

S T A T E O F N E W Y O R K

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I N A S S E M B L Y

May 19, 2009

Introduced by M. of A. MORELLE, BRADLEY, DenDEKKER, COLTON, FIELDS, JAFFEE, BING, PAULIN, DINOWITZ, ABBATE, SPANO, MILLMAN, GABRYSZAK, PERRY, CAHILL, BARRON, ESPAILLAT, SCHROEDER, COOK, GALEF, KOON, MAISEL, PHEFFER, MAYERSOHN -- Multi-Sponsored by -- M. of A. JOHN, MAGEE, MARKEY, MCENENY, MENG, SWEENEY, WEISENBERG -- (at request of the Governor) -- read once and referred to the Committee on Insurance

AN ACT to amend the insurance law, in relation to the coverage of a dependent child

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. Section 3221 of the insurance law is amended by adding a
2 new subsection (r) to read as follows:
3 (R)(1) AS USED IN THIS SUBSECTION, "DEPENDENT CHILD" MEANS AN UNMAR-
4 RIED CHILD THROUGH AGE TWENTY-NINE OF AN EMPLOYEE OR MEMBER INSURED
5 UNDER A GROUP CONTRACT, REGARDLESS OF FINANCIAL DEPENDENCE, WHO IS NOT A
6 NAMED INSURED UNDER ANY OTHER GROUP CONTRACT OR GROUP REMITTANCE
7 CONTRACT AND WHO IS NOT ELIGIBLE FOR COVERAGE UNDER TITLE XVIII OF THE
8 UNITED STATES SOCIAL SECURITY ACT (MEDICARE).
9 (2) IN ADDITION TO THE CONVERSION PRIVILEGE AFFORDED BY SUBSECTION (E)
10 OF THIS SECTION AND THE CONTINUATION PRIVILEGE AFFORDED BY SUBSECTION
11 (M) OF THIS SECTION, EVERY GROUP CONTRACT DELIVERED OR ISSUED FOR DELIV-
12 ERY IN THIS STATE THAT PROVIDES HOSPITAL, SURGICAL OR MEDICAL COVERAGE
13 FOR OTHER THAN SPECIFIC DISEASES OR ACCIDENTS ONLY, AND WHICH PROVIDES
14 DEPENDENT COVERAGE THAT TERMINATES AT A SPECIFIED AGE, SHALL, UPON
15 APPLICATION OF THE EMPLOYEE, MEMBER OR DEPENDENT CHILD, AS SET FORTH IN
16 SUBPARAGRAPHS (B) OR (C) OF THIS PARAGRAPH, PROVIDE COVERAGE TO THE
17 DEPENDENT CHILD AFTER THAT SPECIFIED AGE AND THROUGH AGE TWENTY-NINE
18 WITHOUT EVIDENCE OF INSURABILITY, SUBJECT TO ALL OF THE TERMS AND CONDI-
19 TIONS OF THE GROUP CONTRACT AND THE FOLLOWING:
20 (A) AN EMPLOYER SHALL NOT BE REQUIRED TO PAY ALL OR PART OF THE COST
21 OF COVERAGE FOR A DEPENDENT CHILD PROVIDED PURSUANT TO THIS SUBSECTION;

EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets [] is old law to be omitted.

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(B) AN EMPLOYEE, MEMBER OR DEPENDENT CHILD WHO WISHES TO ELECT CONTINUATION OF COVERAGE PURSUANT TO THIS SUBSECTION MAY REQUEST THE CONTINUATION IN WRITING:

(I) WITHIN SIXTY DAYS FOLLOWING THE DATE COVERAGE WOULD OTHERWISE TERMINATE DUE TO REACHING THE SPECIFIED AGE SET FORTH IN THE GROUP CONTRACT;

(II) WITHIN SIXTY DAYS AFTER MEETING THE REQUIREMENTS FOR DEPENDENT CHILD STATUS SET FORTH IN PARAGRAPH ONE OF THIS SUBSECTION WHEN COVERAGE FOR THE DEPENDENT CHILD PREVIOUSLY TERMINATED; OR

