

As Reported by the House Health and Aging Committee

130th General Assembly

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Am. H. B. No. 511

Representative Sears

**Cosponsors: Representatives Boose, Grossman, Henne, Romanchuk,
Smith, Wachtmann, Young**

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A B I L L

To amend sections 1751.14, 3923.24, 3923.241, and 1
3924.01, to enact sections 505.377, 737.082, and 2
737.222 of the Revised Code to clarify the status 3
of volunteer firefighters for purposes of the 4
Patient Protection and Affordable Care Act and to 5
make changes regarding coverage for a dependent 6
child under a parent's health insurance plan and 7
the hours of work needed to qualify for coverage 8
under a small employer health benefit plan. 9

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

Section 1. That sections 1751.14, 3923.24, 3923.241, and 10
3924.01 be amended and sections 505.377, 737.082, and 737.222 of 11
the Revised Code be enacted to read as follows: 12

Sec. 505.377. A volunteer firefighter appointed pursuant to 13
this chapter is a bona fide volunteer and not an employee for 14
purposes of section 513 of the "Patient Protection and Affordable 15
Care Act," 124 Stat. 119 (2010), 26 U.S.C. 4980H, if, for 16
providing those fire protection services, the volunteer receives 17
any of the benefits provided in Chapter 146., 4121., or 4123. or 18

section 9.65, 505.23, 3333.26, 3923.13, or 4113.41 of the Revised Code. 19
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Sec. 737.082. A volunteer firefighter appointed pursuant to this chapter is a bona fide volunteer and not an employee for purposes of section 513 of the "Patient Protection and Affordable Care Act," 124 Stat. 119 (2010), 26 U.S.C. 4980H, if, for providing those fire protection services, the volunteer receives any of the benefits provided in Chapter 146., 4121., or 4123. or section 9.65, 505.23, 3333.26, 3923.13, or 4113.41 of the Revised Code. 21
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Sec. 737.222. A volunteer firefighter appointed pursuant to this chapter is a bona fide volunteer and not an employee for purposes of section 513 of the "Patient Protection and Affordable Care Act," 124 Stat. 119 (2010), 26 U.S.C. 4980H, if, for providing those fire protection services, the volunteer receives any of the benefits provided in Chapter 146., 4121., or 4123. or section 9.65, 505.23, 3333.26, 3923.13, or 4113.41 of the Revised Code. 29
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Sec. 1751.14. (A) Notwithstanding section 3901.71 of the Revised Code, any policy, contract, or agreement for health care services authorized by this chapter that is issued, delivered, or renewed in this state and that provides that coverage of an unmarried dependent child will terminate upon attainment of the limiting age for dependent children specified in the policy, contract, or agreement, shall also provide in substance both of the following: 37
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(1) Once an unmarried child has attained the limiting age for dependent children, as provided in the policy, contract, or agreement, upon the request of the subscriber, the health insuring 45
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corporation shall offer to cover the unmarried child until the 48
child attains ~~twenty-eight~~ twenty-six years of age if all of the 49
following are true: 50

(a) The child is the natural child, stepchild, or adopted 51
child of the subscriber. 52

(b) The child is a resident of this state or a full-time 53
student at an accredited public or private institution of higher 54
education. 55

(c) The child is not employed by an employer that offers any 56
health benefit plan under which the child is eligible for 57
coverage. 58

(d) The child is not eligible for coverage under the medicaid 59
program or the medicare program. 60

(2) That attainment of the limiting age for dependent 61
children shall not operate to terminate the coverage of a 62
dependent child if the child is and continues to be both of the 63
following: 64

(a) Incapable of self-sustaining employment by reason of 65
mental retardation or physical handicap; 66

(b) Primarily dependent upon the subscriber for support and 67
maintenance. 68

(B) Proof of incapacity and dependence for purposes of 69
division (A)(2) of this section shall be furnished to the health 70
insuring corporation within thirty-one days of the child's 71
attainment of the limiting age. Upon request, but not more 72
frequently than annually, the health insuring corporation may 73
require proof satisfactory to it of the continuance of such 74
incapacity and dependency. 75

(C) Nothing in this section shall do any of the following: 76

(1) Require that any policy, contract, or agreement offer 77

coverage for dependent children or provide coverage for an 78
unmarried dependent child's children as dependents on the policy, 79
contract, or agreement; 80

(2) Require an employer to pay for any part of the premium 81
for an unmarried dependent child that has attained the limiting 82
age for dependents, as provided in the policy, contract, or 83
agreement; 84

(3) Require an employer to offer health insurance coverage to 85
the dependents of any employee. 86

(D) This section does not apply to any health insuring 87
corporation policy, contract, or agreement offering only 88
supplemental health care services or specialty health care 89
services. 90

