



NEW JERSEY SENATE

STEPHEN M. SWEENEY  
SENATE PRESIDENT

Email: SenSweeney@njleg.org

PLEASE REPLY TO:  KINGSWAY COMMONS, SUITE 400  
935 KINGS HIGHWAY  
WEST DEPTFORD, NJ 08086  
TEL: (856) 251-9801  
FAX: (856) 251-9752  
 199 EAST BROADWAY, SUITE G  
SALEM, NJ 08079  
TEL: (856) 339-0808  
FAX: (856) 339-9626

**NJ Department of Banking and Insurance**

20 West State Street  
PO Box 325  
Trenton, NJ 08625

March 20, 2020

Dear Commissioner Caride,

As you know, fully insured employers are required to allow for the continuation of health benefits for employees upon termination or a reduction of hours. Due to the impacts of the current worldwide pandemic, most of the State's employers do not want to lay off their employees, but many are being forced to reduce their workforce.

I urge you to take action to preserve health insurance coverage for impacted employees. If an employer enacts a furlough, a temporary layoff, or reduction in hours specifically due to the coronavirus situation that would otherwise resulted in the termination of an employee's coverage for health and pharmacy benefits and that employer elects to continue to pay the premium, fully insured health plans should be required to cover those employees. Such a consideration should remain in place through April 30, 2020 unless further extended by the Commissioner. Such action would not obligate employers to extend such coverage; however if they do, insurers are simply obligated to allow impacted employees to be considered active at work under the plan. I would urge you to apply this provision to medical (health) and pharmacy plans subject to regulatory supervision by the Department.

I welcome your action on this matter and look forward to continuing to work with you during this crisis to protect health insurance coverage for our residents.

Sincerely,

Steve Sweeney  
Senate President  
New Jersey State Senate

