

**A CONSUMER'S GUIDE
TO
GETTING AND KEEPING HEALTH INSURANCE
IN
GEORGIA**

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This guide is intended to help consumers understand their protections under federal and state law. The authors have made every attempt to assure that the information presented in this guide is accurate as of the date of publication. However, the guide is a summary, and should not be used as a substitute for legal, accounting, or other expert professional advice. Readers should consult insurance regulators or other competent professionals for guidance in making health insurance decisions. The authors, Georgetown University, and the Health Policy Institute specifically disclaim any personal liability, loss or risk incurred as a consequence of the use and application, either directly or indirectly, of any information presented herein.

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A CONSUMER’S GUIDE TO GETTING AND KEEPING HEALTH INSURANCE IN GEORGIA

As a Georgia resident, you have rights under federal and state law that will protect you when you seek to buy, keep, or switch your health insurance, even if you have a serious health condition.

This guide describes your protections as a Georgia resident. Chapter 1 gives an overview of your protections. Chapters 2 and 3 explain your protections under group and individual health insurance. Chapter 4 highlights your protections as a small employer or self-employed person. Chapter 5 summarizes help that may be available to you if you cannot afford health coverage. If you move away from Georgia, your protections may change. Since this guide is a summary, it may not answer all of your questions. For places to contact for more information, see page 32. For information about how to find consumer guides for other states on the Internet, see page 32. A list of helpful terms and their definitions begins on page 33. These terms are in boldface type the first time they appear.

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CHAPTER 1

A SUMMARY OF YOUR PROTECTIONS

Numerous state and federal laws make it easier for people with pre-existing conditions to get or keep **health insurance**, or to change from one **health plan** to another. A federal law, known as the Health Insurance Portability and Accountability Act (**HIPAA**) sets national standards for all health plans. In addition, states can pass different reforms for the health plans they regulate (**fully insured group health plans** and **individual health insurance policies**), so your protections may vary if you leave Georgia. Georgia has expanded protections for certain kinds of health insurance beyond what federal law requires. Neither federal nor state laws protect your access to health insurance in all circumstances. So please read this guide carefully.

The following information summarizes how federal and state laws do – or do not – protect you as a Georgia resident.

HOW AM I PROTECTED?

In Georgia, as in many other states, your health insurance options are somewhat dependent on your **health status**. Even if you are sick, however, the laws protect you in the following ways.

- *Coverage under your **group health plan** (if your employer offers one) cannot be denied or limited, nor can you be required to pay more, because of your health status.* This is called **nondiscrimination**. (see Chapter 2)
- *All group health plans in Georgia must limit exclusion of pre-existing conditions.* There are rules about what counts as a **pre-existing condition** and how long you must wait before a new health plan will begin to pay for care for that condition. Generally, if you join a new plan your old coverage will be credited toward the **pre-existing condition exclusion period**, provided you did not have a long break in coverage. (see Chapter 2)
- *Your health insurance cannot be canceled because you get sick.* Most health insurance is **guaranteed renewable**. (see Chapter 3 for Individual Coverage, and Chapter 4 for Small Group Coverage)
- *If your son or daughter is in college and covered as a dependent under your group, but cannot maintain student status due to illness, he or she may still be able to remain covered as your dependent for up to one year.* (see Chapter 2)

- *When you apply for an individual health insurance policy, insurance companies may not turn you down, charge you more or impose a pre-existing condition exclusion period because of your **genetic information**. In addition, insurance companies are not allowed to even ask about your genetic tests or family history when you apply for coverage. (see Chapter 3)*
- *If you leave your job, you may be able to remain in your old group health plan for a certain length of time. This is called **COBRA** continuation coverage or **state continuation coverage**. It can help when you are between jobs or waiting for a new health plan to cover your pre-existing condition. There are limits on what you can be charged for this coverage. (see Chapter 3)*
- *If you lost your group health plan because of involuntary termination of employment that occurred between September 1, 2008 and December 31, 2009, you may be eligible for a federal tax credit that can help you pay for your COBRA or state continuation coverage premiums for up to nine months. (see Chapter 3)*
- *If you have had at least 6 months of coverage under a fully insured group health plan and then lose it, you are guaranteed the right to buy an individual health insurance policy from the company that insured your former group plan. This is called a **basic conversion** policy. There are rules about what conversion policies must cover and limits on the premium you can be charged. You will not face a new pre-existing condition exclusion period under a conversion policy. (see Chapter 3)*
- *If you are **HIPAA eligible**, you are eligible to buy some type of individual health insurance policy. Whether your previous group health plan was fully insured or self-insured will determine if you are eligible for an “**enhanced conversion** policy” or “**HIPAA assignment system** policy”. (see Chapter 3)*
- *If you are a small employer buying a group health plan, you cannot be turned down because of the health status, age, or any factor that might predict the use of health services of those in your group. This is called **guaranteed issue**. (see Chapter 4)*
- *As a small employer, you cannot be turned down or charged more because of the genetic information of a member of your group. In addition, insurance companies are not allowed to even ask about genetic tests or family history of people in your group when you apply for coverage. (see Chapter 4)*
- *If you are a small employer buying a group health plan policy, you can be charged more, within limits, based on the health status of those in your group. Even with these limits, however, premiums can be significantly higher if someone in your group has a serious health condition. (see Chapter 4)*

- *If you have low or modest household income, you may be eligible for free or subsidized health coverage for yourself or members of your family. The Georgia **Medicaid** program offers free health coverage for pregnant women, families with children, medically needy, elderly and disabled individuals with very low incomes. (see Chapter 5)*
- *Georgia **PeachCare for Kids** provides health coverage to low-income Georgia children under the age of 19 who are not eligible for Medicaid and who are not currently covered by health insurance. (see Chapter 5)*
- *If you believe you may be at risk for cancer but are uninsured or underinsured, you may be eligible for screening and treatment. The **Georgia Cancer Screening Program** provides free cancer screening for qualified residents. Some women diagnosed with breast or cervical cancer through this program may be eligible for medical care through Medicaid. (see Chapter 5)*
- *If you lost your health insurance and are receiving benefits from the **Trade Adjustment Assistance (TAA) Program**, you may be eligible for a federal income tax credit to help you pay for new health coverage. This credit is called the **Health Coverage Tax Credit (HCTC)**, and is equal to 80% of the cost of qualified coverage, including COBRA. (see Chapter 5)*
- *If you are a retiree aged 55-65 and receiving benefits from **Pension Benefit Guarantee Corporation (PBGC)**, then you may be eligible for the HCTC. (see Chapter 5)*

WHAT ARE THE LIMITS ON MY PROTECTIONS?

As important as they are, the federal and state health insurance reforms are limited. Therefore, you also should understand how the laws do *not* protect you.

- *If you change jobs, you usually cannot take your old health benefits with you. Except when you exercise your federal COBRA or state continuation rights, you are not entitled to take your actual group health coverage with you when you leave a job. Your new health plan may not cover all of the benefits or the same doctors that your old plan did. (see Chapter 2)*
- *Employers are not required to provide health benefits for their employees, so if you change jobs, you may find that your new employer does not offer you health benefits. Employers are only required to make sure that any health benefits they do offer do not discriminate based on health status. (see Chapter 2)*
- *If you get a new job with health benefits, your coverage may not start right away. Employers can require **waiting periods** before your health benefits begin. Health maintenance organizations (**HMOs**) can require **affiliation periods**. (see Chapter 2)*

- *If you have a break in coverage of 63 days or more, you may have to satisfy a new pre-existing condition exclusion period when you join a new group plan. (see Chapter 2)*
- *Even if you have **continuous coverage**, there may be a pre-existing condition exclusion period for some benefits if you join a group health plan that covers benefits your old plan did not. For example, say you move from a group plan that does not cover prescription drugs to one that does. You may have to wait up to six months or one year before your new health plan will pay for drugs prescribed to treat a pre-existing condition. (see Chapter 2)*
- *If you work for certain non-federal public employers in Georgia, not all of the group health plan protections may apply to you. (see Chapter 2)*
- *Except for conversion and HIPAA policies, your access to individual health insurance may depend on your health status. Generally, individual insurers in Georgia are free to turn you down, charge more or limit coverage because of your health status and other factors. (see Chapter 3)*
- *If you move away from Georgia, you may not be able to buy individual health insurance in another state unless you are HIPAA eligible. (see Chapter 3)*

CHAPTER 2

YOUR PROTECTIONS UNDER GROUP HEALTH PLANS

This chapter describes the protections that you have in group health plans, such as those offered by employers or labor unions. Your protections will vary somewhat, depending on whether your plan is a fully insured group health plan or a **self-insured group health plan**. The plan's benefits information must indicate whether the plan is self-insured.

