

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

An Act To Expand the Opportunity for Persons To Acquire Health Care Coverage under the State's "Mini-COBRA" Program

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 24-A MRSA §2809-A, sub-§11, as amended by PL 1991, c. 885, Pt. E, §30 and affected by §47, is further amended to read:

11. Continued group coverage; certain circumstances. Notwithstanding this section, if the termination of an individual's group insurance coverage is a result of the member or employee being temporarily or permanently laid off or losing employment because of an injury or disease that the employee claims to be compensable under former Title 39 or Title 39-A, the insurer shall allow the member or employee to elect, within the time period prescribed by paragraph B, to continue coverage under the group policy at no higher level than the level of benefits or coverage received by the employee immediately before termination and at the member's or employee's expense or, at the member's or employee's option, to convert to a policy of individual coverage without evidence of insurability in accordance with this section.

A. For the purposes of this subsection, the term "member or employee" includes only those persons who have been a member or employee for at least 6 months.

B-1. The member or employee has 31 days from the termination of coverage in which to elect and make the initial payment under this subsection.

C. An insurer is not required to continue coverage under a group policy if the member or employee meets the conditions set out in subsection 3, paragraph A. [PL 1985, c. 684, § 2 (NEW).]

D. The payment amount for continued group coverage under this subsection may not exceed 102% of the group rate in effect for a group member, including an employer's contribution, if any.

E. At the option of the member or employee, the continued group coverage may cover the member or employee, the member or employee and any dependents or only the dependents of the member or employee; provided that, in the latter 2 cases, the dependents have been covered for a period of at least 3 months under the group policy, unless the dependents were not eligible for coverage until after the beginning of the 3-month period.

F. Except as provided in paragraph G, coverage provided under this section continues and may not be terminated until one year from the last day of work.

G. Coverage provided under this section may be terminated sooner than provided under paragraph F if:

- (1) The member or employee fails to make timely payment of a required premium amount;

(2) The member or employee becomes eligible for coverage under another group policy; or

(3) The Workers' Compensation Board determines that the injury or disease that entitles the employee to continue coverage under this section is not compensable under Title 39-A.

[PL 1991, c. 885, Pt. E, § 30 (AMD).] [PL 1991, c. 885, Pt. E, § 47 (AFF).]

H. At the expiration of any continued group coverage obtained under this subsection, the member or employee has the same conversion privileges as otherwise granted under this section.

I. This subsection may not be construed to:

(1) Prevent members or employees from negotiating for or receiving greater continued coverage of group insurance than is provided in this subsection;

(2) Require coverage beyond the time limit set in paragraph F; or

(3) Permit an employee to increase the level of benefits or coverage that the employee received immediately before the termination of the employee's coverage.

J. This subsection does not apply to any group policy subject to the United States Consolidated Omnibus Budget Reconciliation Act, Public Law 99-272, Title X, Private Health Insurance Coverage, Sections 10001 to 10003.

SUMMARY

This bill modifies Maine's so-called mini-COBRA law to make persons permanently laid off from their employment eligible to maintain, at their expense, coverage under their former employer's group health plan. Currently, the law limits eligibility to persons who are temporarily laid off or who have a condition that makes them eligible for workers' compensation.