(E) As used in this section, "health benefit plan" has the 91
same meaning as in section 3924.01 of the Revised Code and also 92
includes both of the following: 93

(1) A public employee benefit plan; 94

(2) A health benefit plan as regulated under the "Employee 95
Retirement Income Security Act of 1974," 29 U.S.C. 1001, et seq. 96

Sec. 3923.24. (A) Notwithstanding section 3901.71 of the 97
Revised Code, every certificate furnished by an insurer in 98
connection with, or pursuant to any provision of, any group 99
sickness and accident insurance policy delivered, issued for 100
delivery, renewed, or used in this state on or after January 1, 101
1972, every policy of sickness and accident insurance delivered, 102
issued for delivery, renewed, or used in this state on or after 103
January 1, 1972, and every multiple employer welfare arrangement 104
offering an insurance program, which provides that coverage of an 105
unmarried dependent child of a parent or legal guardian will 106
terminate upon attainment of the limiting age for dependent 107

children specified in the contract shall also provide in substance 108
both of the following: 109

(1) Once an unmarried child has attained the limiting age for 110
dependent children, as provided in the policy, upon the request of 111
the insured, the insurer shall offer to cover the unmarried child 112
until the child attains ~~twenty-eight~~ twenty-six years of age if 113
all of the following are true: 114

(a) The child is the natural child, stepchild, or adopted 115
child of the insured. 116

(b) The child is a resident of this state or a full-time 117
student at an accredited public or private institution of higher 118
education. 119

(c) The child is not employed by an employer that offers any 120
health benefit plan under which the child is eligible for 121
coverage. 122

(d) The child is not eligible for the medicaid program or the 123
medicare program. 124

(2) That attainment of the limiting age for dependent 125
children shall not operate to terminate the coverage of a 126
dependent child if the child is and continues to be both of the 127
following: 128

(a) Incapable of self-sustaining employment by reason of 129
mental retardation or physical handicap; 130

(b) Primarily dependent upon the policyholder or certificate 131
holder for support and maintenance. 132

(B) Proof of such incapacity and dependence for purposes of 133
division (A)(2) of this section shall be furnished by the 134
policyholder or by the certificate holder to the insurer within 135
thirty-one days of the child's attainment of the limiting age. 136
Upon request, but not more frequently than annually after the 137

two-year period following the child's attainment of the limiting 138
age, the insurer may require proof satisfactory to it of the 139
continuance of such incapacity and dependency. 140

(C) Nothing in this section shall require an insurer to cover 141
a dependent child who is mentally retarded or physically 142
handicapped if the contract is underwritten on evidence of 143
insurability based on health factors set forth in the application, 144
or if such dependent child does not satisfy the conditions of the 145
contract as to any requirement for evidence of insurability or 146
other provision of the contract, satisfaction of which is required 147
for coverage thereunder to take effect. In any such case, the 148
terms of the contract shall apply with regard to the coverage or 149
exclusion of the dependent from such coverage. Nothing in this 150
section shall apply to accidental death or dismemberment benefits 151
provided by any such policy of sickness and accident insurance. 152

(D) Nothing in this section shall do any of the following: 153

(1) Require that any policy offer coverage for dependent 154
children or provide coverage for an unmarried dependent child's 155
children as dependents on the policy; 156

(2) Require an employer to pay for any part of the premium 157
for an unmarried dependent child that has attained the limiting 158
age for dependents, as provided in the policy; 159

(3) Require an employer to offer health insurance coverage to 160
the dependents of any employee. 161

(E) This section does not apply to any policies or 162
certificates covering only accident, credit, dental, disability 163
income, long-term care, hospital indemnity, medicare supplement, 164
specified disease, or vision care; coverage under a 165
one-time-limited-duration policy of not longer than six months; 166
coverage issued as a supplement to liability insurance; insurance 167
arising out of a workers' compensation or similar law; automobile 168

medical-payment insurance; or insurance under which benefits are payable with or without regard to fault and that is statutorily required to be contained in any liability insurance policy or equivalent self-insurance.

(F) As used in this section, "health benefit plan" has the same meaning as in section 3924.01 of the Revised Code and also includes both of the following:

(1) A public employee benefit plan;

(2) A health benefit plan as regulated under the "Employee Retirement Income Security Act of 1974," 29 U.S.C. 1001, et seq.

Sec. 3923.241. (A) Notwithstanding section 3901.71 of the Revised Code, any public employee benefit plan that provides that coverage of an unmarried dependent child will terminate upon attainment of the limiting age for dependent children specified in the plan shall also provide in substance both of the following:

(1) Once an unmarried child has attained the limiting age for dependent children, as provided in the plan, upon the request of the employee, the public employee benefit plan shall offer to cover the unmarried child until the child attains ~~twenty-eight~~ twenty-six years of age if all of the following are true:

(a) The child is the natural child, stepchild, or adopted child of the employee.