WHEN DOES A GROUP HEALTH PLAN HAVE TO LET ME IN?

- *In general, you have to be eligible for the group health plan.* For example, your employer may not give health benefits to all employees. Or, your employer may offer an HMO plan that you cannot join because you live outside of the plan's service area.
- *You cannot be turned away or charged more because of your health status.* Health status means your medical condition or history, genetic information, or disability. This protection is called nondiscrimination. Employers may refuse or restrict coverage for other reasons (such as part-time employment), as long as these are unrelated to health status and applied consistently.

Discrimination due to health status is not permitted

The Acme Company offers two different health plans. Full time employees are offered a high option plan that covers prescription drugs; part time employees are offered a low option plan that does not. This is *permitted* under the law. By contrast, in a cost-cutting move, Acme restricts its high option plan to those employees who can pass a physical examination. This is *not permitted* under the law.

- *You must be given a special opportunity to sign up for your group health plan if certain changes happen to your family.* In addition to any regular **enrollment period** your employer or group health plan offers, you must be offered a special opportunity to enroll in your group health plan after certain events. Depending on the event, these **special enrollment periods** can last either 30 or 60 days. You can elect coverage at this time. If your group plan offers family coverage, your dependents can elect coverage as well. Enrollment during a special enrollment period is not considered **late enrollment**.

Certain changes can trigger a 30-day special enrollment opportunity

- The birth, adoption, or placement for adoption of a child
- Marriage
- Involuntary loss of other coverage (for example, that you or your dependents had through yourself or another family member and lost because of death, divorce, legal separation, termination, retirement, or reduction in hours worked)

Certain changes can trigger a 60-day special enrollment opportunity

- Loss of eligibility under Medicaid or SCHIP
- Eligibility for a state Medicaid or SCHIP premium assistance subsidy applicable to premiums a group plan

- *Under Georgia law, newborns, newly adopted children and children placed for adoption are automatically covered under the parents' fully insured health plan for the first 31 days after birth or adoption, if the plan provides dependent coverage. The group health plan may require that the parent enroll the child and pay any additional premium within 31 days in order to continue coverage beyond the first 31 days.*
- *Under Georgia law, disabled adult children can remain on their parent's fully insured group health plan after reaching the age at which dependent coverage is usually terminated, if they meet certain requirements. In order to be eligible, the adult dependent must be both incapable of self-support and chiefly dependent on the policyholder for support. Proof of incapacity must be provided to the health plan within 31 days of reaching the limiting age and may be required again in the future.*
- *If your group health plan covers dependents, you may be able to keep your son or daughter covered under the plan after the age of majority. Most group health plans will allow your son or daughter to remain covered under your family plan past the age of 19 if they are a full time student.*

If your son or daughter is in college and covered as a dependent under your group, but cannot maintain student status due to illness, he or she may still be able to remain covered as your dependent for up to one year. A new federal law allows dependent children who take a medically necessary leave of absence due to a serious illness or injury to remain covered as dependents under their parents' group plan for up to one year or until the coverage would otherwise end, whichever comes first. This law will apply to plan years beginning on or after October 9, 2009. For more information about this important protection, contact the U.S. Department of Labor at (866) 444-EBSA (3272).

In addition, in Georgia, fully insured group health plans that cover dependents must cover your dependent child up to and including the age of 25, provided they remain a full-time student for at least five months a year, unless prevented from doing so due to illness or injury, for each year following the year that dependent status is otherwise terminated under the plan. This law does not apply to self-insured group health plans. Check with your employer to find out the kind of group health plan you have.

Read your plan documents carefully to determine when your child will “age off” your group health plan.

- *When you begin a new job, your employer may require a waiting period before you can sign up for health coverage.* These waiting periods, however, must be applied consistently and cannot vary due to your health status. Unlike employers, insurers cannot require waiting periods.
- *When you begin a new job with health insurance through an HMO, the HMO may also require a waiting period called an HMO affiliation period, and you will not have health insurance coverage during this time.* An affiliation period cannot exceed 2 months (3 months for late enrollees), and you cannot be charged a premium during this period. An affiliation period must run concurrently with any waiting period that your employer imposes.
- *If you have to take leave from your job due to illness, the birth or adoption of a child, or to care for a seriously ill family member, you may be able to keep your group health coverage for a limited time.* A federal law known as the **Family and Medical Leave Act (FMLA)** guarantees you up to 12 weeks of job-protected leave in these circumstances.

The FMLA applies to you if you work at a company with 50 or more employees.

If you qualify for leave under FMLA, your employer must continue your health benefits. You will have to continue paying your share of the premium.

If you decide not to return to work at the end of the leave period, your employer may require you to pay back the employer’s share of the health insurance premium. However, if you don’t return to work because of factors outside your control (such as a need to continue caring for a sick family member, or because your spouse is transferred to a job in a distant city) you will not have to repay the premium.

For more information about your rights under FMLA, contact the **U.S. Department of Labor**.

CAN A GROUP HEALTH PLAN LIMIT MY COVERAGE FOR PRE-EXISTING CONDITIONS?

When you first enroll in a group health plan, the employer or insurance company may ask if you have any pre-existing conditions. Or, if you make a claim during the first year of coverage, the plan may look back to see whether it was for such a condition. If so, it may try to exclude coverage for services related to that condition for a certain length of time. However, federal and state laws protect you by placing limits on these pre-existing condition exclusion periods under group health plans. In some cases your protections will vary, depending on the type of group health plan.

- *A group health plan can count as pre-existing conditions only those for which you actually received (or were recommended to receive) a diagnosis, treatment or medical advice within the 6 months immediately before you joined that plan. This period is also called the **look back** period.*
- *Group health plans cannot apply a pre-existing condition exclusion period for pregnancy, newborns or newly adopted children, children placed for adoption, or genetic information.*
- *Coverage for pre-existing conditions can be excluded under group health plans only for a limited time. The maximum period is 12 months. However, if you enroll late in a group health plan (after you were hired and not during a regular or special enrollment period) you may have a pre-existing condition exclusion period of up to 18 months.*
- *Group health plans that impose pre-existing condition exclusion periods must give you credit for any previous continuous **creditable coverage** that you've had. Most types of private and government-sponsored health insurance are considered creditable coverage.*

What is creditable coverage?

Most health insurance counts as creditable coverage, including:

Children's Health Insurance Program	Medicare
Federal Employees Health Benefits (FEHBP)	Military health coverage (CHAMPUS, TRICARE)
Foreign National Coverage	State high-risk pools
Group health plan (including COBRA)	Student health insurance
Indian Health Service	VA coverage
Individual health insurance	
Medicaid	

In most cases, you should get a **certificate of creditable coverage** when you leave a health plan. You also can request certificates at other times. If you cannot get one, you can submit other proof of prior coverage, such as old health plan ID cards or statements from your doctor showing bills paid by your health insurance plan.

- *Coverage counts as continuous if it is not interrupted by a significant break.* The definition of **continuous coverage** varies depending on the type of group health plan you are joining. If you are joining a fully insured group health plan, coverage counts as continuous if it is not interrupted by a break of 90 or more days in a row. If you are joining a self-insured group health plan, coverage counts as continuous if it is not interrupted by a break of 63 or more days in a row.

Fully insured and self-insured group health plans count continuous coverage differently.

Art, who is diabetic, worked for the Ajax Company and was covered under its group health plan for 18 months. He lost his job and was without coverage for 75 days. Fortunately, on the 76th day after leaving Ajax, Art found a new job at Beta Corporation. He enrolled immediately in Beta's fully insured group health plan, which cover care for diabetes but requires a pre-existing condition exclusion period. In Georgia, fully insured group health plans count as continuous all creditable coverage that is not interrupted by a lapse of 90 consecutive days or more. Therefore, because Art's lapse in coverage was less than 90 days, he will get credit for his coverage at Ajax. Beta's plan will begin paying for Art's diabetes care immediately.

Now consider a slightly different situation. Assume Beta Corporation's group health plan is self-insured. Self-insured plans must count as continuous all creditable coverage that is not interrupted by a break of 63 or more consecutive days. In this case, Art will not get credit for his prior coverage at Ajax because it was followed by a break greater than 63 days. Beta's plan will begin paying for Art's diabetes care at the end of the exclusion period.

