

By Mr. Mariano of Quincy, petition of Ronald Mariano and Brian J. McDonald for legislation to require insurers to serve notice to employees prior to cancellation of group hospital, surgical or medical insurance benefits. Insurance.

The Commonwealth of Massachusetts

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

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 following
3 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
9 in 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
12 of 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
5 supplemental coverage to medicare or other governmental
6 programs which shall be delivered, issued or renewed in the
7 Commonwealth shall terminate or lapse for non-payment of any
8 premium the non-profit hospital service corporation shall within
9 sixty days notify the Department of Medical Security as defined

10 in 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
13 in coverage.

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

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

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

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