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An Act To Extend Access to Federal Health Insurance Premium Assistance

Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the American Recovery and Reinvestment Act of 2009 provided health insurance premium assistance for a period of 9 months to persons laid off from September 1, 2008 to December 31, 2009 and eligible for continuation of health insurance coverage under state law; and

Whereas, persons eligible for continuation of health insurance coverage under state law must be provided a 2nd election period to qualify for premium assistance through the American Recovery and Reinvestment Act of 2009; and

Whereas, Public Law 2009, chapter 244, Part J, section 1 provided a 2nd election period to conform to federal law; and

Whereas, the federal Department of Defense Appropriations Act, 2010 extends the eligibility period for the premium assistance for an additional 2 months through February 28, 2010 and extends premium assistance to 15 months; and

Whereas, immediate enactment of this Act is necessary to allow laid-off employees who receive premium assistance to qualify for the extended premium assistance; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

Sec. 1. Extension of current coverage. Insurers and health maintenance organizations that issued health insurance coverage during a 2nd election period required by Public Law 2009, chapter 244, Part J, section 1 and that included a 9-month coverage limit as required by that section shall extend that coverage by eliminating the 9-month limit. Such coverage may not be terminated except as provided by the Maine Revised Statutes, Title 24-A, section 2809-A, subsection 11, paragraphs F and G.

Sec. 2. Notice requirement. Insurers and health maintenance organizations that provide group health insurance policies subject to the requirements of the Maine Revised Statutes, Title 24-A, section 2809-A, subsection 11 shall provide notice, as required by Sections 3001(a)(7)(A)(ii) and 300(a)(16)(D) (i) of the American Recovery and Reinvestment Act of 2009 as amended by the federal Department of Defense Appropriations Act, 2010, Section 1010. The notice must be provided by first-class mail in a form acceptable to the Superintendent of Insurance to eligible employees whose coverage terminated or terminates between September 1, 2008 and February 28, 2010 or any later date as provided by that section of this Act relating to future extensions.

Sec. 3. Future extensions. If the Superintendent of Insurance determines that the American Recovery and Reinvestment Act of 2009 is amended to extend premium assistance to individuals whose coverage terminates after February 28, 2010, the requirements of section 2 apply to those individuals.

Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect when approved.

SUMMARY

The American Recovery and Reinvestment Act of 2009 provided help to people who lost their jobs from September 1, 2008 to December 31, 2009 by paying 65% of their so-called COBRA health insurance coverage for a period of 9 months from the time they were terminated. Public Law 2009, chapter 244, Part J provided a 2nd election period for certain workers who had declined coverage referred to as Mini-COBRA coverage before the federal subsidies were available. The United States Congress recently passed an extension of the COBRA coverage provisions, extending the job termination date for eligibility for the subsidies from December 31, 2009 to February 28, 2010 and the COBRA 65% assistance from 9 months to 15 months. This bill extends the coverage period consistent with federal law for those workers who enrolled in Mini-COBRA during the 2nd election period.