(III) DURING AN ANNUAL THIRTY-DAY OPEN ENROLLMENT PERIOD, AS DESCRIBED IN THE CONTRACT;

(C) FOR TWELVE MONTHS AFTER THE INITIAL EFFECTIVE DATE OF THIS SUBSECTION, AN EMPLOYEE, MEMBER OR DEPENDENT CHILD MAY ELECT PROSPECTIVE COVERAGE UNDER THIS SUBSECTION FOR A DEPENDENT CHILD WHOSE COVERAGE TERMINATED UNDER THE TERMS OF THE GROUP CONTRACT PRIOR TO THE INITIAL EFFECTIVE DATE OF THIS SUBSECTION;

(D) AN EMPLOYEE, MEMBER OR DEPENDENT CHILD ELECTING CONTINUATION AS DESCRIBED IN THIS SUBSECTION MUST PAY TO THE GROUP CONTRACTHOLDER OR EMPLOYER, BUT NOT MORE FREQUENTLY THAN ON A MONTHLY BASIS IN ADVANCE, THE AMOUNT OF THE REQUIRED PREMIUM PAYMENT ON THE DUE DATE OF EACH PAYMENT. THE WRITTEN ELECTION OF CONTINUATION, TOGETHER WITH THE FIRST PREMIUM PAYMENT REQUIRED TO ESTABLISH PREMIUM PAYMENT ON A MONTHLY BASIS IN ADVANCE, MUST BE GIVEN TO THE GROUP CONTRACTHOLDER OR EMPLOYER WITHIN THE TIME PERIODS SET FORTH IN SUBPARAGRAPHS (B) AND (C) OF THIS PARAGRAPH. ANY PREMIUM RECEIVED WITHIN THE THIRTY-DAY PERIOD AFTER THE DUE DATE SHALL BE CONSIDERED TIMELY;

(E) FOR ANY DEPENDENT CHILD ELECTING COVERAGE WITHIN SIXTY DAYS OF THE DATE THE DEPENDENT CHILD WOULD OTHERWISE LOSE COVERAGE DUE TO REACHING A SPECIFIED AGE, THE EFFECTIVE DATE OF THE CONTINUATION COVERAGE SHALL BE THE DATE COVERAGE WOULD HAVE OTHERWISE TERMINATED. FOR ANY DEPENDENT CHILD ELECTING TO RESUME COVERAGE DURING AN ANNUAL OPEN ENROLLMENT PERIOD OR DURING THE TWELVE-MONTH INITIAL OPEN ENROLLMENT PERIOD DESCRIBED IN SUBPARAGRAPH (C) OF THIS PARAGRAPH, THE EFFECTIVE DATE OF THE CONTINUATION COVERAGE SHALL BE PROSPECTIVE NO LATER THAN THIRTY DAYS AFTER THE ELECTION AND PAYMENT OF FIRST PREMIUM;

(F) COVERAGE FOR A DEPENDENT CHILD PURSUANT THIS SUBSECTION SHALL CONSIST OF COVERAGE THAT IS IDENTICAL TO THE COVERAGE PROVIDED TO THE EMPLOYEE OR MEMBER PARENT. IF COVERAGE IS MODIFIED UNDER THE CONTRACT FOR ANY GROUP OF SIMILARLY SITUATED EMPLOYEES OR MEMBERS, THEN THE COVERAGE SHALL ALSO BE MODIFIED IN THE SAME MANNER FOR ANY DEPENDENT CHILD;

(G) COVERAGE SHALL TERMINATE ON THE FIRST TO OCCUR OF THE FOLLOWING:

(I) THE DATE THE DEPENDENT CHILD NO LONGER MEETS THE REQUIREMENTS OF PARAGRAPH ONE OF THIS SUBSECTION;

(II) THE END OF THE PERIOD FOR WHICH PREMIUM PAYMENTS WERE MADE, IF THERE IS A FAILURE TO MAKE A REQUIRED PREMIUM PAYMENT WITHIN THE PERIOD OF GRACE DESCRIBED IN SUBPARAGRAPH (D) OF THIS PARAGRAPH; OR