- *In determining continuous coverage, employer-imposed waiting periods and HMO affiliation periods do not count as a break in coverage.* If your new plan imposes a pre-existing condition exclusion period, you can credit time under your prior continuous coverage toward it. If your employer requires a waiting period, the pre-existing condition exclusion period begins on the first day of the waiting period. HMOs that require an affiliation period cannot exclude coverage for pre-existing conditions.
- *Your protections may differ if you move to a group health plan that offers more benefits than your old one did.* Plans can look back to determine whether your previous plan covered prescription drugs, mental health, substance abuse, dental care, or vision care. If you did not have continuous coverage for one or more of these categories of benefits, your new group health plan may impose a pre-existing condition exclusion period for that category. Plans that use this method of crediting prior coverage must use it for everyone and must disclose this to you when you enroll.

Even if coverage is continuous, there may be an exclusion for certain benefits

Sue needs prescription medication to control her blood pressure. She had 2 years of continuous coverage under her employer's group health plan, which did not cover prescription drugs. Sue changes jobs, and her new employer's fully insured plan does cover prescription drugs. However, because her prior policy did not, the new plan refuses to cover her blood pressure medicine for 6 months.

Question: Is this permitted?

Answer: Yes. However, the plan must pay for covered doctor visits, hospital care, and other services for Sue's high blood pressure. It also must pay for covered prescription drugs she needs for other conditions that were not pre-existing.

- *No pre-existing condition exclusion period can be applied without appropriate notice. Your group health plan must inform you, in writing, if it intends to impose such a period. Also, if needed, it must help you get a certificate of creditable coverage from your old health plan.*

LIMITS TO PROTECTIONS FOR CERTAIN GOVERNMENT WORKERS

Federal law permits state, county, and local governments to exempt their employees in self-insured group health plans from some of the protections discussed previously in this chapter. Public employers must make this choice annually. When they do so, they are required to notify the federal government and specify which health insurance protections will not apply to their employees' group health plan.

In the past, a large number of public employers in Georgia have decided that certain health insurance protections will not apply to their employees. The Center for Medicare and Medicaid Services (CMS) used to post a list of employers which had elected to exempt, however it has removed this information from its web site.

If you are not sure about your protections under your public employee health plan, you should contact your employer. In addition, you can contact CMS directly at (877) 267-2323 ext. 61565 or at (410) 786-1565 to see if your employer has elected to be exempt from certain protection.

AS YOU ARE LEAVING GROUP COVERAGE...

- *If you are leaving your job or otherwise losing access to your group health coverage, you may be able to remain covered under the group health plan for a limited time. In addition, you may have special protections when buying certain kinds of individual health insurance. See Chapter 3 for more information about COBRA continuation coverage, state continuation coverage, conversion coverage, and individual health insurance for “HIPAA eligible individuals.”*
- *If you lost your group health plan and are receiving benefits from the Trade Adjustment Assistance (TAA) Program, you may be eligible for a federal income tax credit to help you pay for new health coverage. This credit is called the Health Coverage Tax Credit (HCTC), and is equal to 80% of the cost of qualified health coverage, including COBRA. (see Chapter 5)*
- *If you are a retiree aged 55-65 and receiving benefits from Pension Benefit Guaranty Corporation (PBGC), you may also be eligible for the HCTC. (see Chapter 5)*

CHAPTER 3

YOUR PROTECTIONS WHEN BUYING INDIVIDUAL HEALTH INSURANCE

If you do not have access to an employer-sponsored group health plan, you may want to buy individual health insurance from a private health insurance company. However, in Georgia – as in most other states – you have limited guaranteed access to individual health insurance sold by insurers. There are some alternatives to individual health insurance coverage – such as COBRA coverage, state continuation coverage, and conversion policies. This chapter summarizes your protections under different kinds of health plan coverage.

INDIVIDUAL HEALTH INSURANCE SOLD BY PRIVATE INSURERS

WHEN DO INDIVIDUAL HEALTH INSURERS HAVE TO SELL ME A POLICY?

In Georgia, your ability to buy individual health insurance depends on your health status. There are certain circumstances, however, when you must be allowed to buy a certain type of individual health insurance called a conversion policy.

- *In general, companies that sell individual health insurance in Georgia are free to turn you down because of your health status and other factors.* When applying for individual health insurance, you may be asked questions about health conditions you have now or had in the past. Depending on your health status, insurers might refuse to sell you coverage or offer you a policy that has special limitations on what it covers.

However, under no circumstance can you be turned down, charged more or face a pre-existing exclusion period because of your genetic information. Genetic information includes the results of a genetic test and your family history of health conditions.

- *If you have recently left coverage under a group health plan and meet other requirements, you may be guaranteed the right to buy an enhanced conversion policy or a HIPAA assignment system policy.*
- *Under Georgia law, newborns, newly adopted children and children placed for adoption are automatically covered under an individual health insurance policy for the first 31 days after birth or adoption, if the policy provides dependent coverage.* The health plan may require that the parent enroll the child and pay the premium within 31 days in order to continue coverage beyond the first 31 days.

- Under Georgia law, disabled adult children can remain on your individual health insurance policy after reaching the age at which dependent coverage usually ends, if they meet certain requirements. In order to be eligible, the adult dependent must be both incapable of self-support and chiefly dependent on the policyholder for support. Proof of incapacity must be provided to the health plan within 31 days of reaching the limiting age and may be required again in the future.

WHAT WILL MY INDIVIDUAL HEALTH INSURANCE POLICY COVER?

- *It depends on what you buy.* Georgia does not require health insurers in the individual market to sell standardized policies. Health plans can design different policies and you will have to read and compare them carefully. However, Georgia does require all health plans to cover certain benefits – such as mammograms and childhood immunizations. Check with the Georgia Office of Insurance for more information about mandated benefits.

WHAT ABOUT COVERAGE FOR MY PRE-EXISTING CONDITION?

- *There are different ways an individual health insurer can exclude a pre-existing condition.* The insurer can impose an **elimination rider**. An elimination rider is an amendment to your health insurance contract that temporarily or permanently excludes coverage for a health condition, body part, or body system.
- *Also, an individual health insurer may impose a pre-existing condition exclusion period.* There is no standard definition of pre-existing condition for the individual market under Georgia law; however, insurers offering individual health insurance are generally limited to a two-year period for pre-existing condition exclusions. Further, individual health insurers are not required to credit prior health coverage toward pre-existing condition exclusion periods.
- *Pregnancy may be considered a pre-existing condition in an individual health insurance policy.* However, genetic information cannot be used as a basis for a pre-existing condition.
- *If you make a claim during the first two years of coverage, the individual health insurer can look back to see if the claim is for a condition that would have been considered a pre-existing condition.* If the insurer determines that the condition is a pre-existing condition, and you did not disclose it on your application, it can refuse to pay claims for that condition.

WHAT CAN I BE CHARGED FOR AN INDIVIDUAL HEALTH INSURANCE POLICY?

- *If you have an expensive health condition, your individual health insurance premiums may be very high. The law does not prohibit Georgia health insurers from charging you more because of your health status. Premiums may be adjusted because of your age, gender and other non-health-status-based characteristics, subject to some restrictions by the state. However, premiums cannot vary based on your genetic information.*

In addition, when you renew your individual coverage, your premiums can increase substantially as you age. However, you cannot be singled out for an increase in your premiums based on a change in your health status. Although, based on the claims experience of you and others in your plan, an insurer may increase premiums for all policy holders with that insurance plan on a statewide basis.

CAN MY INDIVIDUAL HEALTH INSURANCE POLICY BE CANCELED?

- *Your coverage cannot be canceled because you get sick. This is called guaranteed renewability. You have this protection provided that you pay the premiums, do not defraud the company, and, in the case of **managed care plans**, continue to live in the plan service area.*

However if you make a claim during the first two years of coverage under your policy, the insurer might re-investigate information you provided during the application process to determine whether you made a misstatement that the insurance company thinks is significant. If so, the insurer might try to take back your policy and void coverage altogether.

If you become involved in one of these "post-claims" investigations, be sure to call the Georgia Office of Insurance to learn more about your rights.

- *Some insurance companies sell temporary health insurance policies. Temporary policies are not guaranteed renewable. They will only cover you for a limited time, such as six months. If you want to renew coverage under a temporary policy after it expires, you will have to reapply and there is no guarantee that coverage will be re-issued at all or at the same price.*

HIPAA POLICIES FOR HIPAA ELIGIBLE INDIVIDUALS

WHEN AM I ELIGIBLE FOR A HIPAA POLICY?

