



General Assembly

Substitute Bill No. 5433

January Session, 2009

* HB05433APP 041609 *

**AN ACT CLARIFYING HEALTH INSURANCE COVERAGE FOR
STEPCHILDREN.**

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 Section 38a-497 of the general statutes is repealed and the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 from passage*):

3 Every individual health insurance policy providing coverage of the
4 type specified in subdivisions (1), (2), (4), (6), (10), (11) and (12) of
5 section 38a-469 delivered, issued for delivery, amended, [or] renewed
6 or continued in this state [on or after January 1, 2009,] shall provide
7 that coverage of a child shall terminate no earlier than the policy
8 anniversary date on or after whichever of the following occurs first, the
9 date on which the child: Marries; ceases to be a resident of the state;
10 becomes covered under a group health plan through the dependent's
11 own employment; or attains the age of twenty-six. The residency
12 requirement shall not apply to dependent children under nineteen
13 years of age or full-time students attending an accredited institution of
14 higher education. Each such policy shall cover a stepchild on the same
15 basis as a biological child.

16 Sec. 2. Section 38a-554 of the general statutes is repealed and the
17 following is substituted in lieu thereof (*Effective from passage*):

18 A group comprehensive health care plan shall contain the minimum

19 standard benefits prescribed in section 38a-553 and shall also conform
20 in substance to the requirements of this section.

21 (a) The plan shall be one under which the individuals eligible to be
22 covered include: (1) Each eligible employee; (2) the spouse of each
23 eligible employee, who shall be considered a dependent for the
24 purposes of this section; and (3) unmarried children who are under
25 twenty-six years of age. Each plan shall cover a stepchild on the same
26 basis as a biological child.

27 (b) The plan shall provide the option to continue coverage under
28 each of the following circumstances until the individual is eligible for
29 other group insurance, except as provided in subdivisions (3) and (4)
30 of this subsection: (1) Notwithstanding any provision of this section,
31 upon layoff, reduction of hours, leave of absence, or termination of
32 employment, other than as a result of death of the employee or as a
33 result of such employee's "gross misconduct" as that term is used in 29
34 USC 1163(2), continuation of coverage for such employee and such
35 employee's covered dependents for the periods set forth for such event
36 under federal extension requirements established by the federal
37 Consolidated Omnibus Budget Reconciliation Act of 1985, P.L. 99-272,
38 as amended from time to time, except that if such reduction of hours,
39 leave of absence or termination of employment results from an
40 employee's eligibility to receive Social Security income, continuation of
41 coverage for such employee and such employee's covered dependents
42 until midnight of the day preceding such person's eligibility for
43 benefits under Title XVIII of the Social Security Act; (2) upon the death
44 of the employee, continuation of coverage for the covered dependents
45 of such employee for the periods set forth for such event under federal
46 extension requirements established by the Consolidated Omnibus
47 Budget Reconciliation Act of 1985, P.L. 99-272, as amended from time
48 to time; (3) regardless of the employee's or dependent's eligibility for
49 other group insurance, during an employee's absence due to illness or
50 injury, continuation of coverage for such employee and such
51 employee's covered dependents during continuance of such illness or
52 injury or for up to twelve months from the beginning of such absence;

53 (4) regardless of an individual's eligibility for other group insurance,
54 upon termination of the group plan, coverage for covered individuals
55 who were totally disabled on the date of termination shall be
56 continued without premium payment during the continuance of such
57 disability for a period of twelve calendar months following the
58 calendar month in which the plan was terminated, provided claim is
59 submitted for coverage within one year of the termination of the plan;
60 (5) the coverage of any covered individual shall terminate: (A) As to a
61 child, the plan shall provide the option for said child to continue
62 coverage for the longer of the following periods: (i) At the end of the
63 month following the month in which the child: Marries; ceases to be a
64 resident of the state; becomes covered under a group health plan
65 through the dependent's own employment; or attains the age of
66 twenty-six. The residency requirement shall not apply to dependent
67 children under nineteen years of age or full-time students attending an
68 accredited institution of higher education. If on the date specified for
69 termination of coverage on a child, the child is unmarried and
70 incapable of self-sustaining employment by reason of mental or
71 physical handicap and chiefly dependent upon the employee for
72 support and maintenance, the coverage on such child shall continue
73 while the plan remains in force and the child remains in such
74 condition, provided proof of such handicap is received by the carrier
75 within thirty-one days of the date on which the child's coverage would
76 have terminated in the absence of such incapacity. The carrier may
77 require subsequent proof of the child's continued incapacity and
78 dependency but not more often than once a year thereafter, or (ii) for
79 the periods set forth for such child under federal extension
80 requirements established by the Consolidated Omnibus Budget
81 Reconciliation Act of 1985, P.L. 99-272, as amended from time to time;
82 (B) as to the employee's spouse, at the end of the month following the
83 month in which a divorce, court-ordered annulment or legal
84 separation is obtained, whichever is earlier, except that the plan shall
85 provide the option for said spouse to continue coverage for the periods
86 set forth for such events under federal extension requirements
87 established by the Consolidated Omnibus Budget Reconciliation Act of

88 1985, P.L. 99-272, as amended from time to time; and (C) as to the
89 employee or dependent who is sixty-five years of age or older, as of
90 midnight of the day preceding such person's eligibility for benefits
91 under Title XVIII of the federal Social Security Act; (6) as to any other
92 event listed as a "qualifying event" in 29 USC 1163, as amended from
93 time to time, continuation of coverage for such periods set forth for
94 such event in 29 USC 1162, as amended from time to time, provided
95 such plan may require the individual whose coverage is to be
96 continued to pay up to the percentage of the applicable premium as
97 specified for such event in 29 USC 1162, as amended from time to time.
98 Any continuation of coverage required by this section except
99 subdivision (4) or (6) of this subsection may be subject to the
100 requirement, on the part of the individual whose coverage is to be
101 continued, that such individual contribute that portion of the premium
102 the individual would have been required to contribute had the
103 employee remained an active covered employee, except that the
104 individual may be required to pay up to one hundred two per cent of
105 the entire premium at the group rate if coverage is continued in
106 accordance with subdivision (1), (2) or (5) of this subsection. The
107 employer shall not be legally obligated by sections 38a-505, 38a-546
108 and 38a-551 to 38a-559, inclusive, to pay such premium if not paid
109 timely by the employee.

110 (c) The commissioner shall adopt regulations, in accordance with
111 chapter 54, concerning coordination of benefits between the plan and
112 other health insurance plans. No individual or group health insurance
113 plan shall coordinate benefits or otherwise reduce benefit payments
114 because a person is covered by or receives benefits from a group
115 specified disease policy delivered, issued for delivery, renewed,
116 amended or continued in this state.

117 (d) The plan shall make available to Connecticut residents, in
118 addition to any other conversion privilege available, a conversion
119 privilege under which coverage shall be available immediately upon
120 termination of coverage under the group plan. The terms and benefits
121 offered under the conversion benefits shall be at least equal to the

122 terms and benefits of an individual comprehensive health care plan.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	38a-497
Sec. 2	<i>from passage</i>	38a-554

INS *Joint Favorable Subst.-LCO*

APP *Joint Favorable*