(b) The child is a resident of this state or a full-time student at an accredited public or private institution of higher education.

(c) The child is not employed by an employer that offers any health benefit plan under which the child is eligible for coverage.

(d) The child is not eligible for the medicaid program or the medicare program.

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| (2) That attainment of the limiting age for dependent children shall not operate to terminate the coverage of a dependent child if the child is and continues to be both of the following: | 199 |
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| (a) Incapable of self-sustaining employment by reason of mental retardation or physical handicap; | 203 |
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| (b) Primarily dependent upon the plan member for support and maintenance. | 205 |
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| (B) Proof of incapacity and dependence for purposes of division (A)(2) of this section shall be furnished to the public employee benefit plan within thirty-one days of the child's attainment of the limiting age. Upon request, but not more frequently than annually, the public employee benefit plan may require proof satisfactory to it of the continuance of such incapacity and dependency. | 207 |
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| (C) Nothing in this section shall do any of the following: | 214 |
| (1) Require that any public employee benefit plan offer coverage for dependent children or provide coverage for an unmarried dependent child's children as dependents on the public employee benefit plan; | 215 |
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| (2) Require an employer to pay for any part of the premium for an unmarried dependent child that has attained the limiting age for dependents, as provided in the plan; | 219 |
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| (3) Require an employer to offer health insurance coverage to the dependents of any employee. | 222 |
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| (D) This section does not apply to any public employee benefit plan covering only accident, credit, dental, disability income, long-term care, hospital indemnity, medicare supplement, specified disease, or vision care; coverage under a one-time-limited-duration policy of not longer than six months; | 224 |
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coverage issued as a supplement to liability insurance; insurance 229
arising out of a workers' compensation or similar law; automobile 230
medical-payment insurance; or insurance under which benefits are 231
payable with or without regard to fault and which is statutorily 232
required to be contained in any liability insurance policy or 233
equivalent self-insurance. 234

(E) As used in this section, "health benefit plan" has the 235
same meaning as in section 3924.01 of the Revised Code and also 236
includes both of the following: 237

(1) A public employee benefit plan; 238

(2) A health benefit plan as regulated under the "Employee 239
Retirement Income Security Act of 1974," 29 U.S.C. 1001, et seq. 240

Sec. 3924.01. As used in sections 3924.01 to 3924.14 of the 241
Revised Code: 242

(A) "Actuarial certification" means a written statement 243
prepared by a member of the American academy of actuaries, or by 244
any other person acceptable to the superintendent of insurance, 245
that states that, based upon the person's examination, a carrier 246
offering health benefit plans to small employers is in compliance 247
with sections 3924.01 to 3924.14 of the Revised Code. "Actuarial 248
certification" shall include a review of the appropriate records 249
of, and the actuarial assumptions and methods used by, the carrier 250
relative to establishing premium rates for the health benefit 251
plans. 252

(B) "Adjusted average market premium price" means the average 253
market premium price as determined by the board of directors of 254
the Ohio health reinsurance program either on the basis of the 255
arithmetic mean of all carriers' premium rates for an OHC plan 256
sold to groups with similar case characteristics by all carriers 257
selling OHC plans in the state, or on any other equitable basis 258

determined by the board. 259

(C) "Base premium rate" means, as to any health benefit plan 260
that is issued by a carrier and that covers at least two but no 261
more than fifty employees of a small employer, the lowest premium 262
rate for a new or existing business prescribed by the carrier for 263
the same or similar coverage under a plan or arrangement covering 264
any small employer with similar case characteristics. 265

(D) "Carrier" means any sickness and accident insurance 266
company or health insuring corporation authorized to issue health 267
benefit plans in this state or a MEWA. A sickness and accident 268
insurance company that owns or operates a health insuring 269
corporation, either as a separate corporation or as a line of 270
business, shall be considered as a separate carrier from that 271
health insuring corporation for purposes of sections 3924.01 to 272
3924.14 of the Revised Code. 273

(E) "Case characteristics" means, with respect to a small 274
employer, the geographic area in which the employees work; the age 275
and sex of the individual employees and their dependents; the 276
appropriate industry classification as determined by the carrier; 277
the number of employees and dependents; and such other objective 278
criteria as may be established by the carrier. "Case 279
characteristics" does not include claims experience, health 280
status, or duration of coverage from the date of issue. 281

(F) "Dependent" means the spouse or child of an eligible 282
employee, subject to applicable terms of the health benefits plan 283
covering the employee. 284

(G) "Eligible employee" means an employee who works a normal 285
work week of ~~twenty-five~~ thirty or more hours. "Eligible employee" 286
does not include a temporary or substitute employee, or a seasonal 287
employee who works only part of the calendar year on the basis of 288
natural or suitable times or circumstances. 289

