



General Assembly

**Substitute Bill No. 6055**

January Session, 2007

\*          HB06055APP          041907          \*

**AN ACT EXTENDING HEALTH INSURANCE COVERAGE FOR  
DEPENDENT CHILDREN.**

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

1 Section 1. Section 38a-497 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective October 1, 2007*):

3  
4 (a) ~~[Every]~~ Each individual health insurance policy providing  
5 coverage of the type specified in subdivisions (1), (2), (4), (6), (10), (11)  
6 and (12) of section 38a-469 delivered, issued for delivery, amended or  
7 renewed in this state on or after ~~[October 1, 1982]~~ January 1, 2008, shall  
8 provide that coverage of a child of the policyholder shall terminate no  
9 earlier than the policy anniversary date on or after whichever of the  
10 following occurs first, the date on which the child marries [, ceases to  
11 be a dependent of the policyholder, attains the age of nineteen if the  
12 child is not a full-time student at an accredited institution,] or attains  
13 the age of twenty-three if the child is a full-time or part-time student at  
14 an accredited institution.

15 (b) Each individual health insurance policy providing coverage of  
16 the type specified in subdivisions (1), (2), (4), (6), (10), (11) and (12) of  
17 section 38a-469 delivered, issued for delivery, amended or renewed in  
18 this state on or after January 1, 2008, shall, at the option of the  
19 policyholder, provide coverage of a child who is not covered under  
20 subsection (a) of this section, provided the child is: (1) under twenty-

21 five years of age, (B) unmarried, (C) a resident of this state or is  
22 enrolled as a full-time or part-time student at an accredited institution  
23 and (4) not offered or provided coverage under a health benefits plan  
24 sponsored or arranged by the child's own employer. The insurer,  
25 health care center or other entity providing coverage under this  
26 subsection may charge the policyholder an additional premium for  
27 such coverage if the policyholder elects such coverage.

28 Sec. 2. (NEW) (*Effective October 1, 2007*) (a) Each group health  
29 insurance policy providing coverage of the type specified in  
30 subdivisions (1), (2), (4), (6), (10), (11) and (12) of section 38a-469 of the  
31 general statutes delivered, issued for delivery, amended or renewed in  
32 this state on or after January 1, 2008, shall provide coverage of a child  
33 of the insured shall terminate no earlier than the date on or after  
34 whichever of the following occurs first, the date on which the child  
35 marries or attains the age of twenty-three if the child is a full-time or  
36 part-time student at an accredited institution.

37 (b) Each group health insurance policy providing coverage of the  
38 type specified in subdivisions (1), (2), (4), (6), (10), (11) and (12) of  
39 section 38a-469 of the general statutes delivered, issued for delivery,  
40 amended or renewed in this state on or after January 1, 2008, shall, at  
41 the option of the insured, provide coverage of a child who is not  
42 covered under subsection (a) of this section, provided the child is: (1)  
43 Under twenty-five years of age, (2) unmarried, (3) a resident of this  
44 state or is enrolled as a full-time or part-time student at an accredited  
45 institution, and (4) not offered or provided coverage under a health  
46 benefits plan sponsored or arranged by the child's own employer. The  
47 insurer, health care center or other entity providing coverage under  
48 this subsection may charge the insured an additional premium for  
49 such coverage if the insured elects such coverage.

50 (c) Each group health insurance policy providing coverage of the  
51 type specified in subdivisions (1), (2), (4), (6), (10), (11) and (12) of  
52 section 38a-469 of the general statutes delivered, issued for delivery,  
53 amended or renewed in this state on or after January 1, 2008, shall

