

HCS HB 231 -- GROUP HEALTH INSURANCE COVERAGE AFTER TERMINATION  
OF EMPLOYMENT

SPONSOR: Yates

COMMITTEE ACTION: Voted "do pass by consent" by the Committee on Insurance Policy by a vote of 12 to 0.

This substitute requires group policies by a health carrier or health benefit plan to comply with the federal Consolidated Omnibus Budget Reconciliation Act (COBRA) provisions regarding the continuation of group health insurance coverage to an individual who has terminated employment or membership.

The substitute contains an emergency clause.

FISCAL NOTE: No impact on state funds in FY 2010, FY 2011, and FY 2012.

PROPONENTS: Supporters say that the bill makes Missouri's COBRA law consistent with federal COBRA law; and because of the federal stimulus package, if an emergency clause is added, the bill will increase the federal subsidy for states with compliant statutes. The additional federal dollars will make COBRA premiums more affordable.

Testifying for the bill were Representative Yates; and United Healthcare.

OPPONENTS: There was no opposition voiced to the committee.

OTHERS: Others testifying say that the bill makes the state eligible for additional federal funds under the new stimulus package and will provide a 65% subsidy for up to nine months of COBRA benefits.

Testifying on the bill was Department of Insurance, Financial Institutions and Professional Registration.