



# HOUSE COMMITTEE ON APPROPRIATIONS

2009-10 Legislative Session

## FISCAL NOTE

**HOUSE BILL:** 2392

**PRINTER'S NO:** 3579

**PRIME SPONSOR:** Shapiro

FISCAL IMPACT SUMMARY	FY 2009/10	FY 2010/11
<b>Expenditure Increase/(Decrease):</b>		
General Fund	\$0	\$0

### OVERVIEW:

House Bill 2392 amends the Insurance Company Law of 1921, relating to the provisions added by Act 2 of 2009 which provide mini-COBRA coverage for employees of small businesses. House Bill 2392 amends this section to provide that the new federal subsidy for COBRA will apply to Pennsylvania's mini-COBRA eligible citizens.

Under the provisions of Pennsylvania's mini-COBRA law, individuals previously employed by a small business employer may purchase their health insurance under their current employer. Federal law included a 65% subsidy of the premium and Act 2 of 2009 allowed Pennsylvanians to be eligible for this subsidy if available.

Recent changes in federal law expanded the length of the subsidy available. House Bill 2392 incorporates these changes by:

1. Extending the duration of the subsidy from nine to fifteen months.
2. Extending the eligibility period to include those who became eligible for COBRA due to a lay-off on or after February 17, 2009.

The legislation would make provisions retroactive to July 10, 2009. Also, an individual who lost his/her coverage following the original nine month period shall have coverage reinstated for an additional period of six months.

House Bill 2392 would take effect immediately.

### ANALYSIS:

The enactment of House Bill 2392 would not impact commonwealth funds.

**PREPARED BY:** Lisa M. Fleming, Budget Analyst  
House Appropriations Committee, (D)

**DATE:** April 26, 2010

**General Note and Disclaimer:** *This Fiscal Note was prepared pursuant to House Rule 19(a), and the elements considered and reported above are required by Section 5 of the rule. Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*