54 provide the option to continue coverage under each of the following  
55 circumstances until the individual is eligible for other group insurance,  
56 except as provided in subdivisions (3) and (4) of this subsection: (1)  
57 Notwithstanding any provision of this section, upon layoff, reduction  
58 of hours, leave of absence or termination of employment, other than as  
59 a result of death of the employee or as a result of such employee's  
60 "gross misconduct" as that term is used in 29 USC 1163(2), continuation  
61 of coverage for such employee and such employee's covered  
62 dependents for the periods set forth for such event under federal  
63 extension requirements established by the federal Consolidated  
64 Omnibus Budget Reconciliation Act of 1985 (P.L. 99-272), as amended  
65 from time to time, (COBRA), except that if such reduction of hours,  
66 leave of absence or termination of employment results from an  
67 employee's eligibility to receive Social Security income, continuation of  
68 coverage for such employee and such employee's covered dependents  
69 until midnight of the day preceding such person's eligibility for  
70 benefits under Title XVIII of the Social Security Act; (2) upon the death  
71 of the employee, continuation of coverage for the covered dependents  
72 of such employee for the periods set forth for such event under federal  
73 extension requirements established by the Consolidated Omnibus  
74 Budget Reconciliation Act of 1985 (P.L. 99-272), as amended from time  
75 to time, (COBRA); (3) regardless of the employee's or dependent's  
76 eligibility for other group insurance, during an employee's absence  
77 due to illness or injury, continuation of coverage for such employee  
78 and such employee's covered dependents during continuance of such  
79 illness or injury or for up to twelve months from the beginning of such  
80 absence; (4) regardless of an individual's eligibility for other group  
81 insurance, upon termination of the group policy, coverage for covered  
82 individuals who were totally disabled on the date of termination shall  
83 be continued without premium payment during the continuance of  
84 such disability for a period of twelve calendar months following the  
85 calendar month in which the policy was terminated, provided claim is  
86 submitted for coverage within one year of the termination of the  
87 policy; (5) the coverage of any covered individual shall terminate: (A)  
88 As to a child, the policy shall provide the option for said child to

89 continue coverage for the longer of the following periods: (i) At the  
90 end of the month following the month in which the child marries or  
91 attains the age of twenty-three if the child is a full-time or part-time  
92 student at an accredited institution or attains the age of twenty-five if  
93 the child is a resident of this state or enrolled as a full-time or part-time  
94 student at an accredited institution and is not offered or provided  
95 coverage under a health benefits plan sponsored or arranged by the  
96 child's own employer. If on the date specified for termination of  
97 coverage on a child of the policyholder, the child is unmarried and  
98 incapable of self-sustaining employment by reason of mental or  
99 physical handicap and chiefly dependent upon the employee for  
100 support and maintenance, the coverage on such child shall continue  
101 while the policy remains in force and the child remains in such  
102 condition, provided proof of such handicap is received by the carrier  
103 within thirty-one days of the date on which the child's coverage would  
104 have terminated in the absence of such incapacity. The carrier may  
105 require subsequent proof of the child's continued incapacity and  
106 dependency but not more often than once a year thereafter, or (ii) for  
107 the periods set forth for such child under federal extension  
108 requirements established by the Consolidated Omnibus Budget  
109 Reconciliation Act of 1985 (P.L. 99-272), as amended from time to time,  
110 (COBRA); (B) as to the employee's spouse, at the end of the month  
111 following the month in which a divorce, court-ordered annulment or  
112 legal separation is obtained, whichever is earlier, except that the policy  
113 shall provide the option for said spouse to continue coverage for the  
114 periods set forth for such events under federal extension requirements  
115 established by the Consolidated Omnibus Budget Reconciliation Act of  
116 1985 (P.L. 99-272), as amended from time to time, (COBRA); and (C) as  
117 to the employee or dependent who is sixty-five years of age or older,  
118 as of midnight of the day preceding such person's eligibility for  
119 benefits under Title XVIII of the federal Social Security Act; (6) as to  
120 any other event listed as a "qualifying event" in 29 USC 1163, as  
121 amended from time to time, continuation of coverage for such periods  
122 set forth for such event in 29 USC 1162, as amended from time to time,  
123 provided such policy may require the individual whose coverage is to

124 be continued to pay up to the percentage of the applicable premium as  
125 specified for such event in 29 USC 1162, as amended from time to time.  
126 Any continuation of coverage required by this section except  
127 subdivision (4) or (6) of this subsection may be subject to the  
128 requirement, on the part of the individual whose coverage is to be  
129 continued, that such individual contribute that portion of the premium  
130 the individual would have been required to contribute had the  
131 employee remained an active covered employee, except that the  
132 individual may be required to pay up to one hundred two per cent of  
133 the entire premium at the group rate if coverage is continued in  
134 accordance with subdivision (1), (2) or (5) of this subsection. The  
135 employer shall not be legally obligated by sections 38a-505, 38a-546  
136 and 38a-551 to 38a-559, inclusive, of the general statutes to pay such  
137 premium if not paid timely by the employee. The policy shall make  
138 available to residents of this state, in addition to any other conversion  
139 privilege available, a conversion privilege under which coverage shall  
140 be available immediately upon termination of coverage under the  
141 group policy. The terms and benefits offered under the conversion  
142 benefits shall be at least equal to the terms and benefits of an  
143 individual comprehensive health care policy. For the purposes of this  
144 subsection, "dependent" means the spouse and children of an eligible  
145 employee.