- *If you have recently left group coverage and meet other requirements, you will be considered "HIPAA eligible" and must be offered a choice of individual health insurance policies.*

To be HIPAA eligible, you must meet certain criteria

If you are HIPAA eligible you are guaranteed the right to buy individual health insurance and are exempted from pre-existing condition exclusion periods. To be HIPAA eligible, you must meet all of the following:

- You must have had 18 months of continuous creditable coverage, *at least the last day of which was under a group health plan.*
- You also must have used up any COBRA or state continuation coverage for which you were eligible.
- You must not be eligible for Medicare, Medicaid or a group health plan.
- You must not have health insurance. (Note, however, if you know your group coverage is about to end, you can apply for coverage for which you *will* be HIPAA eligible.)
- You must apply for health insurance for which you are HIPAA eligible within 63 days of losing your prior coverage.

HIPAA eligibility ends when you enroll in an individual plan, because the last day of your continuous health coverage must have been in a group plan. You can become HIPAA eligible again by maintaining continuous coverage and rejoining a group health plan.

- *The type of HIPAA policy you are eligible for depends on the type of group coverage you most recently had.*

If your most recent coverage was under a fully insured group plan, the insurance company that provided that group coverage must offer you a choice of at least two policies called **enhanced conversion policies**.

If your most recent coverage was a self-insured group plan, the state will assign an insurer from the individual insurance market to offer you a choice two policies called **HIPAA assignment system policies**.

If you are not sure what kind of HIPAA policy applies to you, contact the Georgia Office of Insurance at (800) 656-2298 for more information. This office can also provide you with an application for assignment.

WHAT DOES A HIPAA POLICY COVER?

- *It depends.* Generally, Georgia requires insurers to offer two policies, including a high and a low benefit option, to HIPAA eligible individuals. These policies must include coverage for hospitalization care, outpatient surgery care, limited mental health, limited substance abuse treatment, child wellness services, maternity care, as well as prescription drug coverage. These policies may have high deductibles such as a calendar year deductible of \$2000 or \$2500 per year per individual. In addition to these policies options, insurers may offer alternative policies with higher cost sharing and less covered benefits.

WHAT ABOUT COVERAGE FOR MY PRE-EXISTING CONDITION?

- *HIPAA policies cannot impose a pre-existing exclusion period.*

HOW MUCH CAN I BE CHARGED FOR MY HIPAA POLICY?

- *There are some limits on what you can be charged for a HIPAA policy.*

Premiums charged for enhanced conversion policies are limited to 150% of the normal group rate for all of the group policies sold by your insurer.

Premiums charged for HIPAA assignment system policies are limited to 150% of the rates typically charged for comparable individual health insurance sold in the individual market in Georgia.

CAN MY HIPAA POLICY COVERAGE BE CANCELED?

- *Your coverage cannot be canceled because you get sick.* This is called guaranteed renewability. You have this protection provided that you pay the premiums, do not defraud the company, and, in the case of managed care plans, continue to live in the plan service area. However, your premiums can increase substantially as you age and other factors.

COBRA AND STATE CONTINUATION COVERAGE

WHEN DO I HAVE TO BE OFFERED COBRA COVERAGE?

If you are leaving your job and you had group coverage, you may be able to stay in your group plan for an extended time through COBRA or state continuation coverage. The information presented below was taken from publications prepared by the **U.S. Department of Labor**. You should contact them for more information about your rights under COBRA.

- *To qualify for COBRA continuation coverage, you must meet 3 criteria:*

First, you must work for an employer with 20 or more employees. If you work for an employer with 2-19 employees, you may qualify for state continuation coverage.

Second, you must be covered under the employer's group health plan as an employee or as the spouse or dependent child of an employee.

Finally, you must have a qualifying event that would cause you to lose your group health coverage.

COBRA QUALIFYING EVENTS

For employees

- Voluntary or involuntary termination of employment for reasons other than gross misconduct
- Reduction in numbers of hours worked

For spouses

- Loss of coverage by the employee because of one of the qualifying events listed above
- Covered employee becomes eligible for Medicare
- Divorce or legal separation of the covered employee
- Death of the covered employee

For dependent children

- Loss of coverage because of any of the qualifying events listed for spouses
- Loss of status as a dependent child under the plan rules

- *Each person who is eligible for COBRA continuation can make their own decision.* If your dependents were covered under your employer plan, they may independently elect COBRA coverage as well.
- *You must be notified of your COBRA rights when you join the group health plan, and again if you qualify for COBRA coverage.* The notice rules are somewhat complicated and you should contact the U.S. Department of Labor for more information.

In general, if the event that qualifies you for COBRA coverage involves the death, termination, reduction in hours worked, or Medicare eligibility of a covered worker, the employer has 30 days to notify the group health plan of this event. However, if the qualifying event involves divorce or legal separation or loss of dependent status, you have 60 days to notify the group health plan. Once it has been notified of the qualifying event, the group health plan has 14 days to send you a notice about how to elect COBRA coverage.

Each member of your family eligible for COBRA coverage then has 60 days to make this election.

Once you elect COBRA, coverage will begin retroactive to the qualifying event. You will have to pay premiums dating back to this period.

SPECIAL SECOND CHANCE TO ELECT COBRA FOR TRADE-DISLOCATED WORKERS

- *A second COBRA election period may be available for TAA eligible people who did not elect cobra when it was first offered.* The second election period can be exercised 60 days from the 1st day of TAA eligibility, but in no case later than 6 months following loss of coverage. Coverage elected during this second election begins retroactive to the beginning of the special election period – not back to qualifying event.
- Certain people who lost their job-based health coverage because of the impact of imports on their employers have a limited second chance to elect COBRA. People who are receiving benefits from the Trade Adjustment Assistance (TAA) Program are eligible for a federal income tax credit (the Health Coverage Tax Credit, or HCTC) that will pay 80% of their premiums.
- *For some laid off workers, TAA benefits begin after their 60-day period to elect COBRA continuation coverage has expired.* In this circumstance, TAA-eligible people have a second 60-day period, starting on the date of their TAA eligibility, to elect COBRA. (However, in no case can COBRA be elected more than 6-months following the original qualifying event (i.e. layoff) that caused the loss of group health plan coverage.)
- When COBRA is elected during this special, second election period, coverage starts on the first date of the special election period. Any time that has elapsed between the original qualifying event and the first date of the special election period is not counted as a lapse in coverage in determining continuous coverage history.

- To qualify as HIPAA eligible, you must choose and use up any COBRA or state continuation coverage available to you.

WHAT WILL COBRA COVER?

- *Your covered health benefits under COBRA will be the same as those you had before you qualified for COBRA.* For example, if you had coverage for medical, hospitalization, dental, vision, and prescription drug benefits before COBRA, you can continue coverage for all of these benefits under COBRA. If these benefits were covered under more than one plan (for

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example, a separate health insurance and dental insurance plan) you can choose to continue coverage under any or all of the plans. Life insurance is not covered by COBRA.

If your employer changes the health benefits package after your qualifying event, you must be offered coverage identical to that available to active employees who are covered under the plan.

WHAT ABOUT COVERAGE FOR MY PRE-EXISTING CONDITION?

- *Because your group coverage is continuing, you will not be faced with a new pre-existing condition exclusion period under COBRA. However, if you were in the middle of a pre-existing condition exclusion period when your qualifying event occurred, you will have to finish it before benefits can be paid for claims due to that condition.*

WHAT CAN I BE CHARGED FOR COBRA COVERAGE?

- *You must pay the entire premium (employer and employee share, plus a 2% administrative fee) for COBRA continuation coverage. The first premium must be paid within 45 days of electing COBRA coverage.*
- *If you elect the 11-month disability extension, the premium will increase to 150% of the total cost of coverage.*
- *If you lost your group health plan because of involuntary termination of employment that occurred between September 1, 2008 and December 31, 2009, you may be eligible for a federal tax credit that can help you pay for your COBRA premiums for up to nine months. This tax credit was created as part of The American Recovery and Reinvestment Act of 2009 (ARRA) and covers 65% of the your COBRA premium. For more information call the Employee Benefits Security Administration at the United State Department of Labor at (866) 444-3272 or visit the COBRA/AARA information center at <http://www.dol.gov/ebsa/cobra.html>. Information about the COBRA tax credit is also available from the IRS at <http://www.irs.gov/newsroom/article/0,,id=204505,00.html> and Department of Health And Human Services at <http://www.cms.hhs.gov/COBRAContinuationofCov/>.*
- *If you are eligible for the Health Coverage Tax Credit (HCTC), the federal government will pay 80% of your COBRA premium. (see Chapter 5)*
- *Call the Department of Labor at (866) 444-3272 to find out if other temporary COBRA subsidies are available to you.*

HOW LONG DOES COBRA COVERAGE LAST?

