

2012 -- H 7997

=====
LC02287
=====

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2012

—————
A N A C T

RELATING TO INSURANCE -- SMALL EMPLOYER HEALTH INSURANCE

Introduced By: Representatives Trillo, Carnevale, Baldelli-Hunt, Costa, and Chippendale

Date Introduced: March 27, 2012

Referred To: House Small Business

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 27-50 of the General Laws entitled "Small Employer Health
2 Insurance Availability Act" is hereby amended by adding thereto the following section:

3 **27-50-6.1. Cancellation.** -- An insurer that cancels coverage issued in compliance with
4 this chapter shall notify each employee covered by the health insurance policy and the small
5 employer upon cancellation of such coverage. All such notifications shall be sent by certified
6 mail, return receipt requested. If such cancellation is by reason of non-payment or a technical
7 violation of policy terms, the small employer shall have thirty (30) days from the date of mailing
8 of such notice of cancellation to reinstate coverage by paying all premiums due or past due and/or
9 by correcting such technical violation.

10 SECTION 2. This act shall take effect upon passage.

=====
LC02287
=====

EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO INSURANCE -- SMALL EMPLOYER HEALTH INSURANCE

1 This act would provide that an insurer cancelling coverage issued under the small
2 employer health insurance program must notify the each employee and the small employer upon
3 cancellation of such coverage by certified mail, return receipt requested, and would further
4 provide that if such cancellation is by reason of non-payment or a technical violation of policy
5 terms, the small employer would have thirty (30) days from the date of mailing of such notice of
6 cancellation to reinstate coverage by paying all premiums due or past due and/or by correcting
7 such technical violation.

8 This act would take effect upon passage.

=====
LC02287
=====