

304.17A-768 Voucher -- Redemption -- Payment of premium amount -- Fee to process voucher -- Administrative regulations.

- (1) A voucher issued by an employer shall only be redeemable at an insurance purchasing outlet. A voucher shall be nonassignable and nontransferable.
- (2) An insurance purchasing outlet shall redeem the value of the voucher with the employer. If an employer fails to redeem the value of the voucher, the insurance purchasing outlet shall notify the eligible person. An eligible person may pay the premium amount directly to the insurance purchasing outlet if the employer fails to redeem the value of the voucher.
- (3) An insurance purchasing outlet shall pay an insurer the appropriate premium amount on or before the premium due date. If an insurance purchasing outlet fails to pay the premium amount on or before the due date the following shall occur:
 - (a) An insurer shall issue the insurance purchasing outlet a notice of termination if the premium amount is not paid pursuant to KRS 304.17A-245;
 - (b) Upon receipt of a notice of termination from the insurer, the insurance purchasing outlet shall issue the eligible member a notice of termination; and
 - (c) The insurer shall notify the eligible person of his or her conversion rights under KRS 304.18-110.
- (4) An insurer may allow for a thirty-one (31) day grace period for the premium amount to be paid by the insurance purchasing outlet.
- (5) The department shall prescribe the items to be included on a voucher.
- (6) An insurance purchasing outlet shall be required to accept a voucher as payment for a health benefit plan, or as partial payment if the value of the voucher is insufficient to cover the full premium of the health benefit plan.
- (7) An insurance purchasing outlet may charge a reasonable administrative fee to cover the cost of processing the voucher.
- (8) The commissioner shall promulgate administrative regulations to implement the provisions of this section.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 24, sec. 1256, effective July 15, 2010. -- Created 2002 Ky. Acts ch. 207, sec. 10, effective July 15, 2002.