

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 220 Session of
2009

INTRODUCED BY MICCARELLI, FEBRUARY 3, 2009

REFERRED TO COMMITTEE ON INSURANCE, FEBRUARY 3, 2009

AN ACT

1 Establishing a grant program and a fund to assist individuals in
2 paying for continuation of health insurance; and conferring
3 powers and duties on the Insurance Department.

4 The General Assembly of the Commonwealth of Pennsylvania
5 hereby enacts as follows:

6 Section 1. Short title.

7 This act shall be known and may be cited as the Health
8 Insurance Continuation Act.

9 Section 2. Definitions.

10 The following words and phrases when used in this act shall
11 have the meanings given to them in this section unless the
12 context clearly indicates otherwise:

13 "COBRA coverage." Insurance coverage under Title 1 Subtitle
14 B Pt. 6 of the Employee Retirement Income Security Act of 1974
15 (Public Law 93-406, 29 U.S.C. § 1161 et seq.).

16 "Department." The Insurance Department of the Commonwealth.

17 "Fund." The Health Insurance Continuation Fund established
18 in section 4.

19 Section 3. Administration.

(a) Powers.--The department has the following powers:

(1) Determine eligibility for grants under section 5(b)

(2).

(2) Promulgate regulations to implement this act.

(b) Duties.--The department has the following duties:

(1) Use the fund under section 4(d).

(2) Provide forms under section 5(b)(1).

(3) Issue grants under section 5(b)(2)(i).

Section 4. Fund.

(a) Establishment.--The Health Insurance Continuation Fund is established as a separate fund in the State Treasury.

(b) Purpose.--The purpose of the fund is to assist individuals in paying for COBRA coverage.

(c) Source.--The following are the sources of the fund:

(1) Appropriations.

(2) Return on money in the fund.

(d) Use.--The department shall use the fund to issue grants under section 5(b)(2)(i).

(e) Nonlapse.--The money in the fund is continually appropriated into the fund. This appropriation shall not lapse at the end of any fiscal year.

Section 5. Grants.

(a) Eligibility.--An individual is eligible for a grant under this section if all of the following apply:

(1) No other person is responsible for, or is providing for, the individual's health insurance coverage.

(2) The individual is receiving benefits under the act of December 5, 1936 (2nd Sp.Sess., 1937 P.L.2897, No.1), known as the Unemployment Compensation Law.

(3) The individual's prorated weekly premium for COBRA

1 coverage exceeds 10% of the individual's weekly income from
2 unemployment compensation benefits and severance pay.

3 (b) Procedure.--

4 (1) An applicant must apply to the department for a
5 grant on a form provided by the department.

6 (2) Within 30 days of submission of the form under
7 paragraph (1), the department shall take one of the following
8 actions:

9 (i) If it determines the applicant eligible under
10 subsection (a), issue the grant.

11 (ii) If it determines the applicant ineligible under
12 subsection (a), deny the grant.

13 (3) Failure to comply with the time requirement of
14 paragraph (2) shall be deemed a denial of the grant.

15 (4) A denial under paragraph (2)(ii) or (3) is subject
16 to 2 Pa.C.S. Ch. 7 Subch A. (relating to judicial review of
17 Commonwealth agency action).

18 Section 20. Effective date.

19 This act shall take effect in 60 days.