

GENERAL ASSEMBLY OF NORTH CAROLINA
1983 SESSION

CHAPTER 142
HOUSE BILL 59

AN ACT TO CLARIFY THE APPLICABILITY OF THE GROUP HEALTH INSURANCE CONTINUATION AND CONVERSION LAW AND TO CLARIFY PROVISIONS REGARDING ISSUANCE OF CONVERSION POLICIES.

The General Assembly of North Carolina enacts:

Section 1. Section 2 of 1981 Session Laws Chapter 706 is amended in line 2 by inserting immediately before the words, "or amended" the following: "renewed,".

Sec. 2. G.S. 58-254.42(4) is amended by adding the following sentence:

"The insurer that insured the group prior to the date of termination shall make a converted policy available to the employee or member."

Sec. 3. G.S. 58-254.45(5) is rewritten to read:

"(5) He failed to continue his insurance for the entire maximum period of three consecutive months following termination of active employment as provided for in Part 1 of this Article, unless that failure to continue was due to a change of insurer by the employer and said change of insurer was consummated during the three-month continuation period. In that event the employee or member shall be entitled to be issued a converted policy by the insurer that provided the group policy to the employer prior to the change of insurer."

Sec. 4. This act shall apply to all group policies, as defined in G.S. 58-254.35(1), that are delivered, issued for delivery, renewed, or amended after the effective date of this act.

Sec. 5. This act is effective upon ratification.

In the General Assembly read three times and ratified, this the 6th day of April, 1983.