
DIGEST

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Pearson

HB No. 1196

Abstract: Provides for the continuation of group health plans.

Present law provides the option of continuation of group health, blanket, and association services for surviving spouses age 50 or older in the event of death of the spouse who is the primary policyholder. Further provides that the spouse will be able to continue coverage by paying a premium price which shall be no more than it was during the life of the decedent spouse who was the employee-member and that coverage shall continue unless and until the surviving spouse no longer makes timely payments, becomes eligible for Medicare, becomes eligible for another health plan, or remarries.

Proposed law retains present law.

Proposed law requires an insured who wishes to continue coverage to elect continuation on a form provided by the insurer and to pay the first month's premium in advance of the end of the month following the month in which the event that made employee or member eligible for coverage.

Proposed law provides that if the dependent is eligible due to divorce, the event shall be deemed to have occurred on the date of the judgement of divorce.

(Amends R.S. 22:1046(B), (C), (F), and (G)(3) and (4); Repeals R.S. 22:1046(E))

Summary of Amendments Adopted by House

House Floor Amendments to the engrossed bill.

1. Removed provisions that would have made proposed law applicable to vision and dental plans.
2. Restored provision in present law that requires an employee or member electing continuation, upon their election to continue coverage, to pay their first contribution in advance of the date on which that employee's or member's insurance would otherwise terminate.
3. Relative to continuation of coverage, changed the date by which the first contribution must be made from on or before the date on which the employee's or member's

insurance would otherwise terminate to no later than the end of the month following the month in which the event that made employee or member eligible for coverage.

4. Clarified that when the dependent is eligible for continuation due to divorce, the qualifying event shall be deemed to have occurred on the date of the judgment of divorce.
5. Removed provisions of proposed law that would mirror the Consolidated Omnibus Budget Reconciliation Act. Further removed exceptions to proposed law.