



Legislative Update

November 18, 2009

Reminder: Benefit Plans Need to Comply with Michelle's Law, Grace's Law & the Autism Insurance Reform Bill

There's been no shortage of news about healthcare reform lately, making it difficult to keep track of recently-enacted legislation. To help ensure you're complying with the latest requirements, please review the information below.

Michelle's Law

Michelle's Law ensures that dependent students who take a medically necessary leave of absence do not lose health insurance coverage. Seriously ill college students, who are covered dependents under health plans, can continue coverage for up to one year. The leave must be medically necessary as certified by a physician, and the change in enrollment must commence while the dependent is suffering from a serious illness or injury and must cause the dependent to lose student status.

The law requires group health plans to provide notice of the requirements of Michelle's Law, in language understandable to the typical plan participant, along with any notice regarding a requirement for certifying student status for plan coverage.

Applicable to: All group health plans

Effective Date: Plan years beginning on or after October 9, 2009 -- for calendar year plans, the effective date is January 1, 2010

Grace's Law

Named for Grace Gleba, a New Jersey girl with a severe hearing impairment, Grace's Law requires all health insurers in the State of New Jersey to provide coverage for medically-necessary hearing aids for children 15 years of age and younger. The bill states that insurers provide coverage up to \$1,000 per hearing aid every 24 months.

Applicable to: Fully insured health plans regulated by the State of New Jersey

Effective Date: Renewal date of the plan on or following March 30, 2009

Autism Insurance Reform Bill

Autism is a brain disorder that affects three areas of development: communication, social interaction, and creative or imaginative play. In the past, autism has fallen under the broader category of mental health, but one of the latest state legislative trends is to pass a standalone autism mandate separate from mental health benefit mandates.

On August 13, 2009, Governor Jon S. Corzine signed legislation requiring New Jersey health insurers to provide up to \$36,000 per year for medically-necessary behavioral early intervention for all patients with autism, and with other developmental disabilities, who are 21 years of age and younger.

Applicable to: Fully insured plans in Arizona, Colorado, Connecticut, Florida, Illinois, Indiana, Louisiana, Montana, New Jersey, New Mexico, Nevada, Pennsylvania, South Carolina and Texas

Effective Date: First renewal for fully insured plans

Self-insured plans need to determine if they should implement the plan design changes listed in Grace's Law and the Autism Insurance Reform Bill.

Please contact your Conner Strong representative with any questions, toll-free at 1-877-861-3220.

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