

FINAL BILL REPORT

HB 2521

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Synopsis as Enacted

Brief Description: Addressing conversion rights upon termination of eligibility for health plan coverage.

Sponsors: Representatives Driscoll, Williams, Cody, Morrell, Ormsby and Moeller; by request of Insurance Commissioner.

House Committee on Health Care & Wellness
Senate Committee on Health & Long-Term Care

Background:

When a health plan is canceled by an employer, employees have 31 days from the date the health plan's coverage ends to convert to a new individual policy and avoid a lapse in coverage. If the employee converts to a new individual policy within 31 days of the plan's coverage ending, the employee maintains his or her continuity of coverage, does not need to take the standard health questionnaire, and are not subject to preexisting condition exclusions. If an employer does not promptly notify employees that their employer sponsored health coverage is ending, it may be difficult for an employee to obtain new health coverage within the 31-day eligibility period.

Summary:

Employees who lose their employer health coverage have 31 days from the date the health plan's coverage ends, or 31 days from the date they are notified of the loss of coverage, whichever is later, to complete an application for conversion coverage.

Votes on Final Passage:

House	97	0
Senate	45	0

Effective: June 10, 2010

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