

HOUSE BILL 1991

By Shepard

AN ACT to amend Tennessee Code Annotated, Title 56,
relative to health insurance coverage of certain
children or dependents.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 56-7-2302, is amended by deleting subsection (a) in its entirety and by substituting instead the following:

(a)

(1)

(A) An individual hospital or medical expense insurance policy or contract, as provided under chapter 26, 28 or 29 of this title, delivered or issued for delivery in this state, or which is amended or renewed by agreement or otherwise, on or after August 13, 1986, and which provides that coverage of a dependent child shall terminate upon attainment of the limiting age for dependent children specified in the policy, shall also provide that such limiting age be not earlier than twenty-four (24) years for those dependent children who are unmarried and dependent on the insured for support and maintenance. This subdivision (a)(1)(A) shall not be construed to require coverage for a dependent child under such policy of insurance, if such dependent child would be otherwise ineligible for such coverage either by the terms of such policy of insurance or other provisions of this title, except those relating to the limiting age for such dependent child stated in this subdivision (a)(1)(A).

(B)

(i) Notwithstanding subdivision (a)(1)(A), at the option of the insured, coverage of a child of the insured who has attained the limiting age under the policy shall be continued beyond that specified age, provided that the child is:

- (a) Under the age of thirty (30) years;
- (b) Unmarried and has no dependent children; and
- (c) The child either:
 - (1) Has the same legal residence as the insured; or
 - (2) Depends upon the insured for support and maintenance even if the child is not claimed as a dependent for income tax purposes.

(ii) An election for coverage under this subdivision (a)(1)(B) shall be in writing within thirty (30) days prior to the termination of coverage at limiting age under subdivision (a)(1)(A), within thirty (30) days of meeting the requirements of this subdivision (a)(1)(B), or during an open enrollment period as provided by contract for dependents.

(iii) Coverage for a dependent child for whom the insured has made a written election for coverage may not be conditioned on or discriminated on the basis of lack of evidence of insurability. Coverage for a child under this subdivision (a)(1)(B) shall consist of coverage which is identical to the coverage that would have been provided to the child had he or she not been terminated from the contract due to the child's age.

(2)

(A) A group hospital or medical expense insurance policy or contract, as provided under chapter 26, 28 or 29 of this title, delivered or issued for delivery in this state, or which is amended or renewed by agreement or otherwise, on or after August 13, 1986, and which provides that coverage of a dependent child shall terminate upon attainment of the limiting age for dependent children specified in the policy, shall also provide that such limiting age be not earlier than twenty-four (24) years for those dependent children who are unmarried and dependent on the insured for support and maintenance. This subdivision (a)(2)(A) shall not be construed to require coverage for a dependent child under such policy of insurance if such dependent child would be otherwise ineligible for such coverage either by the terms of such policy of insurance or other provisions of this title, except those relating to the limiting age for such dependent child stated in this subdivision (a)(2)(A).

(B)

(i) Notwithstanding subdivision (a)(2)(A), at the option of the insured, coverage of a child of the insured who has attained the limiting age under the policy shall be continued beyond that specified age, provided that the child is:

(a) Under the age of thirty (30) years;

(b) Unmarried and has no dependent children; and

(c) The child either:

(1) Has the same legal residence as the insured; or

(2) Depends upon the insured for support and maintenance even if the child is not claimed as a dependent for income tax purposes.

(ii) An election for coverage under this subdivision (a)(2)(B) shall be in writing within thirty (30) days prior to the termination of coverage at limiting age under subdivision (a)(2)(A), within thirty (30) days of meeting the requirements of this subdivision (a)(2)(B), or during an open enrollment period as provided by contract for dependents.

(iii) Coverage for a child for whom the insured has made a written election for coverage may not be conditioned on or discriminated on the basis of lack of evidence of insurability. Coverage for a child under this subdivision (a)(2)(B) shall consist of coverage which is identical to the coverage that would have been provided to the child had he or she not been terminated from the contract due to the child's age.

SECTION 2. This act shall take effect July 1, 2009, the public welfare requiring it. This act shall apply to policies and contracts entered into or renewed on and after July 1, 2009.