



OFFICE OF INSURANCE AND SAFETY FIRE COMMISSIONER

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BULLETIN 20-EX-5

TO: ALL GEORGIA CONSUMERS

FROM: JOHN F. KING
INSURANCE AND SAFETY FIRE COMMISSIONER

DATE: MARCH 27, 2020

RE: LOSS OF HEALTH INSURANCE DUE TO COVID-19

Many Georgians have expressed concerns about what to do if they lose their job, and consequently lose their health insurance. This bulletin is intended to direct Georgians who lose their jobs towards resources that may provide health insurance coverage. As always, the Georgia Department of Insurance seeks to protect, educate, and inform all Georgians. For any questions about the information contained below or for any questions about your insurance, please call the Department of Insurance's Consumer Services division at 1-800-656-2298 or visit [our website](#).

- 1. The Consolidated Omnibus Budget Reconciliation Act (COBRA).** First, in employer group health insurance, when employees are terminated, federal law under COBRA would apply. COBRA generally applies to all group health plans maintained by private-sector employers with at least 20 employees or by state and local governments. Your plan must give you at least 60 days to choose whether or not to elect COBRA coverage, beginning from the date the election notice is provided to you or the date you would otherwise lose coverage under your group health plan due to losing your job, whichever is later.

COBRA requires that continuation coverage extend from the date of the loss of your job for a limited period of 18 or 36 months. When the covered employee's employment is terminated (for reasons other than gross misconduct) or reduction in work hours, qualified beneficiaries must be eligible for 18 months of continuation coverage.

Your group health plan can require you to pay for COBRA continuation coverage. The maximum amount charged to qualified beneficiaries cannot exceed 102 percent of the

cost to the plan for similarly situated individuals covered under the plan who have not incurred a qualifying event.

The plan cannot require you to pay a premium when you make the COBRA election. It must provide at least 45 days after you elect COBRA (that is, the date you mail the election form if using first-class mail) for you to make an initial premium payment. If you fail to make any payment before the end of the initial 45-day period, the plan can terminate your COBRA rights.

Most employers may not subsidize or pay the entire cost of health coverage, including COBRA coverage, for terminating employees and their families, but some employers may. If you are receiving this type of benefit, talk to your plan administrator about how this impacts your COBRA coverage or your special enrollment rights.

For a more detailed explanation of your COBRA rights, here is a link to the U.S. Department of Labor's COBRA publication:

<https://www.dol.gov/sites/dolgov/files/ebsa/about-ebsa/our-activities/resource-center/publications/an-employees-guide-to-health-benefits-under-cobra.pdf>.

- 2. Affordable Care Act Special Enrollment Period.** Another option for people losing coverage is to immediately try to get special enrollment ACA coverage for one or more family members. You may qualify for a Special Enrollment Period if you or anyone in your household lost qualifying health coverage in the past 60 days OR expects to lose coverage in the next 60 days. Coverage losses that may qualify you for a Special Enrollment Period are: Losing job-based coverage, losing individual health coverage for a plan or policy you bought yourself, losing eligibility for Medicaid or CHIP, losing eligibility for Medicare, or losing coverage through a family member. Additionally, you may also be eligible for a Special Enrollment period if you have experienced other qualifying life events. For more information on your eligibility for a Special Enrollment Period, and instructions on how to apply, please go to: <https://www.healthcare.gov/coverage-outside-open-enrollment/special-enrollment-period/>.
- 3. Georgia's Continuation Law.** The third possibility for those losing coverage from employer-based small group plans (under 20 employees) is the Georgia State Continuation law under OCGA 33-24-21.1(c)(1), which some call a mini-COBRA. Basically, it provides a short, 90-day coverage package for those losing employment. Under this law, if you were covered, with a premium paid in advance for the month of termination, you get the remainder of that month of termination by law. You may then submit the full employer/employee premium in advance, to the employer/insurer to stay covered on continuation as if you were still employed with the group. Unlike COBRA, there is no "extra" 2% premium allowed with Georgia's State Continuation coverage law. Many Georgians fail to read this within their Group Certificates of Coverage, and many employers are unaware of this state continuation option.

4. **For Georgians, whose insurance is not employer-sponsored.** On March 20, Commissioner King directed all Health Insurers to refrain from canceling health policies for the cause of non-payment until further notice.

A handwritten signature in black ink, appearing to read "John F. King", is written above a horizontal line.

JOHN F. KING
INSURANCE AND SAFETY FIRE COMMISSIONER
STATE OF GEORGIA