

PCB GGPC 09-01

ORIGINAL

YEAR

1 A bill to be entitled
 2 An act relating to small employer group health insurance;
 3 providing for a special election period for continuation
 4 of coverage under group health plans; providing for
 5 carrier notification; providing for creditable coverage;
 6 providing an effective date.

7
 8 Be It Enacted by the Legislature of the State of Florida:
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10 Section 1. Paragraphs (d) and (g) of subsection (5) of
 11 section 627.6692, Florida Statutes, are amended to read:

12 627.6692 Florida Health Insurance Coverage Continuation
 13 Act.--

14 (5) CONTINUATION OF COVERAGE UNDER GROUP HEALTH PLANS.--

15 (d)1. A qualified beneficiary must give written notice to
 16 the insurance carrier within 63 days after the occurrence of a
 17 qualifying event. Unless otherwise specified in the notice, a
 18 notice by any qualified beneficiary constitutes notice on behalf
 19 of all qualified beneficiaries. The written notice must inform
 20 the insurance carrier of the occurrence and type of the
 21 qualifying event giving rise to the potential election by a
 22 qualified beneficiary of continuation of coverage under the
 23 group health plan issued by that insurance carrier, except that
 24 in cases where the covered employee has been involuntarily
 25 discharged, the nature of such discharge need not be disclosed.
 26 The written notice must, at a minimum, identify the employer,
 27 the group health plan number, the name and address of all
 28 qualified beneficiaries, and such other information required by

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29 | the insurance carrier under the terms of the group health plan
 30 | or the commission by rule, to the extent that such information
 31 | is known by the qualified beneficiary.

32 | 2. A special election period shall be provided for
 33 | qualified beneficiaries whose qualifying event was involuntary
 34 | termination of employment during the period from September 1,
 35 | 2008 through February 16, 2009 who did not elect continuation
 36 | coverage when it was first offered, or who did elect
 37 | continuation coverage but are no longer enrolled. Individuals
 38 | eligible for this special continuation coverage election period
 39 | must receive a written notice from the carrier which issued the
 40 | small group employer's group health plan informing them of this
 41 | opportunity. This notice must be provided by June 15, 2009.

42 | a. Individuals have 30 days after notice is provided to
 43 | elect continuation coverage by written notice to the insurer.
 44 | The written notice must, at a minimum, identify the employer,
 45 | the group health plan number, the name and address of all
 46 | qualified beneficiaries, and such other information required by
 47 | the insurance carrier under the terms of the group health plan
 48 | or the commission by rule, to the extent that such information
 49 | is known by the qualified beneficiary.

50 | b. Coverage shall be effective with the first period of
 51 | coverage on or after February 17, 2009.

52 | c. For individuals electing continuation coverage during
 53 | this election period, the period between the loss of coverage
 54 | and beginning of coverage under this election is to be
 55 | disregarded for purposes of the rules that would otherwise
 56 | permit a group health plan to impose a preexisting condition

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57 limitation with respect to the individual's coverage. The
 58 individual's creditable coverage accumulated prior to the
 59 involuntary termination and during subsequent continuation
 60 coverage, if applicable, remains available to reduce any future
 61 preexisting condition exclusion. The period between the loss of
 62 coverage and the beginning of coverage is not to be treated as
 63 creditable coverage.

64 32. Within 14 days after the receipt of written notice
 65 under subparagraph 1. and 2, the insurance carrier shall send
 66 each qualified beneficiary by certified mail an election and
 67 premium notice form, approved by the office, which form must
 68 provide for the qualified beneficiary's election or nonelection
 69 of continuation of coverage under the group health plan and the
 70 applicable premium amount due after the election to continue
 71 coverage. This subparagraph does not require separate mailing of
 72 notices to qualified beneficiaries residing in the same
 73 household, but requires a separate mailing for each separate
 74 household.

75 (g) If an insurance carrier fails to comply with the
 76 notice requirements of subparagraph (d) ~~32~~ and such
 77 noncompliance results in the failure of an eligible qualified
 78 beneficiary to elect continuation under the group health plan,
 79 the qualified beneficiary shall be deemed to have timely elected
 80 continuation of coverage within the election period and shall be
 81 covered under the group health plan at the expense of the
 82 noncomplying insurance carrier. The liability exposure of a
 83 noncomplying insurance carrier under this paragraph shall be
 84 limited to that period which includes the effective date of

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85 coverage pursuant to an affirmative election through the date on
 86 which the qualified beneficiary receives actual notice. This
 87 paragraph does not apply to the extent that the failure of the
 88 insurance carrier to comply with applicable notice requirements
 89 was due to noncompliance by the qualified beneficiary with
 90 notice requirements applicable to the qualified beneficiary.

91 Section 2. This act shall take effect upon becoming a law.