

# MAINE STATE LEGISLATURE

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L.D. 262

(Filing No. S-237)

STATE OF MAINE  
SENATE  
114TH LEGISLATURE  
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to S.P. 142, L.D. 262, Bill, "An Act to Provide for Continued Group Health Insurance Coverage to Certain Injured Employees"

Amend the bill by striking out everything after the enacting clause and before the statement of fact and inserting in its place the following:

Sec. 1. 24 MRSA §2330, sub-§11, as amended by PL 1987, c. 25, §§1 and 2, is further amended to read:

11. Continued group coverage; certain circumstances. Notwithstanding this section, if the termination of an individual's group insurance coverage is a result of the member or employee being temporarily laid off or losing his employment because of a work-related an injury or occupational disease, the compensability--of--which that the employee claims to be compensable under Title 39 is not controverted by his employer, the insurer shall allow the member or employee to elect, within the time period prescribed by paragraph B, to continue coverage under the group policy at no higher level than the level of benefits or coverage received by the employee immediately before termination and at the member's or employee's expense or, at the member's or employee's option, to convert to a policy of individual coverage without evidence of insurability in accordance with this section.

A. For the purposes of this subsection, the term "member or employee" includes only those persons who have been a member or employee for at least 6 months.

~~B. If the member's or employee's coverage is terminated because of:~~

~~(1) A temporary layoff, the member or employee shall have 31 days from the termination of coverage in which to elect and make his initial payment under this subsection; or~~

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~~(2)---A---noncontroverted---work-related---injury---or  
occupational-disease,-the-member-or-employee-shall-have  
60-days-from-the-termination-of-coverage-in-which-to  
elect---and---make---his---initial---payment---under---this  
subsection.~~

B-1. The member or employee shall have 31 days from the  
termination of coverage in which to elect and make the  
initial payment under this subsection.

C. An insurer is not required to continue coverage under a  
group policy if the member or employee meets the conditions  
set out in subsection 3, paragraph A.

D. The payment amount for continued group coverage under  
this subsection may not exceed 102% of the group rate in  
effect for a group member, including an employer's  
contribution, if any.

E. At the option of the member or employee, the continued  
group coverage may cover the member or employee, the member  
or employee and his any dependents or only the dependents of  
the member or employee; provided that, in the latter 2  
cases, the dependents have been covered for a period of at  
least 3 months under the group policy, unless the dependents  
were not eligible for coverage until after the beginning of  
the 3-month period.

F. Except as provided in paragraph G, coverage provided  
under this section shall continue and may not be terminated  
until one year from the last day of work.

~~(1)---In-the-case-of-a-termination-which-is-the-result  
of-a-temporary-layoff,-until-6-months-from-the-last-day  
of-work,~~

~~(2)---In-the-case-of-a-termination-which-is-the-result  
of-a-member-or-employee-losing-his-employment-because  
of---a---noncontroverted---work-related---injury---or  
occupational---disease---which---renders---him---partially  
ineapaeitated,-until-6-months-from-the-last-day-of  
work,-and~~

~~(3)---In-the-case-of-a-termination-which-is-the-result  
of-a-member-or-employee-losing-his-employment-because  
of---a---noncontroverted---work-related---injury---or  
occupational---disease---which---renders---him---totally  
ineapaeitated,-until-one-year-from-the-last-day-of-work.~~

G. Coverage provided under this section may be terminated  
sooner than provided under paragraph F if:

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(1) The member or employee fails to make timely payment of a required premium amount; ~~or~~

(2) The member or employee becomes eligible for coverage under another group policy; or

(3) The Workers' Compensation Commission determines that the injury or disease which entitled the employee to continue coverage under this section is not compensable under Title 39.

H. At the expiration of any continued group coverage obtained under this subsection, the member or employee has the same conversion privileges as otherwise granted under this section.

I. This subsection shall not be construed to:

(1) Prevent members or employees from negotiating for or receiving greater continued coverage of group insurance than is provided in this subsection; ~~or~~

(2) Require coverage beyond the time ~~limits~~ limit set in paragraph F; or

(3) Permit an employee to increase the level of benefits or coverage that the employee received immediately before the termination of the employee's coverage.

J. This subsection does not apply to any group policy subject to the United States Consolidated Omnibus Budget Reconciliation Act, Public Law 99-272, Title X, Private Health Insurance Coverage, Sections 10001 to 10003.

**Sec. 2. 24-A MRSA §2809-A, sub-§11**, as amended by PL 1987, c. 25, §§3 and 4, is further amended to read:

**11. Continued group coverage; certain circumstances.**  
Notwithstanding this section, if the termination of an individual's group insurance coverage is a result of the member or employee being temporarily laid off or losing his employment because of a work-related an injury or ~~occupational~~ disease, ~~the compensability--of--which~~ that the employee claims to be compensable under Title 39 ~~is not controverted by his employer,~~ the insurer shall allow the member or employee to elect, within the time period prescribed by paragraph B, to continue coverage under the group policy at no higher level than the level of benefits or coverage received by the employee immediately before termination and at the member's or employee's expense or, at the member's or employee's option, to convert to a policy of

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1 individual coverage without evidence of insurability in  
3 accordance with this section.

