

New York State Senate Introducer's Memorandum in Support submitted in accordance with Senate Rule VI. Sec 1

Bill Number: S5471

Purpose: This bill would help ensure continued access to group health insurance by extending the period of continuation coverage under a group contract or group remittance contract from 18 months to 36 months.

Summary of Provisions:

Section 1 of the bill requires commercial insurers offering group policies to extend the period of state continuation coverage from 18 months to 36 months for employees or members. Section 1 also allows an employee or member who has otherwise exhausted federal continuation benefits under the Consolidated Omnibus Budget Reconciliation Act ("COBRA") to maintain coverage for up to 36 months, if the employee or member is entitled to less than 36 months of federal COBRA benefits.

Section 2 requires non-for-profit corporations and health maintenance organizations ("HMOs") offering group remittance contracts to extend continuation benefits from 18 months to 36 months, under the same terms and conditions as commercial insurers.

Section 3 requires non-for-profit corporations and health maintenance organizations ("HMOs") offering group contracts to extend continuation benefits from 18 months to 36 months, under the same terms and conditions as commercial insurers.

Effective Date: The bill takes effect on July 1, 2009 and applies to all contracts issued, renewed, modified, altered or amended on or after that date.

