

By Mr. Reinstein of Revere, petition of William G. Reinstein for legislation to require notice to employees prior to cancellation of health insurance benefits. Insurance.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Ninety-Five.

AN ACT REQUIRING NOTICE TO EMPLOYEES PRIOR TO CANCELLATION OF HEALTH BENEFITS.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 110 of Chapter 175 of the General Laws
2 is hereby amended by inserting, after subdivision (K), the
3 following subdivision, (L): —

4 Whenever a group hospital, surgical or medical insurance plan
5 issued or delivered within or without the Commonwealth and
6 which covers residents of the Commonwealth shall terminate or
7 lapse for non-payment of any premium, the insurer shall within
8 sixty days notify the Department of Medical Security as defined in
9 Chapter 23 of the Acts of 1988. Said Department of Medical
10 Security shall be responsible for notifying the members of said
11 group as to the options available to them in the event of a lapse of
12 coverage

1 SECTION 2. Chapter 176A of the General Laws is hereby
2 amended by inserting, after section 8I, the following section, 8J: —

3 Whenever a subscription certificate under a group non-profit
4 hospital service agreement, except certificates which provide sup-
5 plemental coverage to Medicare or other governmental programs
6 which shall be delivered, issued or renewed in the Common-
7 wealth, shall terminate or lapse for non-payment of any premium
8 the non-profit hospital service corporation shall within sixty
9 days notify the Department of Medical Security as defined in
10 Chapter 23 of the Acts of 1988. Said Department of Medical

11 Security shall be responsible for notifying the members of said
12 group as to the options available to them in the event of a lapse in
13 coverage.

1 SECTION 3. Chapter 176B of the General Laws is hereby
2 amended by inserting, after Section 4H, the following Section, 4I:—

3 Whenever a subscription certificate under a group medical
4 service agreement which shall be delivered or issued or renewed
5 in the Commonwealth shall terminate or lapse for non-payment of
6 any premium the medical service corporation shall within sixty
7 days notify the Department of Medical Security as defined in
8 Chapter 23 of the Acts of 1988. Said Department of Medical
9 Security shall be responsible for notifying the members of said
10 group as to the options available to them in the event of a lapse in
11 coverage.

1 SECTION 4. Chapter 176E of the General Laws is hereby
2 amended by inserting, after section 4, the following section, 4A:—

3 Whenever a group dental service agreement as described in sec-
4 tion 4, paragraph 3 shall terminate or lapse for non-payment of
5 any premium the dental service corporation shall within sixty days
6 notify the Department of Medical Security as defined in Chap-
7 ter 23 of the Acts of 1988. Said Department of Medical Security
8 shall be responsible for notifying the members of said group as to
9 the options available to them in the event of a lapse in coverage.

1 SECTION 5. Chapter 176G of the General Laws is hereby
2 amended by inserting, after section 4B, the following
3 section, 4C:—

4 Whenever a group health maintenance contract as defined in
5 section one shall terminate or lapse for non-payment of any pre-
6 mium the carrier shall within sixty days, notify the Department of
7 Medical Security as defined in chapter 23 of the Acts of 1988.
8 Said Department of Medical Security shall be responsible for noti-
9 fying the members of said group as to the options available to
10 them in the event of a lapse in coverage.