- COBRA coverage generally lasts up to 18 months and cannot be renewed. *However, dependents are sometimes eligible for up to 36 months of COBRA continuation coverage, depending on their qualifying event.*

In addition, special rules for disabled individuals may extend the maximum period of coverage to 29 months. To qualify for the disability extension, you must have been disabled at the time of your COBRA qualifying event (such as termination of employment or reduction in hours) or within 60 days of that qualifying event. You must obtain this disability determination from the Social Security Administration, and you must notify your group health plan of this disability determination.

LENGTH OF COBRA COVERAGE		
<u>Qualifying event(s)</u>	<u>Eligible person(s)</u>	<u>Coverage</u>
Termination Reduced hours	Employee Spouse Dependent child	18 months *
Employee enrolls in Medicare Divorce or legal separation Death of covered employee	Spouse Dependent child	36 months
Loss of "dependent child" status	Dependent child	36 months
* Certain disabled persons and their eligible family members can extend coverage an additional 11 months, for a total of up to 29 months.		

- *Usually, COBRA continuation coverage ends when you join a new health plan. However, if your new plan has a waiting period or a pre-existing condition exclusion period, you can keep whatever COBRA continuation coverage you have left during that period. For specifics, ask your former employer or contact the U.S. Department of Labor.*
- *COBRA coverage also ends if your employer stops offering health benefits to other employees.*
- *COBRA coverage might end if you are in a managed care plan that is available only to people living in a limited geographic area and you move out of that area. However, if you are eligible for COBRA and are moving out of your current health plan's service area, your employer must provide you with the opportunity to switch to a different plan, but only if the employer already offers other plans to its employees. Some examples of the other plans*

your employer may offer you a managed care plan whose service area includes the area you are moving to, or another plan that does not have a limited service area.

WHAT ABOUT GEORGIA CONTINUATION COVERAGE?

- *Georgia continuation coverage is similar to COBRA but, in most circumstances, it doesn't last as long.*

Generally, if you were covered for at least 6 months under a fully insured group health plan offered by an employer with fewer than 20 workers, you may be eligible for 3 months of state continuation coverage. If you lost eligibility because of an involuntary termination of employment that occurred between Sept 1, 2008 and December 31, 2009, Georgia continuation coverage lasts for 9 months.

In addition, if you are 60 or older at the time your federal COBRA or Georgia continuation coverage would otherwise terminate, you may be able to continue coverage until you become eligible for Medicare.

- *If you lost your group health plan because of involuntary termination of employment that occurred between September 1, 2008 and December 31, 2009, you may be eligible for a federal tax credit that can help you pay for your state continuation coverage premiums for up to nine months. This tax credit is part of The American Recovery and Reinvestment Act of 2009 (ARRA), and covers 65% of the your state continuation premium. For more information call the Employee Benefits Security Administration at the United State Department of Labor at (866) 444-3272 or visit them online at <http://www.dol.gov/ebsa/cobra.html>. In addition, see "Health Information About State Continuation Coverage And ARRA" available the website of the Department of Health And Human Services at <http://www.cms.hhs.gov/COBRAContinuationofCov/>.*
- *Ask your former employer or the Georgia Office of Insurance about state continuation coverage if you think it applies to you.*

BASIC CONVERSION COVERAGE

WHEN AM I ELIGIBLE FOR A BASIC CONVERSION POLICY?

- *In Georgia, if you have coverage through an employer's fully insured group health plan for at least 6 months and you lose eligibility for that coverage, you may be able to buy a basic conversion policy. This is an individual policy you get from the company that insured your employer's group plan.*

WHAT DOES A BASIC CONVERSION POLICY COVER?

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- *What your basic conversion policy covers depends on the type of group plan you had.*

If your former group plan was a fully insured group HMO, you must be offered at least one basic conversion policy that includes the same benefits that were covered under your prior HMO group plan.

If your former group plan was not an HMO, the conversion policy does not have to cover the same benefits as your former group health plan. Benefits may be less generous than what you received under your prior plan.

WHAT ABOUT COVERAGE FOR MY PRE-EXISTING CONDITION?

- *If you are buying a conversion policy, you will not have a new pre-existing exclusion period.* Basic conversion policies cannot impose a new pre-existing condition exclusion period but you may be required to satisfy any un-expired portion of a pre-existing condition exclusion period from your former group health plan.

HOW MUCH CAN I BE CHARGED FOR BASIC CONVERSION COVERAGE?

- *Your basic conversion policy may cost much more than your previous group health plan.* There is no limit on what you can be charged for a conversion policy. You may be charged higher rates based on your health, age, and other factors. Contact the Georgia Office of Insurance if you have questions about basic conversion policy premiums.

CAN MY BASIC CONVERSION COVERAGE BE CANCELED?

- *Your coverage cannot be canceled because you get sick.* This is called guaranteed renewability. You have this protection provided that you pay the premiums, do not defraud the company, and, in the case of managed care plans, continue to live in the plan service area. However, your premiums can increase substantially as you age and other factors.

CHAPTER 4

YOUR PROTECTIONS AS A SMALL EMPLOYER OR SELF-EMPLOYED PERSON

Federal law extends certain protections to employers seeking to buy health insurance for themselves and their workers. Georgia has enacted reforms to expand some of these protections. Some of these reforms apply to groups of different sizes. Generally, small employers are those that employ 2-50 employees. Please note that the definitions of small employer and employee are somewhat different under federal and state law. Check with the Georgia Office of the Insurance Commissioner to be sure that you know which protections apply to your group.

DO INSURANCE COMPANIES HAVE TO SELL ME HEALTH INSURANCE?

- *With few exceptions, small employers cannot be turned down.* This is called guaranteed issue. If you employ at least 2 but not more than 50 people eligible for health benefits, health insurance companies must sell you any **small group health plan policy** they sell to other small employers. However, they can require that a minimum percentage of your workers participate in your group health plan. They can also require you to contribute a minimum percentage of your workers' premiums. If you are buying a **large group health plan policy** for 51 or more employees, your group can be turned down.

- *Under no circumstances may you be turned down or charged more because of the genetic information of someone in your group.* In addition, insurance companies may not even ask about genetic test results or family history of people in your group when you apply for coverage.

- *Your insurance cannot be canceled because someone in your group becomes sick.* This is called guaranteed renewability and it applies to group plans of all sizes. Insurers can impose other conditions, however. They can require you to meet minimum participation and contribution rates in order to renew your coverage. Additionally, they can refuse to renew your coverage for nonpayment of premiums or if you commit fraud. If they are discontinuing the insurance product, they must give you a chance to buy other plans they sell to groups of your size.

CAN I BE CHARGED MORE BECAUSE OF MY GROUP'S HEALTH STATUS?

- *Under Georgia law, small employers can be charged more, within limits, based on the health status and claims of the group. Even within these limits, premiums can be significantly higher if someone in your group has a serious health condition. In addition, your group plans can increase based on other factors, such as the age, gender, geographic area, industry type and size of your group. However, insurers cannot charge higher premiums based on the genetic information of those in your group.*

For large groups with more than 50 eligible employees, Georgia does not limit premium variation or increases, except that large groups also cannot be charged more based on genetic information.

If you have questions about your group health plan premiums, contact the Office of the Insurance Commissioner

WHAT IF I AM SELF-EMPLOYED?

- *If you are self-employed with no other workers, insurers may, but are not required to, treat you similarly to other small employers. While insurers can refuse to sell you the packages they make available to other small employers, they may choose to offer you a group health plan. If you are offered a small group health plan that is offered to other small groups, the limits on group health plan premiums will apply to your plan. If you are not offered a group plan, your access to health insurance is protected by the laws for individuals.*
- *If you are self-employed and buy your own health insurance, you are eligible to deduct 100% of the cost of your premium from your federal income tax.*

A WORD ABOUT ASSOCIATION PLANS

- *Some small employers, self-employed people, and other individuals buy health insurance through professional or trade associations. The laws applying to association health coverage can be different than those for other health plans. Check with the Georgia Insurance Commission about your protections in association health plans.*

CHAPTER 5

FINANCIAL ASSISTANCE

Help is available to certain low-income residents of Georgia who cannot afford to buy health insurance. Medicaid, the PeachCare for Kids Program, the Georgia Cancer Screening Program and other programs, offer free or subsidized health insurance coverage, direct medical services and other help at little or no cost to you.