(III) THE DATE ON WHICH THE GROUP CONTRACT IS TERMINATED AND NOT REPLACED BY COVERAGE UNDER ANOTHER GROUP CONTRACT;

(H) THE INSURER SHALL PROVIDE WRITTEN NOTIFICATION OF THE CONTINUATION PRIVILEGE DESCRIBED IN THIS SUBSECTION AND THE TIME PERIOD IN WHICH TO REQUEST CONTINUATION TO THE EMPLOYEE OR MEMBER:

(I) IN EACH CERTIFICATE OF COVERAGE;

(II) AT LEAST SIXTY DAYS PRIOR TO TERMINATION AT THE SPECIFIED AGE AS PROVIDED IN THE CONTRACT;

(III) AT LEAST THIRTY DAYS BEFORE THE ANNUAL OPEN ENROLLMENT PERIOD PERMITTING AN EMPLOYEE, MEMBER OR DEPENDENT CHILD TO MAKE A WRITTEN ELECTION FOR COVERAGE PURSUANT TO SUBPARAGRAPH (B) OF THIS PARAGRAPH; AND

(IV) THIRTY DAYS OR LESS FROM THE INITIAL EFFECTIVE DATE OF THIS SUBSECTION, WITH RESPECT TO INFORMATION CONCERNING A DEPENDENT CHILD'S OPPORTUNITY, FOR TWELVE MONTHS AFTER THE EFFECTIVE DATE OF THIS SUBSECTION, TO MAKE A WRITTEN ELECTION TO OBTAIN COVERAGE UNDER A CONTRACT PURSUANT TO SUBPARAGRAPH (C) OF THIS PARAGRAPH; AND

(I) NOTWITHSTANDING THE COMMUNITY RATING REQUIREMENTS SET FORTH IN SECTION THREE THOUSAND TWO HUNDRED THIRTY-ONE OF THIS ARTICLE AND SECTION FOUR THOUSAND THREE HUNDRED SEVENTEEN OF THIS CHAPTER, AN INSURER SHALL ESTABLISH A DISTINCT PREMIUM FOR CONTINUATION COVERAGE PROVIDED PURSUANT TO THIS SUBSECTION THAT REFLECTS THE LOWER MORBIDITY OF THE POPULATION ELIGIBLE FOR COVERAGE PURSUANT TO THIS SUBSECTION.

(3) AN INSURER SHALL SUBMIT REPORTS, INCLUDING QUARTERLY ENROLLMENT REPORTS AND SUCH OTHER INFORMATION AS THE SUPERINTENDENT MAY REQUIRE, NO LATER THAN THIRTY DAYS FOLLOWING EACH CALENDAR QUARTER, IN A FORM AND MANNER TO BE PRESCRIBED BY THE SUPERINTENDENT.

S 2. Section 4304 of the insurance law is amended by adding a new subsection (m) to read as follows:

(M)(1) AS USED IN THIS SUBSECTION, "DEPENDENT CHILD" MEANS AN UNMARRIED CHILD THROUGH AGE TWENTY-NINE OF AN EMPLOYEE OR MEMBER INSURED UNDER A GROUP REMITTANCE CONTRACT, REGARDLESS OF FINANCIAL DEPENDENCE, WHO IS NOT A NAMED INSURED UNDER ANY OTHER GROUP CONTRACT OR GROUP REMITTANCE CONTRACT AND WHO IS NOT ELIGIBLE FOR COVERAGE UNDER TITLE XVIII OF THE UNITED STATES SOCIAL SECURITY ACT (MEDICARE).