(H) "Health benefit plan" means any hospital or medical 290
expense policy or certificate or any health plan provided by a 291
carrier, that is delivered, issued for delivery, renewed, or used 292
in this state on or after the date occurring six months after 293
November 24, 1995. "Health benefit plan" does not include policies 294
covering only accident, credit, dental, disability income, 295
long-term care, hospital indemnity, medicare supplement, specified 296
disease, or vision care; coverage under a 297
one-time-limited-duration policy of no longer than six months; 298
coverage issued as a supplement to liability insurance; insurance 299
arising out of a workers' compensation or similar law; automobile 300
medical-payment insurance; or insurance under which benefits are 301
payable with or without regard to fault and which is statutorily 302
required to be contained in any liability insurance policy or 303
equivalent self-insurance. 304

(I) "Late enrollee" means an eligible employee or dependent 305
who enrolls in a small employer's health benefit plan other than 306
during the first period in which the employee or dependent is 307
eligible to enroll under the plan or during a special enrollment 308
period described in section 2701(f) of the "Health Insurance 309
Portability and Accountability Act of 1996," Pub. L. No. 104-191, 310
110 Stat. 1995, 42 U.S.C.A. 300gg, as amended. 311

(J) "MEWA" means any "multiple employer welfare arrangement" 312
as defined in section 3 of the "Federal Employee Retirement Income 313
Security Act of 1974," 88 Stat. 832, 29 U.S.C.A. 1001, as amended, 314
except for any arrangement which is fully insured as defined in 315
division (b)(6)(D) of section 514 of that act. 316

(K) "Midpoint rate" means, for small employers with similar 317
case characteristics and plan designs and as determined by the 318
applicable carrier for a rating period, the arithmetic average of 319
the applicable base premium rate and the corresponding highest 320
premium rate. 321

(L) "Pre-existing conditions provision" means a policy 322
provision that excludes or limits coverage for charges or expenses 323
incurred during a specified period following the insured's 324
enrollment date as to a condition for which medical advice, 325
diagnosis, care, or treatment was recommended or received during a 326
specified period immediately preceding the enrollment date. 327
Genetic information shall not be treated as such a condition in 328
the absence of a diagnosis of the condition related to such 329
information. 330

For purposes of this division, "enrollment date" means, with 331
respect to an individual covered under a group health benefit 332
plan, the date of enrollment of the individual in the plan or, if 333
earlier, the first day of the waiting period for such enrollment. 334

(M) "Service waiting period" means the period of time after 335
employment begins before an employee is eligible to be covered for 336
benefits under the terms of any applicable health benefit plan 337
offered by the small employer. 338

(N)(1) "Small employer" means, in connection with a group 339
health benefit plan and with respect to a calendar year and a plan 340
year, an employer who employed an average of at least two but no 341
more than fifty eligible employees on business days during the 342
preceding calendar year and who employs at least two employees on 343
the first day of the plan year. 344

(2) For purposes of division (N)(1) of this section, all 345
persons treated as a single employer under subsection (b), (c), 346
(m), or (o) of section 414 of the "Internal Revenue Code of 1986," 347
100 Stat. 2085, 26 U.S.C.A. 1, as amended, shall be considered one 348
employer. In the case of an employer that was not in existence 349
throughout the preceding calendar year, the determination of 350
whether the employer is a small or large employer shall be based 351
on the average number of eligible employees that it is reasonably 352
expected the employer will employ on business days in the current 353

calendar year. Any reference in division (N) of this section to an 354
"employer" includes any predecessor of the employer. Except as 355
otherwise specifically provided, provisions of sections 3924.01 to 356
3924.14 of the Revised Code that apply to a small employer that 357
has a health benefit plan shall continue to apply until the plan 358
anniversary following the date the employer no longer meets the 359
requirements of this division. 360

(O) "OHC plan" means an Ohio health care plan, which is the 361
basic, standard, or carrier reimbursement plan for small employers 362
and individuals established in accordance with section 3924.10 of 363
the Revised Code. 364

Section 2. That existing sections 1751.14, 3923.24, 3923.241, 365
and 3924.01 of the Revised Code are hereby repealed. 366

Section 3. Sections 1751.14, and 3924.01 as amended by this 367
act, apply only to policies, contracts, and agreements that are 368
delivered, issued for delivery, or renewed in this state on or 369
after January 1, 2015. Sections 3923.24 and 3923.241 as amended by 370
this act, apply only to policies of sickness and accident 371
insurance delivered, issued for delivery, or renewed in this state 372
and public or private employee benefit plans that are established 373
or modified in this state on or after January 1, 2015. 374