5 A. For the purposes of this subsection, the term "member or  
7 employee" includes only those persons who have been a member  
9 or employee for at least 6 months.

~~B. If the member's or employee's coverage is terminated  
because of:~~

11 ~~(1) A temporary layoff, the member or employee shall  
13 have 31 days from the termination of coverage in which  
to elect and make his initial payment under this  
15 subsection, or~~

17 ~~(2) A noncontroverted work related injury or  
occupational disease, the member or employee shall have  
19 60 days from the termination of coverage in which to  
elect and make his initial payment under this  
21 subsection.~~

B-1. The member or employee shall have 31 days from the  
23 termination of coverage in which to elect and make the  
25 initial payment under this subsection.

27 C. An insurer is not required to continue coverage under a  
29 group policy if the member or employee meets the conditions  
set out in subsection 3, paragraph A.

31 D. The payment amount for continued group coverage under  
33 this subsection may not exceed 102% of the group rate in  
effect for a group member, including an employer's  
contribution, if any.

35 E. At the option of the member or employee, the continued  
37 group coverage may cover the member or employee, the member  
or employee and his any dependents or only the dependents of  
39 the member or employee; provided that, in the latter 2  
cases, the dependents have been covered for a period of at  
41 least 3 months under the group policy, unless the dependents  
were not eligible for coverage until after the beginning of  
the 3-month period.

43 F. Except as provided in paragraph G, coverage provided  
45 under this section shall continue and may not be terminated  
until one year from the last day of work.

47 ~~(1) In the case of a termination which is the result  
49 of a temporary layoff, until 6 months from the last day  
of work;~~

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1           ~~(2) In the case of a termination which is the result~~  
2           ~~of a member or employee losing his employment because~~  
3           ~~of a noncontroversial work-related injury or~~  
4           ~~occupational disease which renders him partially~~  
5           ~~incapacitated, until 6 months from the last day of~~  
6           ~~work; and~~

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8           ~~(3) In the case of a termination which is the result~~  
9           ~~of a member or employee losing his employment because~~  
10           ~~of a noncontroversial work-related injury or~~  
11           ~~occupational disease which renders him totally~~  
12           ~~incapacitated, until one year from the last day of work.~~

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14           G. Coverage provided under this section may be terminated  
15           sooner than provided under paragraph F if:

16           (1) The member or employee fails to make timely  
17           payment of a required premium amount; or

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19           (2) The member or employee becomes eligible for  
20           coverage under another group policy; or

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22           (3) The Workers' Compensation Commission determines  
23           that the injury or disease which entitle the employee  
24           to continue coverage under this section is not  
25           compensable under Title 39.

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27           H. At the expiration of any continued group coverage  
28           obtained under this subsection, the member or employee has  
29           the same conversion privileges as otherwise granted under  
30           this section.

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32           I. This subsection shall not be construed to:

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34           (1) Prevent members or employees from negotiating for  
35           or receiving greater continued coverage of group  
36           insurance than is provided in this subsection; or

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38           (2) Require coverage beyond the time ~~limits~~ limit set  
39           in paragraph F; or

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41           (3) Permit an employee to increase the level of  
42           benefits or coverage that the employee received  
43           immediately before the termination of the employee's  
44           coverage.

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46           J. This subsection does not apply to any group policy  
47           subject to the United States Consolidated Omnibus Budget  
48           Reconciliation Act, Public Law 99-272, Title X, Private  
49           Health Insurance Coverage, Sections 10001 to 10003.'

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**STATEMENT OF FACT**

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5 This amendment completely replaces the bill to clarify  
7 references to the injury or disease that the employee claims to  
9 be compensable under the Workers' Compensation Act. As amended,  
11 an employee may choose to purchase extended group health  
13 insurance coverage under the bill if the employee loses that  
15 coverage due to the loss of employment caused by an injury or  
17 disease that the employee claims to be compensable under the  
19 Workers' Compensation Act, whether or not the employer  
21 controverts the compensability of that injury or disease. If the  
23 employee's claim is ultimately denied, the employee no longer  
25 qualifies for extended coverage under the bill.

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17 Since an employer's choice to controvert an employee's  
19 injury no longer affects the employee's right to secure extended  
21 health care coverage at the employee's expense, the amendment  
23 adopts a uniform 31-day period in which the employee must elect  
25 to obtain extended coverage. The amendment also provides for a  
27 uniform extension period of one year from the employee's last day  
29 of work regardless of how the employee qualifies for an extension  
31 under the bill and regardless of whether the employee's  
33 incapacity due to an injury or disease is found to be partial or  
total.

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29 The amendment further limits the extent of coverage that an  
31 employee is permitted to obtain. An employee whose coverage is  
33 terminated may continue group health insurance coverage but only  
at the same level of coverage that the employee received  
immediately before the employee's coverage was terminated. The  
employee may not choose a higher level of coverage that may be  
available under the employer's health plan.

Reported by Senator Esty for the Committee on Labor.  
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