

Continuation of Coverage Under the New York State Continuation of Coverage Law

The New York State Insurance Law (Insurance Law, Section 3221) requires that all group insurance policies issued in New York State offer employees and their families the opportunity for a temporary extension of health care at group rates in certain instances where coverage would otherwise end.

The Law affects hospital, surgical and medical expense insurance. Since prescription drug benefits are not defined as “medical expenses” under this Law, they are not included in the NYS Continuation of Coverage benefit package.

If a Participating Agency provides continuation of coverage under the Federal COBRA Law (See Section 3.12), an employee eligible for COBRA Continuation of Coverage is **NOT** eligible for coverage under the NYS Continuation of Coverage Law, with the following exception:

If an employee’s employment is terminated due to “gross misconduct” and coverage is denied under COBRA, he or she is eligible for coverage under the NYS Continuation of Coverage Law.

If a Participating Agency is interested in offering NYS Continuation of Coverage, please contact the Employee Benefits Division.