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LINDA RUTHARDT
COMMISSIONER

Bulletin No. 96-14

To: **Commercial Insurers, Blue Cross and Blue Shield of Massachusetts (BCBSMA), and all Health Maintenance Organizations (HMOs)**

From: **Commissioner Linda Ruthardt**

Re: **Implementation of the provisions of St. 1996, c. 297 regarding continuation of coverage under Small Group Health Insurance (M.G.L. c. 176J)**

Date: **August 29, 1996**

As noted in Bulletin 96-12, St. 1996, c. 297 (Chapter 297), an emergency act affecting health insurance in the Commonwealth, became law on August 9, 1996. The Division is working toward the orderly implementation of Chapter 297 to meet its purpose, which was defined by the General Court as immediately increasing access to health insurance for the people of Massachusetts. In order to meet the purposes of this emergency act, carriers should be aware of the following:

- Chapter 297 amended M.G.L. c. 176J by adding Section 9, which requires that continuing access benefits be offered to employees in small group health insurance plans covering from two to nineteen employees. The continuing access benefits are similar to those offered pursuant to the federal Consolidated Omnibus Budget Reconciliation Act ("COBRA"). Effective August 15, 1996, continuing access benefits must be offered to any qualified beneficiary who would lose coverage under the health benefit plan as the result of a qualifying event and who makes a written election for continued coverage under the health plan within the election period. Pursuant to Bulletin No. 96-13, carriers will be allowed until November 1, 1996 to develop and distribute complying policy endorsements and to implement procedures to provide written notice required by M.G.L. c. 176J § 9 (j)(1) and M.G.L. c. 176J § 9(j)(5). **However, the Division reminds carriers that continuing access benefits must be made available to eligible individuals as of August 15, 1996 notwithstanding the fact that carriers are allowed until November 1, 1996 to update policies and implement procedures to provide the required written notice.**
- During the time that carriers are developing policy endorsements and implementing procedures to provide the required written notice, carriers must help keep employers who purchase small group plans informed by notifying employers that the continuing access benefits are available. A carrier will be considered to be in compliance with this requirement if such carrier forwards a copy of this bulletin to all covered small group employers.

Any questions about the law should be directed to Caroline E. DeStefano of the Office of the General Counsel at (617) 521-7364.