(2) IN ADDITION TO THE CONVERSION PRIVILEGE AFFORDED BY SUBSECTION (E) OF THIS SECTION AND THE CONTINUATION PRIVILEGE AFFORDED BY SUBSECTIONS (E) AND (K) OF THIS SECTION, A HOSPITAL SERVICE, HEALTH SERVICE OR MEDICAL EXPENSE CORPORATION OR HEALTH MAINTENANCE ORGANIZATION THAT PROVIDES COVERAGE FOR WHICH THE PREMIUMS ARE PAID BY THE REMITTING AGENT OF A GROUP THAT PROVIDES DEPENDENT COVERAGE THAT TERMINATES AT A SPECIFIED AGE SHALL, UPON APPLICATION OF THE EMPLOYEE, MEMBER OR DEPENDENT CHILD, AS SET FORTH IN SUBPARAGRAPH (B) OR (C) OF THIS PARAGRAPH, PROVIDE COVERAGE TO THE DEPENDENT CHILD AFTER THAT SPECIFIED AGE AND THROUGH AGE TWENTY-NINE WITHOUT EVIDENCE OF INSURABILITY, SUBJECT TO ALL OF THE TERMS AND CONDITIONS OF THE GROUP REMITTANCE CONTRACT AND THE FOLLOWING:

(A) AN EMPLOYER SHALL NOT BE REQUIRED TO PAY ALL OR PART OF THE COST OF COVERAGE FOR A DEPENDENT CHILD PROVIDED PURSUANT TO THIS SUBSECTION;

(B) AN EMPLOYEE, MEMBER OR DEPENDENT CHILD WHO WISHES TO ELECT CONTINUATION OF COVERAGE PURSUANT TO THIS SUBSECTION MAY REQUEST THE CONTINUATION IN WRITING:

(I) WITHIN SIXTY DAYS FOLLOWING THE DATE COVERAGE WOULD OTHERWISE TERMINATE DUE TO REACHING THE SPECIFIED AGE SET FORTH IN THE GROUP CONTRACT;

(II) WITHIN SIXTY DAYS AFTER MEETING THE REQUIREMENTS FOR DEPENDENT CHILD STATUS SET FORTH IN PARAGRAPH ONE OF THIS SUBSECTION WHEN COVERAGE FOR THE DEPENDENT CHILD PREVIOUSLY TERMINATED; OR

(III) DURING AN ANNUAL THIRTY-DAY OPEN ENROLLMENT PERIOD AS DESCRIBED IN THE CONTRACT;

(C) FOR TWELVE MONTHS AFTER THE INITIAL EFFECTIVE DATE OF THIS SUBSECTION, AN EMPLOYEE, MEMBER OR DEPENDENT CHILD MAY ELECT PROSPECTIVE CONTINUATION COVERAGE UNDER THIS SUBSECTION FOR A DEPENDENT CHILD WHOSE

1 COVERAGE TERMINATED UNDER THE TERMS OF THE GROUP REMITTANCE CONTRACT
2 PRIOR TO THE INITIAL EFFECTIVE DATE OF THIS SUBSECTION;

3 (D) AN EMPLOYEE, MEMBER OR DEPENDENT CHILD ELECTING CONTINUATION AS
4 DESCRIBED IN THIS SUBSECTION MUST PAY TO THE GROUP REMITTING AGENT OR
5 EMPLOYER, BUT NOT MORE FREQUENTLY THAN ON A MONTHLY BASIS IN ADVANCE,
6 THE AMOUNT OF THE REQUIRED PREMIUM PAYMENT ON THE DUE DATE OF EACH
7 PAYMENT. THE WRITTEN ELECTION OF CONTINUATION, TOGETHER WITH THE FIRST
8 PREMIUM PAYMENT REQUIRED TO ESTABLISH PREMIUM PAYMENT ON A MONTHLY BASIS
9 IN ADVANCE, MUST BE GIVEN TO THE GROUP REMITTING AGENT OR EMPLOYER WITH-
10 IN THE TIME PERIODS SET FORTH IN SUBPARAGRAPHS (B) AND (C) OF THIS PARA-
11 GRAPH. ANY PREMIUM RECEIVED WITHIN THE THIRTY-DAY PERIOD AFTER THE DUE
12 DATE SHALL BE CONSIDERED TIMELY;

