

# **An Employee's Guide to Georgia Extension Health Benefits Continuation**

***Important Information and Disclosures  
Regarding Your Health Benefits  
Continuation Coverage***

***Please read this booklet carefully***

# *Georgia Extension Health Benefits Continuation*

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## **Introduction**

Health insurance programs help workers and their families take care of their essential medical needs. These programs can be one of the most important benefits provided by an employer.

There was a time when employer-provided group health coverage was at risk if an employee was fired, changed jobs, or got divorced. That substantially changed in 1986 with the passage of the health benefit provisions in the Consolidated Omnibus Budget Reconciliation Act (COBRA). Now, many employees and their families who would lose group health coverage because of serious life events are able to continue their coverage under the employer's group health plan, at least for limited periods of time.

State Mandated Health Benefits vary from state to state. PIBT is the administrator for both Cal-COBRA and Georgia Extension. Federal COBRA is also administered by PIBT under the Federal regulations and guidelines that are different from State Mandated Health Benefits.

The right to State Mandated Health Benefits continuation coverage was created by state law. State Mandated Health Benefits continuation coverage can become available to you when you would otherwise lose your group health coverage through your current employer. It can also become available to other members of your family who are covered under the Plan when they would otherwise lose their group health coverage.

This booklet is designed to:

- Provide a general explanation of your State Mandated Health Benefits Continuation rights and responsibilities;
- Outline the State Mandated Health Benefits Continuation rules that group health plans must follow;
- Highlight your rights to benefits while you are receiving State Mandated Health Benefits Continuation coverage.

## **What Is Georgia Extension Continuation Coverage?**

Georgia Extension is a continuation of Plan coverage when coverage would otherwise end because of a life event known as a "qualifying event." Specific qualifying events are listed in this notice. After a qualifying event, Georgia Extension continuation coverage must be offered to each person who is a "qualifying beneficiary." You, your spouse, and your dependent children could become qualified beneficiaries if coverage under the Plan is lost because of the qualifying event. Under the Plan, qualified beneficiaries who elect Georgia continuation are required to pay 100% of coverage premiums for Georgia Extension continuation coverage.

# Georgia Health Benefits Continuation

## Qualifying Events, Duration and Type of Coverage

Under the Georgia State Law, group health plans must allow covered employees and their eligible dependents to continue coverage in the event of loss of such coverage. If you become eligible, you will have the benefit of Georgia continuation coverage for up to 3 months. The benefits under this continuation of coverage will be identical to the benefits that would be provided to the member if the qualifying event had not occurred. To become eligible for Georgia continuation coverage, the individual must have been covered under the plan for a minimum of 6 months, and must experience any of the following qualifying events.

Qualifying Event	Qualified Beneficiaries	Maximum Period of Continuation Coverage
Termination (for reasons other than gross misconduct) or reduction in hours of employment	Employee Spouse Dependent Child	3 months
Employee enrollment in Medicare	Spouse Dependent Child	3 months
Divorce or legal separation	Spouse Dependent Child	3 months
Death of employee	Spouse Dependent Child	3 months
Loss of "dependent child" status under the plan	Dependent Child	3 months

Georgia Continuation Coverage for dependents may only be elected for those dependents that are covered as a spouse, and/or dependent children at the time of the Qualifying Event. Each Qualified Beneficiary (an individual who has experience a Qualifying Event) has the option to elect any combination of health coverage provided to other similarly situated employees for whom a Qualifying Event has not occurred.

## Extending Georgia Continuation Period

Under The Georgia State Law, group health plans must allow covered employees age 60 and older (on the date employment ended) to extend Georgia Continuation coverage once the first 3 months of coverage ends. This extension can last until the eligible individual reaches age 65. Electing individuals will pay up to **120 percent** of the premium that your former employer pays on behalf of their active employees during the extension period. Spouses who are age 60 and older and would lose group coverage due to 1) Employee's death, and/or 2) Divorce or legal separation, can elect extended coverage. Spouses can continue coverage for eligible dependents.

## **Domestic Partners Rights under Georgia Extension**

Pursuant to the Defense of Marriage Act (enacted on September 21, 1996), unmarried domestic partners (of either the same or the opposite sex) are not recognized as legal spouses under Federal or State of Georgia law. Georgia Continuation coverage regulations define qualified beneficiaries to include only the covered employee's spouse, dependent child, and certain children born to or placed for adoption with the covered employee, an employee's domestic partner is therefore not a qualified beneficiary under Georgia continuation coverage.

