

"AN ACT TO REQUIRE EVERY GROUP DISABILITY POLICY TO INCLUDE A PROVISION PROVIDING FOR THE EXTENSION OF BENEFITS WHEN THE INSURED PERSON IS HOSPITALIZED; AND FOR OTHER PURPOSES."

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

SECTION 1. Continuation benefits after termination of group health insurance.

Every group health insurance policy, contract or certificate that provides coverage for hospital or medical services or expenses shall provide that the insurer shall continue its obligation for benefits under the policy or contract for any person insured under the policy or contract who is hospitalized on the date of termination if the policy or contract is terminated and replaced by a group health insurance policy or contract issued by another insurer. Any payment required under this section is subject to all terms, limitations and conditions of the policy or contract except those relating to termination of benefits. Any obligation by an insurer under this section continues until the hospital confinement ends or hospital benefits under the policy or contract are exhausted, whichever is earlier.

SECTION 2. All laws and parts of laws in conflict with this Act are hereby repealed.

APPROVED: 3/16/87

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