13 (E) FOR ANY DEPENDENT CHILD ELECTING COVERAGE WITHIN SIXTY DAYS OF THE
14 DATE THE DEPENDENT CHILD WOULD OTHERWISE LOSE COVERAGE DUE TO REACHING A
15 SPECIFIED AGE, THE EFFECTIVE DATE OF THE CONTINUATION COVERAGE SHALL BE
16 THE DATE COVERAGE WOULD HAVE OTHERWISE TERMINATED. FOR ANY DEPENDENT
17 CHILD ELECTING TO RESUME COVERAGE DURING AN ANNUAL OPEN ENROLLMENT PERI-
18 OD OR DURING THE TWELVE-MONTH INITIAL OPEN ENROLLMENT PERIOD DESCRIBED
19 IN SUBPARAGRAPH (C) OF THIS PARAGRAPH, THE EFFECTIVE DATE OF THE CONTIN-
20 UATION COVERAGE SHALL BE PROSPECTIVE NO LATER THAN THIRTY DAYS AFTER THE
21 ELECTION AND PAYMENT OF FIRST PREMIUM;

22 (F) COVERAGE FOR A DEPENDENT CHILD PURSUANT TO THIS SUBSECTION SHALL
23 CONSIST OF COVERAGE THAT IS IDENTICAL TO THE COVERAGE PROVIDED TO THE
24 EMPLOYEE OR MEMBER PARENT. IF COVERAGE IS MODIFIED UNDER THE CONTRACT
25 FOR ANY GROUP OF SIMILARLY SITUATED EMPLOYEES OR MEMBERS, THEN THE
26 COVERAGE SHALL ALSO BE MODIFIED IN THE SAME MANNER FOR ANY DEPENDENT
27 CHILD;

28 (G) COVERAGE SHALL TERMINATE ON THE FIRST TO OCCUR OF THE FOLLOWING:

29 (I) THE DATE THE DEPENDENT CHILD NO LONGER MEETS THE REQUIREMENTS OF
30 PARAGRAPH ONE OF THIS SUBSECTION;

31 (II) THE END OF THE PERIOD FOR WHICH PREMIUM PAYMENTS WERE MADE, IF
32 THERE IS A FAILURE TO MAKE PAYMENT OF A REQUIRED PREMIUM PAYMENT WITHIN
33 THE PERIOD OF GRACE DESCRIBED IN SUBPARAGRAPH (D) OF THIS PARAGRAPH; OR

34 (III) THE DATE ON WHICH THE GROUP REMITTANCE CONTRACT IS TERMINATED
35 AND NOT REPLACED BY COVERAGE UNDER ANOTHER GROUP REMITTANCE CONTRACT.

36 (H) THE CORPORATION OR HEALTH MAINTENANCE ORGANIZATION SHALL PROVIDE
37 WRITTEN NOTIFICATION OF THE CONTINUATION PRIVILEGE DESCRIBED IN THIS
38 SUBSECTION AND THE TIME PERIOD IN WHICH TO REQUEST CONTINUATION TO THE
39 EMPLOYEE OR MEMBER:

40 (I) IN EACH CERTIFICATE OF COVERAGE;

41 (II) AT LEAST SIXTY DAYS PRIOR TO TERMINATION AT THE SPECIFIED AGE AS
42 PROVIDED IN THE CONTRACT;

43 (III) AT LEAST THIRTY DAYS BEFORE THE ANNUAL OPEN ENROLLMENT PERIOD
44 PERMITTING AN EMPLOYEE, MEMBER OR DEPENDENT CHILD TO MAKE A WRITTEN
45 ELECTION FOR COVERAGE PURSUANT TO SUBPARAGRAPH (B) OF THIS PARAGRAPH;
46 AND

47 (IV) THIRTY DAYS OR LESS FROM THE INITIAL EFFECTIVE DATE OF THIS
48 SUBSECTION, WITH RESPECT TO INFORMATION CONCERNING A DEPENDENT CHILD'S
49 OPPORTUNITY, FOR TWELVE MONTHS AFTER THE EFFECTIVE DATE OF THIS
50 SUBSECTION, TO MAKE A WRITTEN ELECTION TO OBTAIN COVERAGE UNDER A
51 CONTRACT PURSUANT TO SUBPARAGRAPH (C) OF THIS PARAGRAPH; AND

