

# Amendment Summary

## A07377 (D. White)

**COMMITTEE:** Banking and Insurance

**DATE:** 6/3/10

**PRIME SPONSOR:** D. White

**BILL NO:** HB1251

**PREPARED BY:** Allison Dutrey

**PRINTER'S NO:** 3189

A07377 amends the Insurance Company Law as amended by the Mini-Cobra law (Act 2 of 2009) to capture the recently extended federal premium subsidy to lengthen the timeframe of benefits to eligible individuals from nine months to fifteen months and to provide an extension of continuation of coverage in the event of a federal premium assistance program.

Under Act 2, eligible individuals involuntarily terminated by businesses with 2-19 employees can purchase health insurance through their former employer. Act 2 allows these individuals to utilize the 65% federal premium subsidy for nine months.

Under this amendment, the duration of the subsidy will be extended from nine to fifteen months. Any individual who lost coverage following their nine month period shall choose to have coverage reinstated for up to an additional six months.

The end date is either nine months after the date the covered employee's coverage under the group policy would have terminated because of a qualifying event, or if the Federal premium assistance program is being extended.

The Mini-Cobra extension will be in effect as long as the Federal subsidy, and will revert back to nine months when the subsidy is terminated.

The Act takes effect immediately and will apply retroactively to July 10, 2009.