

need not be limited to, replacement of a terminated coverage by similar group coverage or by health programs sponsored by any government or by the group policyholder. THE PREMIUM FOR THE CONVERTED POLICY SHALL BE DETERMINED IN ACCORDANCE WITH THE INSURER'S TABLE OF PREMIUM RATES APPLICABLE TO THE AGE AND CLASS OF RISK OF EACH PERSON TO BE COVERED UNDER THAT POLICY AND TO THE TYPE AND AMOUNT OF INSURANCE PROVIDED.

(c) The Commissioner shall establish notification requirements for the insurer to the person whose coverage is being terminated of his right of conversion, and requirements regarding the timely election of the conversion privilege. The requirements for notification shall include, but need not be limited to, a provision in any certificates furnished persons covered under group and blanket health insurance policies setting forth the conditions applicable to election of the conversion privilege. CONTINUATION OF GROUP COVERAGE AT THE EXPENSE OF THE INSURED PERSON MAY BE REQUIRED FOR A PERIOD NOT TO EXCEED 6 MONTHS FROM THE DATE OF THE TERMINATION OF THE GROUP CONTRACT.

(d) [After January 1, 1978 the] THE provisions of this section shall apply to all group policies delivered or renewed in the State, upon the effective date or renewal anniversary date, whichever is later, of the policy.

361D.

~~THE PROVISIONS OF SECTION 477K SHALL APPLY TO GROUP POLICIES ISSUED BY NONPROFIT HEALTH SERVICE CORPORATIONS.~~

354S. CONVERSION RIGHTS OF GROUP SUBSCRIBERS.

EVERY GROUP CONTRACT DELIVERED OR ISSUED FOR DELIVERY IN THIS STATE BY A NONPROFIT HEALTH SERVICE PLAN, WHICH PROVIDES HOSPITAL, MEDICAL, OR SURGICAL BENEFITS FOR EMPLOYEES OR MEMBERS AND THEIR DEPENDENTS SHALL CONTAIN A PROVISION FOR GRANTING THE EMPLOYEE OR MEMBER THE RIGHT TO CONVERT TO INDIVIDUAL COVERAGE IN THE EVENT OF TERMINATION OF EMPLOYMENT OR MEMBERSHIP IN THE GROUP.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1979.

Approved May 29, 1979.

---

CHAPTER 657

(House Bill 1617)

AN ACT concerning