



## H.R. 2851 – Michelle’s Law

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### FLOOR SITUATION

H.R. 2851 is being considered on the floor under suspension of the rules and will require a two-thirds majority vote for passage. This legislation was introduced by Representative Paul Hodes (D-NH) on June 25, 2007. The Committee on Energy and Commerce ordered the bill to be reported, as amended, on July 16, 2008, by voice vote.

H.R. 2851 is expected to be considered on the floor of the House on July 30, 2008.

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### SUMMARY

H.R. 2851 requires that health plans continue to provide coverage for college students covered as dependents on their parents’ medical plan who take a medically necessary leave of absence from school for up to one year. A physician must certify that the dependent has a medical condition that requires a leave of absence. There may be no change in benefits for a dependent due to a medical leave of absence from school.

This Act will take effect for plan years beginning one year after the date of enactment.

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### BACKGROUND

Although not universal, health plans typically extend coverage to dependents of family policyholders as long as the dependent is younger than a certain age and/or enrolled at a post-secondary institution. Dependents that are covered by such a group health plan on the basis of their enrollment as a student may lose eligibility if they take a leave of absence for any reason.

Currently, many states already require employer-sponsored plans to cover dependents for other reasons. Thus, only a small proportion of students enrolled in post-secondary educational institutions would be affected by this new legislation. The bill does not mandate health plans to cover dependents, but simply protects those dependent students who have coverage from losing it if they fall seriously ill.

The most common causes for medical leave from post-secondary schools are mental disorders, major illnesses such as cancer, drug and alcohol-related problems, and serious trauma.

This bill is named after Michelle Morse, a student at Plymouth State University in New Hampshire, that was diagnosed with colon cancer. Knowing the toll chemotherapy treatments would take, her doctors recommended that she cut back her college course load. However, if she cut back her course load, she would either lose her insurance or would have to pay C.O.B.R.A. The premiums for C.O.B.R.A. were more than her family could afford. C.O.B.R.A. insurance provided for by the Consolidated Omnibus Budget Reconciliation Act (COBRA). This law provides continuation of group health coverage that otherwise would be terminated.

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### COST

The Congressional Budget Office (CBO) estimates that implementing H.R. 2851 “would have no significant impact on the budget”. [Full CBO Cost Estimate](#)

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### STAFF CONTACT

For questions or further information contact Adam Hepburn at 6-2302.