

SUBCHAPTER XX—REQUIREMENTS FOR  
CERTAIN GROUP HEALTH PLANS FOR  
CERTAIN STATE AND LOCAL EMPLOYEES

**§ 300bb-1. State and local governmental group  
health plans must provide continuation cov-  
erage to certain individuals**

**(a) In general**

In accordance with regulations which the Secretary shall prescribe, each group health plan that is maintained by any State that receives funds under this chapter, by any political subdivision of such a State, or by any agency or instrumentality of such a State or political subdivision, shall provide, in accordance with this subchapter, that each qualified beneficiary who would lose coverage under the plan as a result of a qualifying event is entitled, under the plan, to elect, within the election period, continuation coverage under the plan.

**(b) Exception for certain plans**

Subsection (a) shall not apply to—

(1) any group health plan for any calendar year if all employers maintaining such plan normally employed fewer than 20 employees on a typical business day during the preceding calendar year, or

(2) any group health plan maintained for employees by the government of the District of Columbia or any territory or possession of the United States or any agency or instrumentality.

(July 1, 1944, ch. 373, title XXII, § 2201, as added Pub. L. 99-272, title X, § 10003(a), Apr. 7, 1986, 100 Stat. 232; amended Pub. L. 101-239, title VI, § 6801(a)(1), Dec. 19, 1989, 103 Stat. 2296.)

**Editorial Notes**

**AMENDMENTS**

1989—Subsec. (b). Pub. L. 101-239 struck out at end “Under regulations, rules similar to the rules of subsections (a) and (b) of section 52 of title 26 (relating to employers under common control) shall apply for purposes of paragraph (1).”

**Statutory Notes and Related Subsidiaries**

**EFFECTIVE DATE OF 1989 AMENDMENT**

Pub. L. 101-239, title VI, § 6801(a)(2), Dec. 19, 1989, 103 Stat. 2297, provided that: “The amendment made by paragraph (1) [amending this section] shall apply to years beginning after December 31, 1986.”

**EFFECTIVE DATE**

Pub. L. 99-272, title X, § 10003(b), Apr. 7, 1986, 100 Stat. 236, provided that:

“(1) **GENERAL RULE.**—The amendments made by this section [enacting this subchapter] shall apply to plan years beginning on or after July 1, 1986.

“(2) **SPECIAL RULE FOR COLLECTIVE BARGAINING AGREEMENTS.**—In the case of a group health plan maintained pursuant to one or more collective bargaining agreements between employee representatives and one or more employers ratified before the date of the enactment of this Act [Apr. 7, 1986], the amendments made by this section shall not apply to plan years beginning before the later of—

“(A) the date on which the last of the collective bargaining agreements relating to the plan terminates (determined without regard to any extension thereof agreed to after the date of the enactment of this Act), or

“(B) January 1, 1987.

For purposes of subparagraph (A), any plan amendment made pursuant to a collective bargaining agreement relating to the plan which amends the plan solely to conform to any requirement added by this section shall not be treated as a termination of such collective bargaining agreement.”

**§ 300bb-2. Continuation coverage**

For purposes of section 300bb-1 of this title, the term “continuation coverage” means coverage under the plan which meets the following requirements:

**(1) Type of benefit coverage**

The coverage must consist of coverage which, as of the time the coverage is being provided, is identical to the coverage provided under the plan to similarly situated beneficiaries under the plan with respect to whom a qualifying event has not occurred. If coverage is modified under the plan for any group of similarly situated beneficiaries, such coverage shall also be modified in the same manner for all individuals who are qualified beneficiaries under the plan pursuant to this part<sup>1</sup> in connection with such group.

**(2) Period of coverage**

The coverage must extend for at least the period beginning on the date of the qualifying event and ending not earlier than the earliest of the following:

**(A) Maximum required period**

**(i) General rule for terminations and reduced hours**

In the case of a qualifying event described in section 300bb-3(2) of this title, except as provided in clause (ii), the date which is 18 months after the date of the qualifying event.

**(ii) Special rule for multiple qualifying events**

If a qualifying event occurs during the 18 months after the date of a qualifying event described in section 300bb-3(2) of this title, the date which is 36 months after the date of the qualifying event described in section 300bb-3(2) of this title.

**(iii) General rule for other qualifying events**

In the case of a qualifying event not described in section 300bb-3(2) of this title, the date which is 36 months after the date of the qualifying event.

**(iv) Special rule for TAA-eligible individuals**

In the case of a qualifying event described in section 300bb-3(2) of this title with respect to a covered employee who is (as of the date that the period of coverage would, but for this clause or clause (v), otherwise terminate under clause (i) or (ii)) a TAA-eligible individual (as defined in section 300bb-5(b)(4)(B) of this title), the period of coverage shall not terminate by reason of clause (i) or (ii), as the case may

<sup>1</sup> So in original. This subchapter is not divided into parts.