In addition, the federal Health Coverage Tax Credit (HCTC) Program provides tax credits to early retirees and some workers who lose their jobs or whose work hours and wages are reduced as a result of increased imports. This chapter provides summary information about these programs and contact information for further assistance.

MEDICAID

Medicaid is a program that provides health coverage to some low-income Georgia residents. Medicaid covers families with children and pregnant women, medically needy individuals, the elderly, and people with disabilities if state and federal guidelines are met. Legal residents who are not U.S. citizens may be eligible for Medicaid. Non-citizens who do not have immigration documents cannot enroll in Medicaid.

- *For certain categories of people, eligibility for Medicaid is based on the amount of your household income.*

In Georgia you may be eligible for Medicaid if you are an infant, a child, pregnant, a parent of a child, or medically needy and your family income meets the Medicaid income standards.

Income eligibility levels for these categories are described below. Your assets and some expenses also may be taken into account, so you should contact the Georgia Department of Community Health or your county Department of Family and Children Services for more information.

Low income persons eligible for Medicaid in Georgia*

<u>Category</u>	<u>Income eligibility</u> (as percent of federal poverty level)
Infant 0-1	200%
Child 1-5	133%
Child 6-19	100%
Working Parent	56%
Non-Working Parent	29%
Pregnant woman	200%
Medically Needy	
Individual	44%
Couple	39%

* Eligibility information was compiled from *State Health Facts Online*, the Kaiser Family Foundation, and may have changed since this guide was published. Contact your state Medicaid program for the most up to date information and for other eligibility requirements that may apply.

To get an idea of how your income compares to the federal poverty level*, use the federal poverty guideline issued by the U.S. Department of Health and Human Services for the year 2009:

<u>Size of Family Unit</u>	<u>Poverty Guideline</u> (annual income)
1	\$10,830
2	\$14,570
3	\$18,310

For larger families add \$3,740 for each additional person.

So, for example, using this guideline, 200% of the federal poverty level for a family of 3 would be an annual income of \$36,620, or a monthly income of \$3,052.

* Contact your state Medicaid program for the most up to date information and for other eligibility requirements that may apply.

- *Parents who receive benefits under TANF should know that when you get a job and your TANF benefits end, you generally can stay on Medicaid for a 12-month transitional period.*

In addition, your children may qualify for transitional Medicaid coverage for 12 months. Or, you may qualify for Medicaid yourself if your family's income meets the Medicaid income standards.

- *Very poor elderly or disabled people who get Supplemental Security Income (SSI) benefits can also qualify for Medicaid.*

Disabled individuals should know that if your income earned from a job increases so that you no longer qualify for SSI, you may be able to continue your Medicaid coverage at least for a limited time.

- *People who have high medical expenses may also qualify for Medicaid.* You may qualify as medically needy if you are a child, parent of a dependent child, pregnant, elderly, or disabled and have high medical expenses that, when subtracted from your income, would make you eligible for Medicaid coverage. For example, people who have to pay a lot for prescription drugs, nursing home care, or other long term care services sometimes qualify as medically needy if they don't have health insurance that covers these services.
- *Retired or disabled people who have low incomes and are enrolled in Medicare may also qualify for help from Medicaid.* Even though your income may be too high to qualify for Medicaid insurance coverage, there may be other ways Medicaid can help you.

If your household income is below the poverty level, Medicaid will pay your Medicare monthly premium and your Medicare deductibles and coinsurance. This is called the Qualified Medicare Beneficiary (QMB) program.

If your household income is below 120% of the poverty level, Medicaid will pay for your monthly Medicare premiums only. This is called the Specified Low-Income Medicare Beneficiary (SLMB) program.

Contact your county's Division of Family and Children's Services for more information about other eligibility requirements.

- *There may be other ways that Medicaid can help.* To find out if you or other members of your family qualify for Medicaid, contact the Georgia Department of Human Services at (800) 869-1150 or visit them online at <http://dfcs.dhr.georgia.gov/portal/site/DHS-DFCS/>.

PEACHCARE FOR KIDS

Georgia PeachCare for Kids is a program that provides health coverage to low-income Georgia children under the age of 19 who are not eligible for Medicaid and who are not currently covered by health insurance. Children of state employees are not eligible for PeachCare for Kids.

- *A child whose family has a household income below 235% of the federal poverty level is eligible for Georgia PeachCare for Kids.* Eligibility is guaranteed for one year unless the child moves to another state, enrolls in Medicaid, or becomes financially ineligible.
- *There is no cost for children under age 5.* Currently, the cost per month for a child over age 5 is \$10 to \$35 for one child and a maximum of \$70 for two or more children living in the same household.

- *PeachCare for Kids covers medical, vision and dental care. This includes care from a doctor when your child is sick and preventative services such as immunizations and regular check-ups.*
- *For more information, contact the PeachCare for Kids program at (877) GOPEACH or visit PeachCare for Kids online at <http://www.peachcare.org>*

GEORGIA CANCER SCREENING PROGRAM

- *The Georgia Cancer Screening Program provides qualified woman with free screenings for breast and cervical cancer. Women screened through this program and diagnosed with breast or cervical cancer may be eligible for free health coverage through Medicaid which extends throughout the duration of treatment.*
- *In order to be eligible for screening through the program, you must be a Georgia resident and meet age, income and insurance requirements, among other criteria. Generally, to be eligible, you must be under the age of 64, have no or limited health insurance, ineligible for Medicaid or Medicare, and have an income at or below 200% of the federal poverty level. Also, you must not have had a mammogram and/or Pap test in the last 12 months or have symptoms suspicious of breast or cervical cancer.*
- *For more information, please call the Georgia Cancer Screening Program at (404) 657-6611 or visit <http://www.georgiacancer.org/treat-screening.php>.*

OTHER STATE PROGRAMS

There may be other financial assistance programs available. Please contact the Georgia Department of Community Health at (404) 656-4507 or visit <http://dch.georgia.gov/02/dch/home/0,2467,31446711,00.html>.

THE FEDERAL HEALTH COVERAGE TAX CREDIT (HCTC)

A federal income tax credit is available to help certain trade dislocated workers and early retirees, and their dependents, buy qualified health insurance coverage. The Health Coverage Tax Credit (HCTC) covers 80% of the insurance premium for qualified coverage. Under this program, you can either claim the tax credit at the end of the year on your tax return or you can elect to have the money paid directly to your qualified health plan each month by the Internal Revenue Service.

WHEN AM I ELIGIBLE FOR THE HCTC?

- *To be eligible for the tax credit, you must be receiving Trade Adjustment Assistance (TAA) benefits or retirement benefits from the PBGC. If you are receiving PBGC benefits, you also must be at least 55 years old. In addition, you must not be enrolled in Medicare, Medicaid, or in other employer-sponsored coverage for which the employer contributes at least half of the premium.*
- *HCTC may apply to your family, too. If you are eligible, you can use the credit to help purchase qualified health coverage for your qualified family members. Qualified family members are your spouse and dependents that you can claim on your federal tax return. Family members are not eligible if they are enrolled in another group health plan where the employer pays at least 50% of the cost of coverage, or in Medicaid, SCHIP, FEHBP, Tricare/CHAMPUS.*
- *Eligibility for HCTC is not based on income. In addition, the HCTC is refundable. This means you can claim the credit even if you do not earn enough income to owe federal income tax.*

HOW MUCH OF MY HEALTH COVERAGE COST WILL THE TAX CREDIT COVER?

- *The HCTC is equal to 80% of health insurance premiums for qualified health insurance coverage.*

WHAT HEALTH COVERAGE IS ELIGIBLE FOR THE TAX CREDIT?

- *The HCTC can only be used to help pay for “qualified” health coverage. COBRA continuation coverage is considered qualified health coverage (see Chapter 3 for more information about COBRA). In addition, Georgia has designated a policy offered through BlueCross BlueShield of Georgia as qualified health plan. For more information, contact BlueCross BlueShield of Georgia at (800) 718-8831.*

HOW DO I CLAIM THE HCTC?

