is sixty-five years of age or older,  
103 as of midnight of the day preceding such person's eligibility for  
104 benefits under Title XVIII of the Social Security Act; (6) as to any other  
105 event listed as a "qualifying event" in 29 USC 1163, as amended from  
106 time to time, continuation of coverage for such periods set forth for  
107 such event in 29 USC 1162, as amended from time to time, provided  
108 such plan may require the individual whose coverage is to be  
109 continued to pay up to the percentage of the applicable premium as  
110 specified for such event in 29 USC 1162, as amended from time to time;  
111 (7) any continuation of coverage required by this section except  
112 subdivision (4) or (6) of this subsection may be subject to the  
113 requirement, on the part of the individual whose coverage is to be  
114 continued, that such individual contribute that portion of the premium  
115 he would have been required to contribute had the employee

116 remained an active covered employee, except that the individual may  
117 be required to pay up to one hundred two per cent of the entire  
118 premium at the group rate if coverage is continued in accordance with  
119 subdivision (1), (2) or (5) of this subsection, provided the employer  
120 shall not be legally obligated by sections 38a-505, 38a-546 and 38a-551  
121 to 38a-559, inclusive, as amended, to pay such premium if not paid  
122 timely by the employee.

123 (c) The commissioner shall promulgate regulations concerning  
124 coordination of benefits between the plan and other health insurance  
125 plans.

126 (d) The plan shall make available to Connecticut residents, in  
127 addition to any other conversion privilege available, a conversion  
128 privilege under which coverage shall be available immediately upon  
129 termination of coverage under the group plan. The terms and benefits  
130 offered under the conversion benefits shall be at least equal to the  
131 terms and benefits of an individual comprehensive health care plan.

132 (e) The plan shall make available the continuation of coverage for  
133 six months after the expiration of any applicable period set forth in  
134 subdivisions (1) to (6), inclusive, of subsection (b) of this section or the  
135 expiration of the federal extension requirements established by the  
136 Consolidated Omnibus Budget Reconciliation Act of 1985 (P.L. 99-272),  
137 as amended from time to time, (COBRA), provided payment for such  
138 continued coverage is made to the insurer in accordance with section 4  
139 of this act.

140 Sec. 3. Subsection (a) of section 38a-546 of the general statutes is  
141 repealed and the following is substituted in lieu thereof:

142 (a) In order to assure reasonable continuation of coverage and  
143 extension of benefits to the citizens of this state, each group health  
144 insurance policy, regardless of the number of insureds, providing  
145 coverage of the type specified in subdivisions (1), (2), (3), (4), (11) and  
146 (12) of section 38a-469, delivered, issued for delivery, renewed or

147 continued in this state on or after October 1, 1997, shall, subject to the  
148 provisions of subsection (d), contain those provisions described in  
149 subsections (b), [and] (d) and (e) of section 38a-554, as amended by this  
150 act.

151 Sec. 4. (NEW) The Commissioner of Social Services shall, within  
152 available appropriations, make payments to any insurer that provides  
153 continued health insurance coverage pursuant to subsection (e) of  
154 section 38a-554 of the general statutes, as amended by this act, for  
155 individuals who have exhausted their benefits under the Consolidated  
156 Omnibus Budget Reconciliation Act of 1985 (P.L. 99-272), as amended  
157 from time to time, (COBRA). The commissioner may adopt  
158 regulations, in accordance with chapter 54 of the general statutes, to  
159 carry out the provisions of this section.

***Statement of Purpose:***

To extend the period of health insurance portability and to provide extended health insurance coverage to individuals that have exhausted their benefits under COBRA.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*