## **Special HIPAA Notice**

### **Deciding Whether to Elect Georgia Health Care Continuation Coverage After Enactment of HIPAA**

The key decision that terminated employees face each year is whether to elect Georgia health care continuation coverage. In order to make that decision, they need to know about two laws, Georgia Continuation coverage and HIPAA. To learn more about some factors that employees and their families should take into account when deciding whether to elect Georgia continuation coverage, you can access any of the following web sites:

- Internal Revenue Service (IRS): <http://www.irs.ustreas.gov>
- Department of Labor (DOL): <http://www.dol.gov/dol/pwba>
- Centers for Medicare & Medicaid Services (CMS): <http://www.cms.hhs.gov>
- Georgia Department of Insurance Code 33-24-21.1 <http://www.gainsurance.org>

To receive more information about Georgia Continuation coverage and HIPAA, you may contact the Department of Labor or the Department of Insurance to the telephone numbers listed below.

Department of Labor  
1-866-487-2365

Georgia Department of Insurance  
1-404-656-2085

# **State of Georgia Health and Welfare Agency Notices**

## **Notice to Terminated Employees**

The Health Insurance Premium Payment (HIPP) Program is a Medicaid program that may pay for the cost of your Georgia Continuation coverage premiums, when it is found to be cost-effective. If you or someone in your family is on Medicaid or eligible for Medicaid, and health insurance is available to you through Georgia Continuation, the HIPP Program will determine if it would be cheaper to pay for the health insurance premiums instead of having Medicaid pay for all the medical bills. In order to qualify for the Health Insurance Premium Payment (HIPP) program, you must meet **ALL** of the following conditions:

1. At least one person living in the family household must be a recipient of Medicaid or be Medicaid eligible.
2. The health insurance premium, the coinsurance, and the deductible are expected to be less than the total cost of care with Medicaid funds.
3. You must have a medical condition requiring frequent treatment. The expected Medicaid payments for your household are compared to the services covered under the policy and the cost of the premiums. If the cost of the insurance is less than what DMA would spend in Medicaid funds for those same services, the insurance is cost effective.
4. You must have a current health insurance policy, Georgia Continuation policy, or a Georgia Conversion policy in effect or available at the time of application.
5. Your health insurance policy must cover your high cost medical condition.
6. Your application must be completed and returned in time for the State of Georgia to process your application and pay your premium.

*For more information, you may call any of the following numbers, and follow the recorded instructions.*

**Atlanta and local calling area:**

770-451-5484

**Statesboro calling area:**

912-489-1904

**Toll-Free Statewide:**

800-229-2038

## **Notice for Persons Disabled by HIV/AIDS**

Under the Ryan White Comprehensive AIDS Resources Emergency (CARE) Act of 1990, persons unable to work because of disability due to HIV/AIDS and who are losing their private health insurance may qualify for premium payment assistance through the CARE Health Insurance Premium Payment (CARE/HIPP) Program for up to 12 months provided they meet the following criteria:

1. Have applied for Social Security Disability Insurance (SSDI), Supplemental Security Income (SSI), State Disability Insurance (SDI), or other disability programs;
2. Are currently covered by a health insurance plan (Georgia Continuation, individual or group), which includes outpatient prescription drug coverage and HIV related treatment services;
3. Are not currently on the AIDS Drug Assistance Program (ADAP);
4. Have a total monthly income of no more than 300 percent of the current federal poverty level and cash assets equal to or less than \$4,500 if single or \$5,500 if married: and
5. Are not covered by or eligible for Medicaid

For additional information on CARE/HIPP, you may call:

**Georgia AIDS/STD Hotline**

**1-800-551-2728 (English/Spanish)**

### **GEORGIA DEPARTMENT OF PUBLIC HEALTH**

Division of Public Health  
Two Peachtree Street, NW  
Atlanta, Georgia 30303-3186

### **Questions**

All questions regarding Georgia Extension Health Benefits Continuation Coverage should be directed to PIBT.

Phone: (323) 728-9500 ♦ (800) 449-4898 (Outside L.A. area)

Fax (323) 722-7386 ♦ (866) 559-0355 (Outside L.A. area)

Website: [www.piasc.org](http://www.piasc.org)

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Printing Industries Benefit Trust will administer the requirements of the State Mandated Health Benefits Continuation law. In this capacity, PIBT provides the clerical and administrative services necessary to enable full compliance with the law.

Our mission is to serve you and the employer providing State Mandated Health Benefits Continuation coverage in the administration of this complex law's requirements. In this process you should understand that PIBT is bound in its administrative capacity by not only State law and by the insurance contract(s) through which coverage is provided. It is important to understand that neither PIBT nor the employer providing State Mandated Health Benefits Continuation coverage can deviate from or extend these legal guidelines.

PIBT has provided this State Mandated Health Benefits Continuation Rights and Rules booklet for your reference and convenience, so that you may better understand your rights and responsibilities under the law. It is intended for general information and disclosure purposes only. This brief summary cannot address all of the subtleties of the State Mandated Health Benefits Continuation law; therefore, please contact PIBT if you have a question that is not addressed in this booklet.



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