Ian Best *Legislative Service Commission*

S.B. 115

127th General Assembly
(As Introduced)

Sen. Stivers

BILL SUMMARY

- Requires that all health care plans (sickness and accident insurance policies, HMO plans, multiple employer welfare arrangements, and public employee benefit plans) offered in the state that provides coverage for unmarried dependent children extend coverage, under certain conditions, until the dependent child reaches at least 30 years of age.
- Delays the applicability of the bill's requirements to insurance policies, and contracts, and agreements pertaining to health care plans that are issued or renewed six months after the bill's effective date.
- Exempts the bill's provisions from the existing law requirement that the Superintendent of Insurance review all new health benefit mandates before a mandate may take effect.

CONTENT AND OPERATION

Limiting age for dependent child coverage under a health care plan or insurance policy

Existing law specifically allows a sickness and accident insurance policy offered by an insurer (R.C. 3924.24) or a health insuring corporation (R.C. 1751.14), if the policy or plan offers coverage for unmarried dependent children, to place a "limiting age" upon coverage the attainment of which age will operate to terminate coverage unless the child continues to be both: (1) incapable of self-sustaining employment by reason of mental retardation or physical handicap, and (2) primarily dependent upon the subscriber for support and maintenance.

The bill stipulates that any public employee benefit plan, multiple employer welfare arrangement, sickness and accident insurance policy, or individual or group health insuring corporation plan that provides that coverage under the policy

or plan for the unmarried dependent child will terminate upon the child reaching a specified "limiting age" must provide that the limiting age be no earlier than the child's 30th birthday if both of the following also are true: (1) the child is not employed by an employer that offers the child any "health benefit plan," and (2) the child is a resident of Ohio or a full-time student at an accredited public or private institution of higher education.

The bill continues for sickness and accident insurance policies and health insuring corporation plans and extends to multiple employer welfare arrangements and public employee benefit plans the requirement that the dependent child's coverage cannot be terminated if the child is incapable of self-sustaining employment by reason of mental retardation or physical handicap and the child remains primarily dependent upon the plan member for support and maintenance (R.C. 3923.84). Satisfactory proof of incapacity and dependence must be furnished within 31 days of the child's attainment of the limiting age, and thereafter, upon request, but not more than once annually.

Mandated review by Superintendent of Insurance--exemption

The bill exempts its provisions from the review otherwise required by R.C. 3901.71, which requires the Superintendent of Insurance to hold a public hearing to consider any new health benefit mandate contained in a law enacted by the General Assembly. A new health benefit mandate may not be applied to policies and plans of insurance until the Superintendent determines that the mandate can be fully and equally applied to self-insured employee benefit plans subject to the regulation under the federal Employee Retirement Income Security Act of 1974 (ERISA), and to employee benefit plans established by the state or its political subdivisions, or their agencies and instrumentalities. ERISA generally precluded state regulation of benefits offered by private self-insured, employee benefit plans.

Definition of "health benefit plan"

This bill affects the limiting age only if the child is not employed by an employer that offers the child "any health benefit plan." For the purposes of this bill, a "health benefit plan" means any of the following when the contract, policy, or plan provides payment or reimbursement for the costs of health care services other than for specific diseases or accidents only: (1) an individual or group policy of sickness and accident insurance, (2) an individual or group contract of a health insuring corporation, (3) a public employee benefit plan, (4) a multiple employer welfare arrangement as defined in section 1739.01 of the Revised Code, or (5) a health benefit plan as regulated under ERISA.

HISTORY

ACTION	DATE
Introduced	03-13-07

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