- *You can claim the HCTC on your tax return and be reimbursed for 80% of the premium you paid for qualified coverage while you were eligible for the HCTC. Currently, this is the only way to claim the HCTC if your qualified health plan is provided through a spouse's employer.*
- *Alternatively, you can choose to have your credit sent directly to your qualified health plan each month. To do this, you must register with the HCTC customer service center by calling (866) 628-HCTC (866-628-4282), Monday through Friday between the hours of 7 am and 7 pm, Central time. TDD/TYY callers, please call (866) 626-HCTC (866-626-4282).*

WHERE CAN I GET MORE INFORMATION?

- *For more information about the HCTC, contact the HCTC customer service center at (866) 628-HCTC, or see the IRS website at <http://www.irs.gov/individuals/article/0,,id=187948,00.html>.*
- *For more information about TAA benefits, visit <http://www.doleta.gov/tradeact>.*
- *For more information about PBGC, call (202) 326-4000 or visit online at <http://www.pbgc.gov>.*

FOR MORE INFORMATION...

As a summary, this guide will not answer every question for every person in every circumstance. In addition, it is not a substitute for legal advice. If you have more questions, contact the agencies listed below or consult an attorney.

For questions about:	Contact:
Individual health insurance Fully insured group health plan	<i>Georgia Office of Insurance and Safety Fire Commissioner</i> (800) 656-2298 (404) 656-2070 http://www.inscomm.state.ga.us
Self-insured group health plans COBRA continuation coverage Family and Medical Leave Act	<i>U.S. Department of Labor, Division of Technical Assistance and Inquiries, Washington, D.C.</i> (202) 219-8776 <i>For Department of Labor Employee Benefits Security Administration Employee & Employer Assistance Hotline and Publications:</i> (866) 444-EBSA (3272) http://dol.gov/ebsa
Medicaid	<i>Georgia Department of Human Services</i> (800) 689-1150 http://dfcs.dhr.georgia.gov/portal/site/DHS-DFCS/
PeachCare for Kids	<i>Georgia Department of Community Health</i> (877) GA-PEACH http://www.peachcare.org/
Georgia Cancer Screening Program	<i>Georgia Department of Community Health</i> (404) 657-6611 http://www.georgiacancer.org/treat-screening.php
Federal Health Coverage Tax Credit (HCTC)	<i>Internal Revenue Service</i> (866) 628-HCTC http://www.irs.gov/individuals/article/0,,id=187948,00.html

Finally, if you would like to obtain a consumer guide for a different state, visit the web at <http://www.healthinsuranceinfo.net>

HELPFUL TERMS

Affiliation Period. The time an HMO may require you to wait after you enroll and before your coverage begins. HMOs that require an affiliation period cannot exclude coverage of pre-existing conditions. Premiums cannot be charged during HMO affiliation periods. See also HMO.

Alternative Trade Adjustment Assistance (ATAA). ATAA is a benefit for workers at least 50 years old who have obtained different, full-time employment within 26 weeks of the termination of adversely-affected employment. These worker may receive 50% of the wage differential (up to \$10,000) during their 2 year eligibility period. To be eligible for the ATAA program, workers may not earn more than \$50,000 per year in their new employment. Also, the firm where the workers worked must meet certain eligibility criteria.

Certificate of Creditable Coverage. A document provided by your health plan that lets you prove you had coverage under that plan. Certificates of creditable coverage will usually be provided automatically when you leave a health plan. You can obtain certificates at other times as well. See also Creditable Coverage.

COBRA. Stands for the Consolidated Omnibus Budget Reconciliation Act, a federal law in effect since 1986. COBRA permits you and your dependents to continue in your employer's group health plan after your job ends. If your employer has 20 or more employees, you may be eligible for COBRA continuation coverage when you retire, quit, are fired, or work reduced hours. Continuation coverage also extends to surviving, divorced or separated spouses; dependent children; and children who lose their dependent status under their parent's plan rules. You may choose to continue in the group health plan for a limited time and pay the full premium (including the share your employer used to pay on your behalf). COBRA continuation coverage generally lasts 18 months, or 36 months for dependents in certain circumstances. See also State Continuation Coverage.

Continuous Coverage. If you are joining a self-insured group health plan or if you want to be HIPAA eligible, health insurance coverage is continuous if it is not interrupted by a break of 63 or more consecutive days. If you are joining a fully insured group health plan or buying an individual health insurance policy, health insurance coverage is continuous if it is not interrupted by a break of 90 or more consecutive days. Employer waiting periods and HMO affiliation periods do not count as gaps in health insurance coverage for the purpose of determining if coverage is continuous. See also Creditable Coverage, HIPAA Eligible, Fully Insured Group Health Plan, Individual Health Insurance, Self-Insured Group Health Plan.

Basic Conversion. Your right, provided you meet certain qualifications, when leaving a fully insured group health plan in Georgia to convert your policy to an individual health insurance policy. Insurers must offer you one plan; there are few restrictions on the benefits that can be offered or the premiums you may be charged. If you are HIPAA eligible, you have certain expanded protections to buy individual health insurance. See Enhanced Conversion, HIPAA Assignment System Policy, HIPAA Eligible and also Group Health Plan.

Creditable Coverage. Health insurance coverage under any of the following: a group health plan; individual health insurance; student health insurance; Medicare; Medicaid; CHAMPUS and TRICARE (health coverage for military personnel, retirees, and dependents); the Federal Employees Health Benefits Program; Indian Health Service; the Peace Corps; Public Health Plan (any plan established or maintained by a State, the U.S. government, a foreign country); State Children's Health Insurance Program; or a state health insurance high risk pool. See also Continuous Coverage, Group Health Plan, Individual Health Insurance.

Elimination Rider. A feature permitted in individual health insurance policies that excludes coverage for a pre-existing condition. Unlike pre-existing condition exclusion periods, which can be no longer than 12 months, elimination riders can last indefinitely. Elimination riders cannot be imposed if you are HIPAA eligible.

Enrollment Period. The period during which all employees and their dependents can sign up for coverage under an employer group health plan. Besides permitting workers to elect health benefits when first hired, many employers and group health insurers hold an annual enrollment period, during which all employees can enroll in or change their health coverage. See also Group Health Plan, Special Enrollment Period.

Enhanced Conversion. Your right, as a HIPAA eligible individual, when leaving a fully insured group health plan in Georgia, to convert your policy to an individual health insurance policy. Generally, your prior insurer must offer you a choice of two enhanced conversion policies, including a high and low benefit option; Enhanced conversion policies may be more expensive than your prior coverage, within limits. See Basic Conversion, HIPAA Assignment System Policy, HIPAA Eligible and also Group Health Plan.

Family and Medical Leave Act (FMLA). A federal law that guarantees up to 12 weeks of job protected leave for certain employees when they need to take time off due to serious illness, to have or adopt a child, or to care for another family member. When you qualify for leave under FMLA, you can continue coverage under your group health plan.

Fully Insured Group Health Plan. Health plan purchased by an employer from an insurance company. Fully insured health plans are regulated by Georgia. See also Self-Insured Group Health Plans.

Genetic Information. Genetic test results indicating your or a member of your family's risk of developing a health condition. Genetic information includes the existence or history of a disease or disorder in a family member. Genetic services, including genetic counseling and education received by you or a family member, is also considered part of your genetic information.

Georgia Cancer Screening Program. Program which provides free screening for breast and cervical cancer to eligible Georgia residents. Eligible women diagnosed with breast or cervical cancer may be eligible for free health coverage through Medicaid for treatment of their condition.

Group Health Plan. Health insurance (sponsored by an employer or union) that covers at least 1 employee, or the self-employed. See also Fully Insured Group Health Plan, Self-Insured Group Health Plan.

Guaranteed Issue. A requirement that health plans must permit you to enroll regardless of your health status, age, gender, or other factors that might predict your use of health services. All health plans sold to Georgia small employers with 2 to 50 employees are guaranteed issue. If you are self-employed or a household employer buying coverage for one full-time employee, basic and standard small group health plans are guaranteed issue. If you are HIPAA eligible, insurance companies must offer you at least two individual health insurance policies that are guaranteed issue. Plans that are guaranteed issue can turn you away for other reasons.

Guaranteed Renewability. A feature in health plans that means your coverage cannot be canceled because you get sick. HIPAA requires all health plans to be guaranteed renewable. Your coverage can be canceled for other reasons unrelated to your health status.

