

CHAPTER 391  
FORMERLY  
HOUSE BILL NO. 336  
AS AMENDED BY  
HOUSE AMENDMENT NOS. 1,3 & 5

AN ACT TO AMEND TITLE 29 OF THE DELAWARE CODE RELATING TO SUPPLEMENTAL INSURANCE BENEFITS.

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

Section 1. Amend Title 29 of the Delaware Code by inserting a new Chapter 52C as indicated by underlining as follows:

CHAPTER 52C. SUPPLEMENTAL INSURANCE PROGRAM

§ 5284. Definitions.

“Carrier” shall mean the supplemental income benefits carrier selected pursuant to § 5286 of this title.

“Claims loss ratio” shall mean claims payable as a percentage of premium income, or ratio of incurred losses and loss adjustment expenses to net premiums earned.

“Committee” shall mean the State Employee Benefits Committee as established by § 9602 of this title.

“Employee” shall mean an eligible employee as defined in § 5501(e) and § 5201(c) of this title who elects to participate in the supplemental insurance program as specified in § 5287 of this title.

“Income indemnity” shall mean restoration to the participating employee of a loss by payment.

“Premium” shall mean the price of insurance protection for a specified risk for a specified period of time.

“Supplemental insurance program” shall mean voluntary insurance benefits designed to supplement existing major medical coverage where the payments are pre-determined and paid regardless of other available coverage.

§ 5285. Payment of premium or subscription charges.

The participating employee shall pay all premium or subscription charges for the full cost of the supplemental insurance coverage policy, with no premium cost to the State.

§ 5286. Selection of the supplemental income benefits carrier.

The carrier shall be licensed in Delaware, selected by a proper vote of the Committee, and have adequate servicing facilities to carry out the terms of the contract as awarded by the Committee. The selected carrier shall maintain a claims loss ratio of not less than 60%.

§ 5287. Supplemental insurance program and design.

(a) The type of offered insurance shall be supplemental individual health insurance that is guaranteed renewable. This elective supplemental insurance program will entitle participating employees to receive income indemnity. Accident, cancer, and critical care and recovery, are to be required benefits of the offered supplemental policies. The Committee will determine whether premiums are to be deducted pre-tax or after-tax. The group monthly electronic invoice file with payment deduction details, associated reconciliation of premiums paid, and claims administration and payment due will be administered by the carrier and at their expense. The open enrollment for supplemental benefits policies will coincide with the open enrollment for state employee benefits beginning in 2015.

(b) The Committee shall annually review the supplemental individual health insurance program participation. Should the Committee determine that the volume of employee participation demonstrates a lack of interest or desire in accessing this program, the Committee may on or after July 1, 2020, in its discretion vote to restructure, modify, or terminate the program.

Approved August 06, 2014