



Ohio Revised Code

Section 1751.17 [Suspended eff. 1/1/2014 to 1/1/2026, per Section 3 of S.B. 9 of the 130th General Assembly, as amended] Option for conversion to a contract issued on a direct-payment basis.

Effective: October 1, 2011

Legislation: House Bill 153

(A) As used in this section, "nongroup contract" means a contract issued by a health insuring corporation to an individual who makes direct application for coverage under the contract and who, if required by the health insuring corporation, submits to medical underwriting. "Nongroup contract" does not include group conversion coverage, coverage obtained through open enrollment, or coverage issued on the basis of membership in a group.

(B) Except as provided in division (C) of this section, every nongroup contract that is issued by a health insuring corporation and that makes available basic health care services shall provide an option for conversion to a contract issued on a direct-payment basis to an enrollee covered by the nongroup contract. The option for conversion shall be available:

- (1) Upon the death of the subscriber, to the surviving spouse with respect to the spouse or dependents who were then covered by the nongroup contract;
- (2) Upon the divorce, dissolution, or annulment of the marriage of the subscriber, to the divorced spouse, or, in the event of annulment, to the former spouse of the subscriber;
- (3) To a child solely with respect to the child, upon the child's attaining the limiting age of coverage under the nongroup contract while covered as a dependent under the contract.

(C) The direct payment contract offered pursuant to division (B) of this section shall not be made available to an enrollee if any of the following applies:

- (1) The enrollee is, or is eligible to be, covered for benefits at least comparable to the nongroup contract under any of the following:



(a) Medicaid;

(b) Medicare;

(c) Any act of congress or law under this or any other state of the United States providing coverage at least comparable to the benefits offered under division (C)(1)(a) or (b) of this section.

(2) The nongroup contract under which the enrollee was covered was terminated due to nonpayment of a premium rate.

(3) The enrollee is eligible for group coverage provided by, or available through, an employer or association and the group coverage provides benefits comparable to the benefits provided under a direct payment contract.

(D) The direct payment contract offered pursuant to division (B) of this section shall provide benefits that are at least comparable to the benefits provided by the nongroup contract under which the enrollee was covered at the time of the occurrence of any of the events set forth in division (B) of this section. The coverage provided under the direct payment contract shall be continuous, provided that the enrollee makes the required premium rate payment within the thirty-day period immediately following the occurrence of the event, and may be terminated for nonpayment of any required premium rate payment.

(E) The evidence of coverage of every nongroup contract shall contain notice that an option for conversion to a contract issued on a direct-payment basis is available, in accordance with this section, to any enrollee covered by the contract.

(F) Benefits otherwise payable to an enrollee under a direct payment contract shall be reduced by the amount of any benefits available to the enrollee under any applicable group health insuring corporation contract or group sickness and accident insurance policy.

(G) Nothing in this section shall be construed as requiring a health insuring corporation to offer nongroup contracts.



(H) This section does not apply to any nongroup contract offering only supplemental health care services or specialty health care services.