

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021

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S.B. 516
PRINCIPAL CLERK

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SENATE BILL DRS45238-MR-56

Short Title: Extended Group Coverage/Employee Deceased. (Public)

Sponsors: Senators Chaudhuri and Crawford (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO ALLOW THE CONTINUATION OF A GROUP HEALTH INSURANCE
3 POLICY OF A WIDOWED SPOUSE OR SURVIVING DEPENDENT FOR THIRTY-SIX
4 MONTHS AFTER THE DATE THE COVERED EMPLOYEE HAS DECEASED.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. G.S. 58-53-35 reads as rewritten:

7 "§ 58-53-35. Termination of continuation.

8 (a) Continuation of insurance under the group policy for any person shall terminate on
9 the earliest of the following dates:

10 (1) The date 18 months after the date the employee's or member's insurance under
11 the policy would otherwise have terminated because of termination of
12 employment or ~~members;~~members for reasons other than death of the
13 employee.

14 (1a) The date 36 months after the date the employee's or member's insurance under
15 the policy would have otherwise terminated because of death of the employee.

16 (2) The date ending the period for which the employee or member last makes ~~his~~
17 the required contribution, if ~~he~~the member discontinues ~~his~~
18 contributions;making contributions.

19 (3) The date the employee or member becomes or is eligible to become covered
20 for similar benefits under any arrangement of coverage for individuals in a
21 group, whether insured or ~~uninsured;~~uninsured.

22 (4) The date on which the group policy is terminated or, in the case of a multiple
23 employer plan, the date ~~his~~the member's employer terminates participation
24 under the group master policy. When this occurs the employee or member
25 shall have the privilege described in G.S. 58-53-45 if the date of termination
26 precedes that on which ~~his~~the member's actual continuation of insurance
27 under that policy would have terminated. The insurer that insured the group
28 before the date of termination shall make a converted policy available to the
29 employee or member.

30 (b) Notwithstanding subdivision (a)(4) of this section, if the employer replaces the group
31 policy with another group policy, the employee is entitled to continue under the successor group
32 policy for any unexpired period of continuation to which the employee is entitled."

33 SECTION 2. This act becomes effective October 1, 2021, and applies to group
34 policies in effect on and after that date.