Health Coverage Tax Credit (HCTC). The Health Coverage Tax Credit (HCTC) is a program that can help pay for nearly two-thirds of eligible individuals' health plan premiums. In general, in order to be eligible for the tax credit, you must be 1) receiving Trade Readjustment Allowance (TRA) benefits or 2) will receive TRA benefits once your unemployment benefits are exhausted or 3) receiving benefits under the Alternative Trade Adjustment Assistance (ATAA) program or 4) aged 55 or older and receiving benefits from the Pension Benefit Guaranty Corporation (PBGC).

Health Insurance or Health Plan. In this guide, the term means benefits consisting of medical care (provided directly or through insurance or reimbursement) under any hospital or medical service policy, plan contract, or HMO contract offered by a health insurance company or a group health plan. It does not mean coverage that is limited to accident or disability insurance, workers' compensation insurance, liability insurance (including automobile insurance) for medical expenses, or coverage for on-site medical clinics. Health insurance also does not mean coverage for limited dental or vision benefits to the extent these are provided under a separate policy.

Health Status. When used in this guide, refers to your medical condition (both physical and mental illnesses), claims experience, receipt of health care, medical history, genetic information, evidence of insurability (including conditions arising out of acts of domestic violence), and disability. See also Genetic Information.

HIPAA. The Health Insurance Portability and Accountability Act was passed in 1996 to help people buy and keep health insurance, even when they have serious health conditions, the law sets a national floor for health insurance reforms. Since states can and have modified and expanded upon these provisions, consumers' protections vary from state to state.

HIPAA Assignment System Policy. Your right, as a HIPAA eligible individual, when leaving a self-insured group health plan in Georgia, to convert your policy to an individual health insurance policy. If you qualify, the Georgia Office of Insurance will assign you to an insurer. Generally, the assigned insurer must offer you a choice of two policies, a high and a low option; HIPAA assignment system policies may be more expensive than your prior coverage, within limits. See Basic Conversion, Enhanced Conversion, HIPAA Eligible and also Group Health Plan.

HIPAA Eligible. Status you attain once you have had 18 months of continuous creditable health coverage. To be HIPAA eligible, you also must have used up any COBRA or state continuation coverage; you must not be eligible for Medicare or Medicaid; you must not have other health insurance; and you must apply for individual health insurance within 63 days of losing your prior creditable coverage. When you are buying an individual health insurance policy, HIPAA eligibility gives you greater protections than you would otherwise have in Michigan and in other states. See also COBRA, Continuous Coverage, Creditable Coverage, State Continuation Coverage.

HMO. Health maintenance organization. A kind of health insurance plan. HMOs usually limit coverage to care from doctors who work for or contract with the HMO. They generally do not require deductibles, but often do charge a small fee, called a copayment, for services like doctor visits or prescriptions. If you are covered under an HMO, the HMO might require an affiliation period before coverage begins. See also Affiliation Period.

Individual Health Insurance Policy. Policies for people not connected to an employer group. Individual health insurance is regulated by Georgia.

Large Group Health Plan Policy. One with more than 50 employees.

Late Enrollment. Enrollment in a health plan at a time other than the regular or a special enrollment period. If you are a late enrollee, you may be subject to a longer pre-existing condition exclusion period. See also Special Enrollment Period.

Look Back. The maximum length of time, immediately prior to enrolling in a health plan, that can be examined for evidence of pre-existing conditions. See also Pre-existing condition.

Managed Care Plan. A kind of health insurance plan. Like an HMO, managed care plans can limit coverage to health care provided by doctors and hospitals that work for or contract with them — also called “network providers.” Often managed care plans will require you to get permission (a “referral”) from your family doctor before you get care from a specialist in their network. Some managed care plans will cover your care at a lower rate if you go to a non-network provider or if you get specialist care without a referral. See also HMO.

Medicaid. A program providing comprehensive health insurance coverage and other assistance to certain low-income Georgians. All other states have Medicaid programs, too, though eligibility levels and covered benefits will vary.

Nondiscrimination. A requirement that group health plans not discriminate against you based on your health status. Your coverage under a group health plan cannot be denied or restricted, nor can you be charged a higher premium, because of your health status. Group health plans can restrict your coverage based on other factors (such as part time employment) that are unrelated to health status. See also Group Health Plan, Health Status.

PeachCare Kids Program. A program that offers free or reduced cost health insurance to low-income, uninsured children in Georgia who do not qualify for Medicaid. See also Medicaid.

Pension Benefit Guaranty Corporation (PBGC). PBGC is a federal government corporation established by Title IV of the Employee Retirement Income Security Act of 1974 (ERISA) to encourage the continuation and maintenance of defined benefit pension plans, provide timely and uninterrupted payment of pension benefits to participants and beneficiaries in plans covered by PBGC. It currently guarantees payment of basic pension benefits earned by American workers and retirees participating in private-sector defined benefit pension plans. The agency receives no funds from general tax revenues. Operations are financed largely by insurance premiums paid by companies that sponsor pension plans and by PBGC's investment returns.

Pre-existing condition (Group Health Plans). Any condition (either physical or mental) for which medical advice, diagnosis, care, or treatment was recommended or received within the 6-month period immediately preceding enrollment in a health plan. Pregnancy cannot be counted as a pre-existing condition. Genetic information about your likelihood of developing a disease or condition, without a diagnosis of that disease or condition, cannot be considered a pre-existing condition. Newborns, newly adopted children, and children placed for adoption covered within 30 days cannot be subject to pre-existing condition exclusions.

Pre-existing condition (Individual Health Insurance). Any condition (either physical or mental) for which medical advice, diagnosis, care, or treatment was recommended or received preceding enrollment in a health plan. Newborns, newly adopted children, and children placed for adoption covered within 30 days cannot be subject to pre-existing condition exclusions.

Pre-existing Condition Exclusion Period. The time during which a health plan will not pay for covered care relating to a pre-existing condition. See also Pre-existing condition.

Self-Insured Group Health Plans. Plans set up by employers who set aside funds to pay their employees' health claims. Because employers often hire insurance companies to run these plans, they may look to you just like fully insured plans. Employers must disclose in your benefits information whether an insurer is responsible for funding, or for only administering the plan. If the insurer is only administering the plan, it is self-insured. Self-insured plans are regulated by the U.S. Department of Labor, not by Georgia.

Small Group Health Plan Policy. Plans with no more than 50 employees, including the self-employed.

Special Enrollment Period. A time, triggered by certain specific events, during which you and your dependents must be permitted to sign up for coverage under a group health plan. Employers and group health insurers must make such a period available to employees and their dependents when their family status changes or when their health insurance status changes. Special enrollment periods must last at least 30 to 60 days, depending on the qualifying event. Enrollment in a health plan during a special enrollment period is not considered late enrollment. See also Late Enrollment.

State Continuation Coverage. A program similar to COBRA. In Georgia, if you are in a fully insured group health plan sponsored by an employer with 2 to 19 employees and meet other requirements, you also have rights to continue your health coverage when your job ends.

Supplemental Security Income (SSI). A program providing cash benefits to certain very low income disabled and elderly individuals. When you qualify for SSI, you generally also qualify for Medicaid. In addition, Medicaid coverage often continues for a limited time if your income increases so that you no longer qualify for SSI.

Temporary Assistance for Needy Families (TANF). A program (also known as Georgia Works) that provides cash benefits to low income families with children. When you qualify for TANF, you generally also qualify for Medicaid. In addition, Medicaid coverage often continues for a limited time or longer if you no longer qualify for TANF. See also Medicaid.

Trade Adjustment Assistance (TAA) Program. A program authorized by the Trade Adjustment Assistance Reform Act of 2002. This program provides aid to workers who lose their job or whose hours of work and wages are reduced as a result of increased imports. The TAA Program offers six benefits and reemployment services to assist unemployed workers prepare for and obtain new suitable employment. In addition, TAA offers a significant tax credit that covers 80% of health insurance premiums for certain plans.

U.S. Department of Labor. A department of the federal government that regulates employer provided health benefit plans. You may need to contact the Department of Labor if you are in a self-insured group health plan, or if you have questions about COBRA or the Family and Medical Leave Act. See also COBRA, Family and Medical Leave Act

Waiting Period. The time you may be required to work for an employer before you are eligible for health benefits. Not all employers require waiting periods. Waiting periods do not count as gaps in health insurance for purposes of determining whether coverage is continuous. If your employer requires a waiting period, your pre-existing condition exclusion period begins on the first day of the waiting period. See also Pre-existing condition Exclusion Period.