

# Title 27 Insurance

## Chapter 19.1 Extended Medical Benefits

### R.I. Gen. Laws § 27-19.1-1

#### § 27-19.1-1. Medical benefits for those who lose eligibility to participate.

(a) Whenever the employment of an insured member of a group hospital, surgical, dental, vision or medical insurance plan is terminated because of involuntary layoff or death, or as a result of the workplace ceasing to exist, or the permanent reduction in size of the workforce, the benefits of the plan may be continued as provided in this section for a period of up to eighteen (18) months from the termination date of the insured member, but in any event not to exceed the shorter of the period which represents the period of continuous employment preceding termination with the employer under whose contract the member is insured or the time from the termination date of the insured member until the member, surviving spouse of a deceased member, and any other dependent(s) of the member who were covered under the plan, becomes employed by another group and eligible for benefits under another group plan.

(b) The extended coverage for the period defined in subsection (a) of this section shall be available to the terminated member the surviving spouse of a deceased member, and any other dependent(s) of the member who were covered under the plan, at the same monthly premium rate or subscription fee for the group in which he or she was previously a member or at a monthly premium rate or subscription fee as may be in effect from time to time for the same group subsequent to his or her qualification under subsection (a) of this section. The terminated member, the surviving spouse of a deceased member, and any other dependent(s) of the member who were covered under the plan, shall not be required to pay more than a monthly premium rate or subscription fee per month at one time.

(c) The involuntarily laid off member or other member qualifying under subsection (a) of this section, the surviving spouse of a deceased member, and any other dependent(s) of the member who were covered under the plan, may elect to continue participation in the group plan within thirty (30) days after the member's qualification under subsection (a) of this section. The involuntarily laid off member, the surviving spouse of a deceased member, and any other dependent(s) of the member who were covered under the plan shall be responsible for the payment of monthly premiums rates or subscription fees directly to the carrier of the surgical, hospital, or medical insurance plan, or the group plan's agent or insurance producer, throughout the extended coverage period, if the member had been covered under a group plan consisting of fifty (50) members or less. Those leaving group plans with more than fifty (50) members shall be responsible directly to the employer for the payment of monthly premiums rates or subscription fees, or directly to the carrier if the workplace ceases to exist. The terminated member, the surviving spouse of a deceased member, and any other dependent(s) of the member who were covered under the plan, shall not be required to pay more than a monthly premium rate or subscription fee per month at one time.

(d) After timely receipt of the monthly premium rate or subscription fee, as defined in this subsection, from the qualifying member, the surviving spouse of a deceased member, and any other dependent(s) of the member who were covered under the plan, if the employer fails to make payment to the carrier with the result that coverage is terminated, the employer shall be liable for benefits to the same extent as the carrier would have been liable if coverage had not been terminated. "Timely receipt" of the monthly premium payment means the employer's receipt of the monthly premium rate or subscription fee for the extended coverage from the qualifying member, the surviving spouse of a deceased member, and any other dependent(s) of the member who were covered under the plan within the dates or by the date indicated by the employer as a requirement of this chapter at the time of the election of the extended coverage. This subsection shall not apply to an employer whose workplace ceases to exist.

(e) Upon termination of the extended coverage period, the qualifying member, the surviving spouse of a deceased member, and any other dependent(s) of the member who were covered under the plan shall be entitled to exercise any option which is provided in the group plan to elect a converted policy.

(f) All employers who provide their employees a group hospital, surgical, or medical insurance plan shall post a conspicuous notice to the employees of their options under the provisions of this chapter.

(g) "Group hospital, surgical, dental, vision, or medical insurance plan" as used in this section includes any service plan contract of a medical or health service plan corporation. "Carrier" as used in this section means any insurance company which is the insurer of the group hospital, surgical, dental, vision, or medical plan or the medical, dental, optometric, or health service plan corporation which provides the group service plan contract, either of which an employer provides for his or her employees.

(h) This chapter shall not apply to an employee who is employed in the construction industry or his or her employer if the employee, at the time benefits could be selected under this chapter, is a participant in, and the employer is a contributor to, a multi-employer welfare plan as defined in 29 U.S.C. § 1301 et seq., and which the internal revenue service has determined is tax exempt as to contributions received and as to benefits received by its participants.

(i) Notwithstanding any section to the contrary, any member who qualified for the extended coverage as defined in subsection (a) on or after September 1, 2008, but who declined to elect coverage within the timeframe as described within subsection (c) may elect, no later than May 1, 2009, to resume coverage under this section. Coverage elected under this subsection shall commence March 1, 2009, and may be continued as defined in subsection (a).

#### History of Section.

P.L. 1977, ch. 266, § 1; P.L. 1988, ch. 79, § 2; P.L. 1988, ch. 570, § 1; P.L. 1989, ch. 542, § 81; P.L. 2003, ch. 244, § 1; P.L. 2003, ch. 285, § 1; P.L. 2009, ch. 6, § 1; P.L. 2009, ch. 7, § 1; P.L. 2010, ch. 53, § 1; P.L. 2010, ch. 72, § 1.