146 Sec. 3. Section 38a-554 of the general statutes is repealed and the  
147 following is substituted in lieu thereof (*Effective October 1, 2007*):

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

151 (a) The plan shall be one under which the individuals eligible to be  
152 covered include: (1) Each eligible employee; (2) the spouse of each  
153 eligible employee; [, who shall be considered a dependent for the  
154 purposes of this section;] and (3) [dependent] unmarried children, [,  
155 who are under the age of nineteen or are full-time students under the  
156 age of twenty-three at an accredited institution of higher learning] to

157 the same extent as provided in subsections (a) and (b) of section 2 of  
158 this act.

159 (b) The plan shall provide the option to continue coverage under  
160 [each of] the [following] circumstances [until the individual is eligible  
161 for other group insurance, except as provided in subdivisions (3) and  
162 (4) of this subsection: (1) Notwithstanding any provision of this  
163 section, upon layoff, reduction of hours, leave of absence, or  
164 termination of employment, other than as a result of death of the  
165 employee or as a result of such employee's "gross misconduct" as that  
166 term is used in 29 USC 1163(2), continuation of coverage for such  
167 employee and such employee's covered dependents for the periods set  
168 forth for such event under federal extension requirements established  
169 by the federal Consolidated Omnibus Budget Reconciliation Act of  
170 1985 (P.L. 99-272), as amended from time to time, (COBRA), except  
171 that if such reduction of hours, leave of absence or termination of  
172 employment results from an employee's eligibility to receive Social  
173 Security income, continuation of coverage for such employee and such  
174 employee's covered dependents until midnight of the day preceding  
175 such person's eligibility for benefits under Title XVIII of the Social  
176 Security Act; (2) upon the death of the employee, continuation of  
177 coverage for the covered dependents of such employee for the periods  
178 set forth for such event under federal extension requirements  
179 established by the Consolidated Omnibus Budget Reconciliation Act of  
180 1985 (P.L. 99-272), as amended from time to time, (COBRA); (3)  
181 regardless of the employee's or dependent's eligibility for other group  
182 insurance, during an employee's absence due to illness or injury,  
183 continuation of coverage for such employee and such employee's  
184 covered dependents during continuance of such illness or injury or for  
185 up to twelve months from the beginning of such absence; (4)  
186 regardless of an individual's eligibility for other group insurance, upon  
187 termination of the group plan, coverage for covered individuals who  
188 were totally disabled on the date of termination shall be continued  
189 without premium payment during the continuance of such disability  
190 for a period of twelve calendar months following the calendar month

191 in which the plan was terminated, provided claim is submitted for  
192 coverage within one year of the termination of the plan; (5) the  
193 coverage of any covered individual shall terminate: (A) As to a child,  
194 the plan shall provide the option for said child to continue coverage for  
195 the longer of the following periods: (i) At the end of the month  
196 following the month in which the child marries, ceases to be  
197 dependent on the employee or attains the age of nineteen, whichever  
198 occurs first, except that if the child is a full-time student at an  
199 accredited institution, the coverage may be continued while the child  
200 remains unmarried and a full-time student, but not beyond the month  
201 following the month in which the child attains the age of twenty-three.  
202 If on the date specified for termination of coverage on a dependent  
203 child, the child is unmarried and incapable of self-sustaining  
204 employment by reason of mental or physical handicap and chiefly  
205 dependent upon the employee for support and maintenance, the  
206 coverage on such child shall continue while the plan remains in force  
207 and the child remains in such condition, provided proof of such  
208 handicap is received by the carrier within thirty-one days of the date  
209 on which the child's coverage would have terminated in the absence of  
210 such incapacity. The carrier may require subsequent proof of the  
211 child's continued incapacity and dependency but not more often than  
212 once a year thereafter, or (ii) for the periods set forth for such child  
213 under federal extension requirements established by the Consolidated  
214 Omnibus Budget Reconciliation Act of 1985 (P.L. 99-272), as amended  
215 from time to time, (COBRA); (B) as to the employee's spouse, at the  
216 end of the month following the month in which a divorce, court-  
217 ordered annulment or legal separation is obtained, whichever is  
218 earlier, except that the plan shall provide the option for said spouse to  
219 continue coverage for the periods set forth for such events under  
220 federal extension requirements established by the Consolidated  
221 Omnibus Budget Reconciliation Act of 1985 (P.L. 99-272), as amended  
222 from time to time, (COBRA); and (C) as to the employee or dependent  
223 who is sixty-five years of age or older, as of midnight of the day  
224 preceding such person's eligibility for benefits under Title XVIII of the  
225 federal Social Security Act; (6) as to any other event listed as a

