Effective: January 1, 2011

West's Annotated California Codes Currentness
Insurance Code (Refs & Annos)
Division 2. Classes of Insurance (Refs & Annos)
Part 2. Life and Disability Insurance (Refs & Annos)
Chapter 8. Small Employer Health Insurance (Refs & Annos)
Article 2. Small Employer Carrier Requirements

§ 10708. Preexisting condition provisions; waiting or affiliation periods

(a)(1) Preexisting condition provisions of health benefit plans shall not exclude coverage for a period beyond six months following the individual's effective date of coverage and may only relate to conditions for which medical advice, diagnosis, care, or treatment, including the use of prescription medications, was recommended by or received from a licensed health practitioner during the six months immediately preceding the effective date of coverage.

(2) Notwithstanding paragraph (1), a health benefit plan offered to a small employer shall not impose any preexisting condition provision upon any child under 19 years of age.

(b) A carrier that does not utilize a preexisting condition provision may impose a waiting or affiliation period, not to exceed 60 days, before the coverage issued subject to this chapter shall become effective. During the waiting or affiliation period, the carrier is not required to provide health care benefits and no premiums shall be charged to the subscriber or enrollee.

(c) In determining whether a preexisting condition provision or a waiting period applies to any person, a plan shall credit the time the person was covered under creditable coverage, provided the person becomes eligible for coverage under the succeeding plan contract within 62 days of termination of prior coverage, exclusive of any waiting or affiliation period, and applies for coverage with the succeeding health benefit plan contract within the applicable enrollment period. A plan shall also credit any time an eligible employee must wait before enrolling in the health benefit plan, including any postenrollment or employer-imposed waiting or affiliation period. However, if a person's employment has ended, the availability of health coverage offered through employment or sponsored by an employer has terminated, or an employer's contribution toward health coverage has terminated, a plan shall credit the time the person was covered under creditable coverage if the person becomes eligible for health coverage offered through employment or sponsored by an employer within 180 days, exclusive of any waiting or affiliation period, and applies for coverage under the succeeding health benefit plan within the applicable enrollment period.

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(d) Group health benefit plans may not impose a preexisting conditions exclusion to a condition relating to benefits for pregnancy or maternity care.

(e) A carrier providing aggregate or specific stop loss coverage or any other assumption of risk with reference to a health benefit plan shall provide that the plan meets all requirements of this section concerning preexisting condition provisions and waiting or affiliation periods.

(f) In addition to the preexisting condition exclusions authorized by subdivision (a) and the waiting or affiliation period authorized by subdivision (b), carriers providing coverage to a guaranteed association may impose on employers or individuals purchasing coverage who would not be eligible for guaranteed coverage if they were not purchasing through the association a waiting or affiliation period, not to exceed 60 days, before the coverage issued subject to this chapter shall become effective. During the waiting or affiliation period, the carrier is not required to provide health care benefits and no premiums shall be charged to the insured.

CREDIT(S)

(Added by Stats.1992, c. 1128 (A.B.1672), § 10, operative July 1, 1993. Amended by Stats.1993, c. 1146 (A.B.28), § 7, eff. Oct. 11, 1993; Stats.1994, c. 484 (A.B.3655), § 4; Stats.1997, c. 336 (S.B.578), § 23, eff. Aug. 21, 1997; Stats.1998, c. 107 (A.B.112), § 29, eff. July 6, 1998; Stats.2010, c. 656 (A.B.2244), § 5.)

Current with urgency legislation through Ch. 227 of 2012 Reg.Sess. and all propositions on the 6/5/2012 ballot.

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