52 (I) NOTWITHSTANDING THE COMMUNITY RATING REQUIREMENTS SET FORTH IN
53 SECTION THREE THOUSAND TWO HUNDRED THIRTY-ONE OF THIS CHAPTER AND
54 SECTION FOUR THOUSAND THREE HUNDRED SEVENTEEN OF THIS ARTICLE, A CORPO-
55 RATION OR HEALTH MAINTENANCE ORGANIZATION SHALL ESTABLISH A DISTINCT
56 PREMIUM FOR CONTINUATION COVERAGE PROVIDED PURSUANT TO THIS SUBSECTION

1 THAT REFLECTS THE LOWER MORBIDITY OF THE POPULATION ELIGIBLE FOR COVER-
2 AGE PURSUANT TO THIS SUBSECTION.

3 (3) A CORPORATION OR HEALTH MAINTENANCE ORGANIZATION SHALL SUBMIT
4 REPORTS, INCLUDING QUARTERLY ENROLLMENT REPORTS AND SUCH OTHER INFORMA-
5 TION AS THE SUPERINTENDENT MAY REQUIRE, NO LATER THAN THIRTY DAYS
6 FOLLOWING EACH CALENDAR QUARTER, IN A FORM AND MANNER TO BE PRESCRIBED
7 BY THE SUPERINTENDENT.

8 S 3. Section 4305 of the insurance law is amended by adding a new
9 subsection (l) to read as follows:

10 (L)(1) AS USED IN THIS SUBSECTION, "DEPENDENT CHILD" MEANS AN UNMAR-
11 RIED CHILD THROUGH AGE TWENTY-NINE OF AN EMPLOYEE OR MEMBER INSURED
12 UNDER A GROUP CONTRACT, REGARDLESS OF FINANCIAL DEPENDENCE, WHO IS NOT A
13 NAMED INSURED UNDER ANY OTHER GROUP CONTRACT OR GROUP REMITTANCE
14 CONTRACT AND WHO IS NOT ELIGIBLE FOR COVERAGE UNDER TITLE XVIII OF THE
15 UNITED STATES SOCIAL SECURITY ACT (MEDICARE).

16 (2) IN ADDITION TO THE CONVERSION PRIVILEGE AFFORDED BY SUBSECTION (D)
17 OF THIS SECTION AND THE CONTINUATION PRIVILEGE AFFORDED BY SUBSECTION
18 (E) OF THIS SECTION, A HOSPITAL SERVICE, HEALTH SERVICE OR MEDICAL
19 EXPENSE CORPORATION OR HEALTH MAINTENANCE ORGANIZATION THAT PROVIDES
20 GROUP COVERAGE UNDER WHICH DEPENDENT COVERAGE TERMINATES AT A SPECIFIED
21 AGE SHALL, UPON APPLICATION OF THE EMPLOYEE, MEMBER OR DEPENDENT CHILD,
22 AS SET FORTH IN SUBPARAGRAPH (B) OR (C) OF THIS PARAGRAPH, PROVIDE
23 COVERAGE TO THE DEPENDENT CHILD AFTER THAT SPECIFIED AGE AND THROUGH AGE
24 TWENTY-NINE WITHOUT EVIDENCE OF INSURABILITY, SUBJECT TO ALL OF THE
25 TERMS AND CONDITIONS OF THE GROUP CONTRACT AND THE FOLLOWING:

26 (A) AN EMPLOYER SHALL NOT BE REQUIRED TO PAY ALL OR PART OF THE COST
27 OF COVERAGE FOR A DEPENDENT CHILD PROVIDED PURSUANT TO THIS SUBSECTION;

28 (B) AN EMPLOYEE, MEMBER OR DEPENDENT CHILD WHO WISHES TO ELECT CONTIN-
29 UATION OF COVERAGE PURSUANT TO THIS SUBSECTION MAY REQUEST THE CONTINUA-
30 TION IN WRITING:

31 (I) WITHIN SIXTY DAYS FOLLOWING THE DATE COVERAGE WOULD OTHERWISE
32 TERMINATE DUE TO REACHING THE SPECIFIED AGE SET FORTH IN THE GROUP
33 CONTRACT;

