

§2847-C. Notification prior to cancellation; restrictions on cancellation, termination or lapse due to cognitive impairment or functional incapacity

An insurer shall provide for notification of the insured person and another person, if designated by the insured, prior to cancellation of a health insurance certificate for nonpayment of premium. [PL 2011, c. 123, §3 (AMD); PL 2011, c. 123, §5 (AFF).]

Within 90 days after cancellation due to nonpayment of premium, a policyholder, a person authorized to act on behalf of the policyholder or a dependent of the policyholder covered under a health insurance policy or certificate may request reinstatement on the basis that the loss of coverage was a result of the policyholder's cognitive impairment or functional incapacity. An insurer may require a medical demonstration that the policyholder suffered from cognitive impairment or functional incapacity at the time of cancellation. If the medical demonstration is waived or substantiates the existence of a cognitive impairment or functional incapacity at the time of policy cancellation to the satisfaction of the insurer, the policy must be reinstated. The medical demonstration may be at the expense of the policyholder. [PL 2011, c. 123, §3 (NEW); PL 2011, c. 123, §5 (AFF).]

A policy reinstated pursuant to this section must cover any loss or claim occurring from the date of the cancellation. Within 15 days after request from an insurer, a policyholder of a policy reinstated pursuant to this section shall pay any unpaid premium from the date of the last premium payment at the rate that would have been in effect had the policy remained in force. If the premium is not paid as required, the policy may not be reinstated and the insurer is not responsible for claims incurred after the initial date of cancellation. If an insurer denies a request for reinstatement, the insurer shall notify the policyholder that the policyholder may request a hearing before the superintendent. [PL 2011, c. 123, §3 (NEW); PL 2011, c. 123, §5 (AFF).]

The superintendent may adopt rules to implement the requirements of this section. The rules may include, but are not limited to, definitions, minimum disclosure requirements, notice provisions and the right of reinstatement. Rules adopted pursuant to this section are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A. [PL 2011, c. 123, §3 (AMD); PL 2011, c. 123, §5 (AFF).]

The requirements of this section apply to all policies and certificates executed, delivered, issued for delivery, continued or renewed in this State. [PL 1991, c. 695, §5 (NEW); PL 1991, c. 824, Pt. A, §51 (NEW).]

SECTION HISTORY

PL 1991, c. 695, §5 (NEW). PL 1991, c. 824, §A51 (NEW). PL 2011, c. 123, §3 (AMD). PL 2011, c. 123, §5 (AFF).

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