§ 131-p. Group health insurance benefits; condition of eligibility. Notwithstanding any other inconsistent provision of law and to the extent permissible under federal law, any applicant for or recipient of safety net assistance or family assistance who is or becomes employed and whose employer provides group health insurance benefits, including benefits for a spouse and dependent children of such applicant or recipient, shall apply for and utilize such benefits as a condition of eligibility for safety net assistance or family assistance. Such applicant or recipient shall also utilize such benefits provided by former employers as long as such benefits are available. The department shall promulgate regulations to determine the eligibility requirements of those applicants and recipients who have more than one employer offering group health insurance benefits.

The provisions of this section shall apply to such applicants upon their initial certification for family assistance or safety net assistance and to such recipients upon their recertifications for such assistance following the date on which this section becomes effective. The cost of premiums paid by such applicants or recipients for such coverage shall be deducted from such applicant's or recipient's earnings as an expense incident to his or her employment.