

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 631.

This bill requires every group health insurance contract to provide continuation of benefits to an insured whose employment is involuntarily terminated without cause.

House Bill 920, which was passed by the General Assembly and signed by me on May 27, 1986, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 631.

Sincerely,  
Harry Hughes  
Governor

Senate Bill No. 631

AN ACT concerning

Group Health Insurance - Continuation of Benefits for  
Involuntarily Terminated Employees

FOR the purpose of requiring group health insurance contracts to offer employees who are involuntarily terminated from employment other than for cause the option to continue coverage; specifying the eligibility for and duration of the continuation coverage; specifying the maximum period an employee may continue coverage; prohibiting continuation coverage from being conditional upon evidence of insurability or waiting periods; requiring continuation coverage to be identical to coverage offered to similarly situated employees who have not been terminated from employment; specifying a time period and procedure for employees to elect continuation coverage; requiring employers to post notice of continuation coverage; requiring the Secretary of Employment and Training to provide notice of continuation coverage to unemployment insurance claimants; requiring the Insurance Commissioner to publish certain notices and supply and prescribe certain forms; specifying the maximum amount which may be required to be paid in order to receive continuation coverage; specifying that the continuation coverage of this Act does not affect or limit conversion rights; requiring the certificates issued under group insurance contracts to specify terms and conditions of the continuation coverage; modifying other provisions regarding continuation of group health benefits; making health maintenance organizations subject to the continuation provisions; limiting the liability of the employer and insurer in certain cases; defining certain terms; and generally relating to group health insurance coverage.