226 "qualifying event" in 29 USC 1163, as amended from time to time,  
227 continuation of coverage for such periods set forth for such event in 29  
228 USC 1162, as amended from time to time, provided such plan may  
229 require the individual whose coverage is to be continued to pay up to  
230 the percentage of the applicable premium as specified for such event in  
231 29 USC 1162, as amended from time to time. Any continuation of  
232 coverage required by this section except subdivision (4) or (6) of this  
233 subsection may be subject to the requirement, on the part of the  
234 individual whose coverage is to be continued, that such individual  
235 contribute that portion of the premium the individual would have  
236 been required to contribute had the employee remained an active  
237 covered employee, except that the individual may be required to pay  
238 up to one hundred two per cent of the entire premium at the group  
239 rate if coverage is continued in accordance with subdivision (1), (2) or  
240 (5) of this subsection. The employer shall not be legally obligated by  
241 sections 38a-505, 38a-546 and 38a-551 to 38a-559, inclusive, to pay such  
242 premium if not paid timely by the employee] specified in subsection  
243 (c) of section 2 of this act.

244 (c) The commissioner shall adopt regulations, in accordance with  
245 chapter 54, concerning coordination of benefits between the plan and  
246 other health insurance plans.

247 (d) The plan shall make available to Connecticut residents, in  
248 addition to any other conversion privilege available, a conversion  
249 privilege [under which coverage shall be available immediately upon  
250 termination of coverage under the group plan. The terms and benefits  
251 offered under the conversion benefits shall be at least equal to the  
252 terms and benefits of an individual comprehensive health care plan] as  
253 provided under subsection (c) of section 2 of this act.

254 Sec. 4. Section 38a-482 of the general statutes is repealed and the  
255 following is substituted in lieu thereof (*Effective October 1, 2007*):

256 No individual health insurance policy shall be delivered or issued  
257 for delivery to any person in this state unless: (1) The entire money and

258 other considerations therefor are expressed therein; (2) the time at  
259 which the insurance takes effect and terminates is expressed therein;  
260 (3) such policy purports to insure only one person, except that a policy  
261 may insure, originally or by subsequent amendment, upon the  
262 application of an adult member of a family, who shall be deemed the  
263 policyholder, any two or more eligible members of such family,  
264 including husband, wife, dependent children or any children [under a  
265 specified age, which shall not exceed eighteen years] as specified in  
266 section 38a-497, as amended by this act, and any other person  
267 dependent upon the policyholder; (4) the style, arrangement and  
268 overall appearance of the policy give no undue prominence to any  
269 portion of the text, and every printed portion of the text of the policy  
270 and of any endorsements or attached papers is plainly printed in light-  
271 faced type of a style in general use, the size of which shall be uniform  
272 and not less than ten-point with a lowercase unspaced alphabet length  
273 not less than one hundred and twenty-point, the word "text" as herein  
274 used including all printed matter except the name and address of the  
275 insurer, name or title of the policy, the brief description, if any, and  
276 captions and subcaptions; (5) the exceptions and reductions of  
277 indemnity are set forth in the policy and, except as provided in section  
278 38a-483, are printed, at the insurer's option, either included with the  
279 benefit provision to which they apply, or under an appropriate caption  
280 such as "EXCEPTIONS" or "EXCEPTIONS AND REDUCTIONS",  
281 provided, if an exception or reduction specifically applies only to a  
282 particular benefit of the policy, a statement of such exception or  
283 reduction shall be included with the benefit provision to which it  
284 applies; (6) each such form, including riders and endorsements, shall  
285 be identified by a form number in the lower left-hand corner of the  
286 first page thereof; and (7) such policy contains no provision purporting  
287 to make any portion of the charter, rules, constitution or bylaws of the  
288 insurer a part of the policy unless such portion is set forth in full in the  
289 policy, except in the case of the incorporation of, or reference to, a  
290 statement of rates or classification of risks, or short-rate table filed with  
291 the commissioner.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>October 1, 2007</i>	38a-497
Sec. 2	<i>October 1, 2007</i>	New section
Sec. 3	<i>October 1, 2007</i>	38a-554
Sec. 4	<i>October 1, 2007</i>	38a-482

***Statement of Legislative Commissioners:***

Section 4, section 38a-482 of the general statutes, was inserted for statutory consistency.

***APP***      *Joint Favorable Subst.*