34 (II) WITHIN SIXTY DAYS AFTER MEETING THE REQUIREMENTS FOR DEPENDENT
35 CHILD STATUS SET FORTH IN PARAGRAPH ONE OF THIS SUBSECTION WHEN COVERAGE
36 FOR THE DEPENDENT CHILD PREVIOUSLY TERMINATED; OR

37 (III) DURING AN ANNUAL THIRTY-DAY OPEN ENROLLMENT PERIOD, AS DESCRIBED
38 IN THE CONTRACT;

39 (C) FOR TWELVE MONTHS AFTER THE INITIAL EFFECTIVE DATE OF THIS
40 SUBSECTION, AN EMPLOYEE, MEMBER OR DEPENDENT CHILD MAY ELECT PROSPECTIVE
41 CONTINUATION COVERAGE UNDER THIS SUBSECTION FOR A DEPENDENT CHILD WHOSE
42 COVERAGE TERMINATED UNDER THE TERMS OF THE GROUP CONTRACT PRIOR TO THE
43 INITIAL EFFECTIVE DATE OF THIS SUBSECTION;

44 (D) AN EMPLOYEE, MEMBER OR DEPENDENT CHILD ELECTING CONTINUATION AS
45 DESCRIBED IN THIS SUBSECTION MUST PAY TO THE GROUP CONTRACTHOLDER OR
46 EMPLOYER, BUT NOT MORE FREQUENTLY THAN ON A MONTHLY BASIS IN ADVANCE,
47 THE AMOUNT OF THE REQUIRED PREMIUM PAYMENT ON THE DUE DATE OF EACH
48 PAYMENT. THE WRITTEN ELECTION OF CONTINUATION, TOGETHER WITH THE FIRST
49 PREMIUM PAYMENT REQUIRED TO ESTABLISH PREMIUM PAYMENT ON A MONTHLY BASIS
50 IN ADVANCE, MUST BE GIVEN TO THE GROUP CONTRACTHOLDER OR EMPLOYER WITHIN
51 THE TIME PERIODS SET FORTH IN SUBPARAGRAPHS (B) AND (C) OF THIS PARA-
52 GRAPH. ANY PREMIUM RECEIVED WITHIN THE THIRTY-DAY PERIOD AFTER THE DUE
53 DATE SHALL BE CONSIDERED TIMELY;

54 (E) FOR ANY DEPENDENT CHILD ELECTING COVERAGE WITHIN SIXTY DAYS OF THE
55 DATE THE DEPENDENT CHILD WOULD OTHERWISE LOSE COVERAGE DUE TO REACHING A
56 SPECIFIED AGE, THE EFFECTIVE DATE OF THE CONTINUATION COVERAGE SHALL BE

