

December 3, 1976

SUBJECT: INSURANCE

WITHDRAWN

Circular Letter No. 19 (1976)
December 3, 1976

TO: ALL AUTHORIZED ACCIDENT AND HEALTH INSURERS

RE: CHAPTER 811 OF THE LAWS OF 1976, IN RELATION TO COVERAGE OF MENTALLY RETARDED AND PHYSICALLY HANDICAPPED CHILDREN INSURED UNDER A FAMILY CONTRACT

Chapter 811 of the Laws of 1976 amended statutory provisions relating to mandatory coverage under the "family contract" issued by commercial accident and health insurers in the following manner:

Section 164-2 (b) (3) was amended to provide that coverage in any family policy "shall include any other unmarried child as a dependent, regardless of age, who is incapable of self-sustaining employment by reason of mental retardation or physical handicap and who became so incapable prior to attainment of age nineteen, subject to any pre-existing condition limitation applicable to other dependents."

Chapter 811 thus mandates the inclusion of mentally retarded and physically handicapped persons who became handicapped before age 19 in all "family contracts" issued, amended or modified on or after September 1, 1976.

It is the position of this Department that the premiums to be charged for handicapped dependents should be no higher than the premiums charged for other dependent children. In this way, coverage of mentally retarded and physically handicapped dependent children will result in the sharing of a heavy burden by all "family contract" policyholders.

Appropriate personnel should be advised of the foregoing and receipt of this letter should be acknowledged to: Mr. George LaFaro, Chief, Health and Life Policy Bureau, Agency Building # 1, Empire State Plaza, Albany, NY 12223.

[SIGNATURE]

THOMAS A. HARNETT

Superintendent of Insurance