

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 Clarify the Laws Governing the Extension of Health Care Coverage to Dependents**

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

**Sec. 1. 24-A MRSA §2742-B, sub-§1, ¶B,** as enacted by PL 2007, c. 115, §1 and affected by §5, is amended to read:

B. Has no dependent of the child's own; and

**Sec. 2. 24-A MRSA §2742-B, sub-§1, ¶C,** as enacted by PL 2007, c. 115, §1 and affected by §5, is amended to read:

C. Is a resident of this State or is enrolled as a full-time student at an accredited public or private institution of higher education; ~~and~~.

**Sec. 3. 24-A MRSA §2742-B, sub-§1, ¶D,** as enacted by PL 2007, c. 115, §1 and affected by §5, is repealed.

**Sec. 4. 24-A MRSA §2742-B, sub-§2,** as enacted by PL 2007, c. 115, §1 and affected by §5, is amended to read:

**2. Offer of coverage.** Notwithstanding section 2703, subsection 3, an individual health insurance policy that ~~provides~~offers coverage for a dependent child must offer to ~~extend~~such coverage, at the option of the policyholder, until the dependent child is 25 years of age. An insurer may require, as a condition of eligibility for ~~continued~~ coverage in accordance with this section, that a covered person seeking ~~continued~~ coverage for a dependent child ~~provide written documentation on an annual basis~~certify that the dependent child meets ~~or continues to meet~~ the requirements in subsection 1.

**Sec. 5. 24-A MRSA §2742-B, sub-§3** is enacted to read:

**3. Notice.** An insurer shall provide notice to policyholders regarding the availability of dependent coverage under this section:

A. In any certificate of coverage prepared on or after the effective date of this subsection;

B. Upon each renewal of coverage, but at least once annually; and

C. Within 30 days following the effective date of this subsection.

Notice provided under this subsection must include information about enrollment periods and notice of the insurer's definition of and benefit limitations for preexisting conditions.

**Sec. 6. 24-A MRSA §2833-B, sub-§1, ¶B,** as enacted by PL 2007, c. 115, §2 and affected by §5, is amended to read:

B. Has no dependent of the child's own; and

**Sec. 7. 24-A MRSA §2833-B, sub-§1, ¶C,** as enacted by PL 2007, c. 115, §2 and affected by §5, is amended to read:

C. Is a resident of this State or is enrolled as a full-time student at an accredited public or private institution of higher education; and.

**Sec. 8. 24-A MRSA §2833-B, sub-§1, ¶D,** as enacted by PL 2007, c. 115, §2 and affected by §5, is repealed.

**Sec. 9. 24-A MRSA §2833-B, sub-§2,** as enacted by PL 2007, c. 115, §2 and affected by §5, is amended to read:

**2. Offer of coverage.** Notwithstanding section 2822, a group health insurance policy that ~~provides~~offers coverage for a dependent child must offer ~~to extend~~such coverage, at the option of the policyholder, until the dependent child is 25 years of age. An insurer may require, as a condition of eligibility for ~~continued~~ coverage in accordance with this section, that a covered person seeking ~~continued~~ coverage for a dependent child ~~provide written documentation on an annual basis~~certify that the dependent child meets ~~or continues to meet~~ the requirements in subsection 1.

**Sec. 10. 24-A MRSA §2833-B, sub-§3** is enacted to read:

**3. Notice.** An insurer shall provide notice to policyholders regarding the availability of dependent coverage under this section:

- A. In any certificate of coverage prepared on or after the effective date of this subsection;
- B. Upon each renewal of coverage, but at least once annually; and
- C. Within 30 days following the effective date of this subsection.

Notice provided under this subsection must include information about enrollment periods and notice of the insurer's definition of and benefit limitations for preexisting conditions.

**Sec. 11. 24-A MRSA §4233-B, sub-§1, ¶B,** as enacted by PL 2007, c. 115, §4 and affected by §5, is amended to read:

B. Has no dependent of the child's own; and

**Sec. 12. 24-A MRSA §4233-B, sub-§1, ¶C,** as enacted by PL 2007, c. 115, §4 and affected by §5, is amended to read:

C. Is a resident of this State or is enrolled as a full-time student at an accredited public or private institution of higher education; and.

**Sec. 13. 24-A MRSA §4233-B, sub-§1, ¶D,** as enacted by PL 2007, c. 115, §4 and affected by §5, is repealed.

**Sec. 14. 24-A MRSA §4233-B, sub-§2,** as enacted by PL 2007, c. 115, §4 and affected by §5, is amended to read:

**2. Offer of coverage.** An individual or group health maintenance organization contract that ~~provides~~offers coverage for a dependent child shall offer ~~to extend~~such coverage, at the option of the contract holder, until the dependent child is 25 years of age. An insurer may require, as a condition of eligibility for ~~continued~~ coverage in accordance with this section, that a covered person seeking ~~continued~~ coverage for a dependent child ~~provide written documentation on an annual basis~~certify that the dependent child meets ~~or continues to meet~~ the requirements in subsection 1.

**Sec. 15. 24-A MRSA §4233-B, sub-§3** is enacted to read:

**3. Notice.** A health maintenance organization shall provide notice to contract holders regarding the availability of dependent coverage under this section:

- A. In any certificate of coverage prepared on or after the effective date of this subsection;
- B. Upon each renewal of coverage, but at least once annually; and
- C. Within 30 days following the effective date of this subsection.

Notice provided under this subsection must include information about enrollment periods and notice of the insurer's definition of and benefit limitations for preexisting conditions.

**Sec. 16. Special enrollment period.** For dependents that qualify for health insurance coverage under the Maine Revised Statutes, Title 24-A, section 2742-B, 2833-B or 4233-B, an insurer must hold a special open enrollment period during which a subscriber may elect to enroll the dependent child. The special enrollment period must begin on the effective date of this Act and continue until September 20, 2008. An insurer must include information about the special enrollment period in the notice provided pursuant to Title 24-A, section 2742-B, subsection 3; section 2833-B, subsection 3 or section 4233-B, subsection 3.

## SUMMARY

Under current law, an insurer that provides coverage to a dependent child must offer to extend such coverage until the dependent is 25 years of age. This bill clarifies that it is not necessary that the dependent be currently insured by that insurer for that insurer to offer coverage until the dependent is 25 years of age. In addition, this bill amends the definition of "dependent child" to eliminate the requirement that the child is not provided coverage under any other individual or group health insurance policy or health maintenance organization contract or under a federal or state government program.

The bill also requires insurers to provide notice of the availability of coverage until the dependent is 25 years of age. Finally, this bill requires insurers to hold a special open enrollment period during which a covered individual may elect to enroll a dependent child.