1 THE DATE COVERAGE WOULD HAVE OTHERWISE TERMINATED. FOR ANY DEPENDENT
2 CHILD ELECTING TO RESUME COVERAGE DURING AN ANNUAL OPEN ENROLLMENT PERI-
3 OD OR DURING THE TWELVE-MONTH INITIAL OPEN ENROLLMENT PERIOD DESCRIBED
4 IN SUBPARAGRAPH (C) OF THIS PARAGRAPH, THE EFFECTIVE DATE OF THE CONTIN-
5 UATION COVERAGE SHALL BE PROSPECTIVE NO LATER THAN THIRTY DAYS AFTER THE
6 ELECTION AND PAYMENT OF FIRST PREMIUM;
7 (F) COVERAGE FOR A DEPENDENT CHILD PURSUANT TO THIS SUBSECTION SHALL
8 CONSIST OF COVERAGE THAT IS IDENTICAL TO THE COVERAGE PROVIDED TO THE
9 EMPLOYEE OR MEMBER PARENT. IF COVERAGE IS MODIFIED UNDER THE CONTRACT
10 FOR ANY GROUP OF SIMILARLY SITUATED EMPLOYEES OR MEMBERS, THEN THE
11 COVERAGE SHALL ALSO BE MODIFIED IN THE SAME MANNER FOR ANY DEPENDENT
12 CHILD;
13 (G) COVERAGE SHALL TERMINATE ON THE FIRST TO OCCUR OF THE FOLLOWING:
14 (I) THE DATE THE DEPENDENT CHILD NO LONGER MEETS THE REQUIREMENTS OF
15 PARAGRAPH ONE OF THIS SUBSECTION;
16 (II) THE END OF THE PERIOD FOR WHICH PREMIUM PAYMENTS WERE MADE, IF
17 THERE IS A FAILURE TO MAKE PAYMENT OF A REQUIRED PREMIUM PAYMENT WITHIN
18 THE PERIOD OF GRACE DESCRIBED IN SUBPARAGRAPH (D) OF THIS PARAGRAPH; OR
19 (III) THE DATE ON WHICH THE GROUP CONTRACT IS TERMINATED AND NOT
20 REPLACED BY COVERAGE UNDER ANOTHER GROUP CONTRACT;
21 (H) THE CORPORATION OR HEALTH MAINTENANCE ORGANIZATION SHALL PROVIDE
22 WRITTEN NOTIFICATION OF THE CONTINUATION PRIVILEGE DESCRIBED IN THIS
23 SUBSECTION AND THE TIME PERIOD IN WHICH TO REQUEST CONTINUATION TO THE
24 EMPLOYEE OR MEMBER:
25 (I) IN EACH CERTIFICATE OF COVERAGE;
26 (II) AT LEAST SIXTY DAYS PRIOR TO TERMINATION AT THE SPECIFIED AGE AS
27 PROVIDED IN THE CONTRACT;
28 (III) AT LEAST THIRTY DAYS BEFORE THE ANNUAL OPEN ENROLLMENT PERIOD
29 PERMITTING AN EMPLOYEE, MEMBER OR DEPENDENT CHILD TO MAKE A WRITTEN
30 ELECTION FOR COVERAGE PURSUANT TO SUBPARAGRAPH (B) OF THIS PARAGRAPH;
31 AND
32 (IV) THIRTY DAYS OR LESS FROM THE INITIAL EFFECTIVE DATE OF THIS
33 SUBSECTION, WITH RESPECT TO INFORMATION CONCERNING A DEPENDENT CHILD'S
34 OPPORTUNITY, FOR TWELVE MONTHS AFTER THE EFFECTIVE DATE OF THIS
35 SUBSECTION, TO MAKE A WRITTEN ELECTION TO OBTAIN COVERAGE UNDER A
36 CONTRACT PURSUANT TO SUBPARAGRAPH (C) OF THIS PARAGRAPH; AND
37 (I) NOTWITHSTANDING THE COMMUNITY RATING REQUIREMENTS SET FORTH IN
38 SECTION THREE THOUSAND TWO HUNDRED THIRTY-ONE OF THIS CHAPTER AND
39 SECTION FOUR THOUSAND THREE HUNDRED SEVENTEEN OF THIS ARTICLE, A CORPO-
40 RATION OR HEALTH MAINTENANCE ORGANIZATION SHALL ESTABLISH A DISTINCT
41 PREMIUM FOR CONTINUATION COVERAGE PROVIDED PURSUANT TO THIS SUBSECTION
42 THAT REFLECTS THE LOWER MORBIDITY OF THE POPULATION ELIGIBLE FOR COVER-
43 AGE PURSUANT TO THIS SUBSECTION.
44 (3) A CORPORATION OR HEALTH MAINTENANCE ORGANIZATION SHALL SUBMIT
45 REPORTS, INCLUDING QUARTERLY ENROLLMENT REPORTS AND SUCH OTHER INFORMA-
46 TION AS THE SUPERINTENDENT MAY REQUIRE, NO LATER THAN THIRTY DAYS
47 FOLLOWING EACH CALENDAR QUARTER, IN A FORM AND MANNER TO BE PRESCRIBED
48 BY THE SUPERINTENDENT.
49 S 4. This act shall take effect July 1, 2009 and shall apply to
50 contracts issued, renewed, modified, altered or amended on or after such
51 date.