

By Senator Lynn

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1 A bill to be entitled

2 An act relating to health insurance; amending s. 627.6562,
3 F.S., relating to dependent coverage; revising the
4 criteria governing mandatory coverage of a dependent child
5 under group, blanket, or franchise health insurance
6 policies covering residents of this state; providing for a
7 dependent child to make a written election to extend
8 coverage or restore previously terminated coverage;
9 providing guidelines for extended coverage; providing
10 limitations on additional premiums; providing duties of
11 the Office of Insurance Regulation; requiring that notice
12 regarding coverage for a dependent child be provided to
13 covered persons; providing applicability; providing an
14 effective date.

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16 Be It Enacted by the Legislature of the State of Florida:

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18 Section 1. Section 627.6562, Florida Statutes, is amended
19 to read:

20 627.6562 Dependent coverage.--

21 (1) If an insurer offers under a group, blanket, or
22 franchise health insurance policy coverage that insures dependent
23 children of the policyholder or certificateholder, the policy
24 must insure a dependent child of the policyholder or
25 certificateholder at least until the end of the calendar year in
26 which the child reaches the age of 25, if the child ~~meets all of~~
27 ~~the following:~~

28 (a) Is unmarried and does not have a dependent of his or
29 her own; ~~The child is dependent upon the policyholder or~~

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30 ~~certificateholder for support.~~

31 (b) Is a resident of this state or ~~The child is living in~~
32 ~~the household of the policyholder or certificateholder, or the~~
33 ~~child is~~ enrolled as a full-time or part-time student; ~~and-~~

34 (c) Is not actually provided coverage as a named
35 subscriber, insured, enrollee, or covered person under any other
36 group, blanket, or franchise health insurance policy or
37 individual health benefits plan or entitled to benefits under
38 Title XVIII of the Social Security Act, Pub. L. No. 89-97 (42
39 U.S.C. s. 1395 et seq.).

40 (2) ~~Nothing in~~ This section does not:

41 (a) Affect or preempt ~~affects or preempts~~ an insurer's
42 right to medically underwrite or charge the appropriate premium.

43 (b) Require coverage for services provided before July 1,
44 2008, to a dependent.

45 (c) Require that an employer pay all or part of the cost of
46 coverage provided for a dependent under this section.

47 (3) (a) If the coverage for dependent child terminates at a
48 specific age before the date provided under subsection (1), the
49 dependent child may make a written election for coverage as a
50 dependent pursuant to this section until the end of the calendar
51 year in which the he or she reaches the age of 25:

52 1. Within 30 days before the termination of coverage at the
53 age specified in the plan;

54 2. Within 30 days after meeting the requirements for
55 coverage as a dependent child as set forth in subsection (1) when
56 coverage for the dependent under the plan has previously
57 terminated; or

58 3. During a 30-day period in each year following the year

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59 coverage terminates at the age specified in the plan, which
60 period shall begin on the anniversary of the date on which the
61 dependent child's coverage terminated, if the dependent meets the
62 requirements set forth in subsection (1) during the 30-day
63 period.

64 (b) Until July 1, 2009, a dependent who qualifies for
65 coverage under subsection (1) but whose coverage as a dependent
66 under a covered person's plan terminated under the terms of the
67 plan before July 1, 2008, may make a written election to
68 reinstate coverage under that plan as a dependent child pursuant
69 to this section.

70 (4) (a) Coverage for a dependent child who makes a written
71 election for coverage pursuant to paragraph (3) (a) must be
72 identical to the coverage provided to that dependent before the
73 termination of coverage under the plan. If coverage is modified
74 under the plan for any similarly situated dependent children
75 before the termination of coverage for the dependent occurred,
76 the coverage must also be modified in the same manner for the
77 dependent child.

78 (b) Coverage for a dependent child who makes a written
79 election for coverage under paragraph (3) (a) may not be
80 conditioned upon or discriminate on the basis of lack of evidence
81 of insurability.

82 (5) (a) The covered person's plan may require the payment of
83 a premium by the covered person or dependent child, as
84 appropriate, subject to the approval of the Office of Insurance
85 Regulation, for any period of coverage relating to a dependent's
86 written election for coverage pursuant to paragraph (3) (a). The
87 premium may not exceed 102 percent of the applicable portion of

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88 the premium previously paid for that dependent's coverage under
89 the plan before the termination of coverage under the plan.

90 (b) The applicable portion of the premium previously paid
91 for the dependent's coverage under the plan shall be determined
92 pursuant to rules adopted by the office, based upon the
93 difference between the plan's rating tiers for adult and
94 dependent coverage or family coverage, as appropriate, and single
95 coverage, or based upon any other formula or dependent rating
96 tier that the office considers appropriate and that provides a
97 substantially similar result.

98 (6) Notice regarding coverage for a dependent child as
99 provided under this section must be provided to a covered person:

100 (a) In the certificate of coverage prepared for covered
101 persons by the carrier on or about the date of commencement of
102 coverage; and

103 (b) By the covered person's employer:

104 1. On or before the coverage of a covered person's
105 dependent child terminates at the age specified in the plan;

106 2. At the time coverage of the dependent child is no longer
107 provided under this section because the dependent child does not
108 meet the qualifications set forth in subsection (1), except that
109 this notice is not required when a dependent child no longer
110 qualifies because of age or because of having a dependent of his
111 or her own;

112 3. Before the 30-day period in each year following the year
113 coverage terminates at the age specified in the plan, so as to
114 permit a dependent child to make a written election for coverage
115 under paragraph (3) (a); and

116 4. Immediately after July 1, 2008, with respect to

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117 information concerning a dependent child's opportunity, until
118 July 1, 2009, to make a written election to reinstate coverage
119 under a plan specified in paragraph (3) (b).

120 (7) This section applies to all group, blanket, or
121 franchise health insurance policies covering residents of this
122 state, including, but not limited to, policies in which the
123 carrier has reserved the right to change the premium.

124 Section 2. This act shall take effect July 1, 2008.