

**Rule 111-4-1-.01  
Definitions**

**SYNOPSIS**

The purpose of the rule change is to avoid conflicts with federal law, reflect changes in state law, and modify definitions to reflect changes to Rule 111-4-1-.02, Organizations, and Rule 111-4-1-.10, Plan Benefits.

**EXPLANATION OF CHANGES**

Rule 111-4-1-.01 (10) "Board of Community Health" or "Board" and Rule 111-4-1-.01(15) "Commissioner" have been modified to include the appropriate citations to O.C.G.A. Sections 31-2-3 and 4, respectively. These Code Sections were renumbered when the Department of Community Health was re-established to include the Public Health Division.

Rule 111-4-1-.01 (26) "Employing Entity" has been modified to include Contract Employers, and thereby clarify that certain obligations imposed on Employing Entities are also imposed by law on Contract Employers.

Rule 111-4-1-.01 (36) "Medicare Advantage" has been modified to refer to relevant federal law, and to eliminate language that may conflict with that law.

Rule 111-4-1-.01 (38) "Option" has been modified to eliminate references to specific plan design terms.

Rule 111-4-1-.01(45) "Pre-Existing Condition" has been modified to clarify that the definition of "Pre-Existing Condition" is established by federal law, and to eliminate language that may conflict with that law.

Rule 111-4-1-.01(50) "Regular Insurance" has been modified to reflect that different requirements apply to Medicare Advantage Options, and to define "Regular Insurance" as SHBP Options that are not Medicare Advantage Options. Formerly, "Regular Insurance" listed specific terms, such as "PPO" and "HMO," which have many different meanings in the industry.

**111-4-1-.01 Definitions.**

- (1) **"Accredited School"** for the purpose of determining eligibility under these regulations means any one of the following types of schools:
  - (a) Any secondary educational or secondary institution with postsecondary programs accredited or pre-accredited by accrediting associations that are recognized by the United States Secretary of Education; or
  - (b) Any professional, technical, occupational and specialized school accredited or pre-accredited by national specialized accrediting agencies recognized by the United States Secretary of Education; or
  - (c) Any specialty or other school administered by the Department of Education or Post Secondary Vocational Board of the State of Georgia; or
  - (d) Any school that has applied for or is a "candidate for" accreditation under Sections 111-4-1-.01 (1)(a) or 111-4-1-.01 (1)(b) of these regulations; or
  - (e) Any institution of higher education as defined by the Higher Education Act of 1965 (20 USCS 1141).
- (2) **"Active"** means that the Employee is receiving compensation or is on Approved Leave of Absence Without Pay through a department, school system, Local Employer, agency, authority, board, commission, county department of family and children services, county department of health, community service board, or Contract Employer and for whom the Employee's cost of Coverage is stated as a payroll Deduction or Reduction.
- (3) **"Acts" or "The Acts" or "The Health Insurance Acts"** mean the legislative Acts that establish the Health Insurance Plans for State Employees, Teachers, and Public School Employees and are designated in the Official Code of Georgia Annotated as Article 1 of Chapter 18 of Title 45 and Articles 880 and 910 of Chapter 2 of Title 20.
- (4) **"Administrator"** means the Department of Community Health or the Commissioner of the Department of Community Health.
- (5) **"Administrative Services"** means the services that are provided by contract for a self-insured Health Benefit Plan.
- (6) **"Approved Leave of Absence Without Pay"** means a period of time approved by the appropriate organizational official during which the Employee is absent from work and is not in pay status.
- (7) **"Annual Required Contribution"** means an actuarially determined amount to pay for future OPEB liability over a period of years.
- (8) **"Beneficiary"** means an Employee, Surviving Spouse, divorced or legally separated Spouse, or eligible Dependent child who loses Coverage under these regulations.
- (9) **"Benefits"** mean the schedule of Benefits of health care services eligible for approval of payments under the Options approved by the Board.

(10) **"Board of Community Health"** or **"Board"** means the governing body authorized to exercise jurisdiction over the SHBP pursuant to O.C.G.A. §§ 31-5A-2-3 and ~~31-5A-4~~.

(11) **"Cafeteria Plan"** means a plan which meets the requirements of the regulations of the Internal Revenue Service under Internal Revenue Code (IRC) 125.

(12) **"Certificated Capacity"** means the Employee holds valid certification; is not assigned to a position that requires certification as a qualification; the Employee's compensation is determined, at least in part, based upon the certificate; and the Employee is a member of the Teachers Retirement System or other Public School Teacher retirement system.

(13) **"Certificated Position"** means the Employee holds valid certification; is assigned to a position that requires certification as a qualification; the Employee's compensation is determined, at least in part, based upon the certificate; and the Employee is a member of the Teachers Retirement System or other Public School Teachers retirement system.

(14) **"Claim"** means any bill, invoice, or other written statement from a specific provider for health care services or supplies submitted in accordance with the requirements of the SHBP for a specific eligible Member.

(15) **"Commissioner"** means the Commissioner of the Department of Community Health as created by O.C.G.A. § 31-~~25A~~-6.

(16) **"Contract Employee"** means a person employed by one of the entities that contracts with the Board of Community Health to provide health benefit Coverage under the SHBP, and who is not considered to be an independent contractor.

(17) **"Contract Employer"** means one of the organizational entities that has elected to contract with the Board of Community Health for inclusion of their Employees in the SHBP.

(18) **"Contribution"** means the amount or percentage of salaries to be paid by an Employing Entity or State Department of Education for Employees and Retirees for health benefit Coverage.

(19) **"Coverage"** means the type, Tier, and Option of contract offered to a Enrolled Member.

(20) **"Covered Dependent"** means any individual eligible under these regulations and for whom the Premium has been paid by the Employee, Retiree, or Extended Beneficiary.

(21) **"Creditable Coverage"** means health insurance that may serve to reduce a Pre-existing Condition limitation period. Creditable Coverage shall include health plan offerings under the following type plans: group health plans; individual health policies; Health Maintenance Organizations (HMOs); Medicaid; Medicare; or other governmental health programs. Disease specific policies (i.e., cancer insurance), disability insurance, and insurance that provides incidental health insurance (i.e., auto insurance) is not Creditable Coverage.

(22) **"Deduction" or "Reduction"** means the Premium amount to be remitted to the Administrator as the Employee's or Retiree's share of the cost of the elected Coverage.

(23) **"Dependent"** means any eligible Spouse, Dependent child, full-time student, or totally disabled child or other child(ren) if the children live with the Member permanently and are legally dependent on the Member for financial support.

(24) **"Disabled Student"** means a full-time student who withdraws from all or part of coursework because of an illness or injury provided the student will be registered to return to full-time status during the succeeding quarter or semester (or the Fall quarter if the Summer quarter is the succeeding quarter). The Administrator has the discretion to determine, based on the record, that a child is a full-time student when there is documentation that the registered hours are less than the normal institution's full-time requirements during periods of full-time status or period of disability.

(25) **"Employee"** means any eligible, Active State Employee, Teacher, or Public School Employee.

(26) **"Employing Entity"** means any department, school system, Local Employer, Contract Employer, agency, authority, board, commission, county department of family and children services, county department of health, community service board or retirement system that employs or issues an annuity check to an Employee, Contract Employee or Retiree as defined in these regulations.

(27) **"Enrolled Member"** means the contract holder who may be the Employee, Retiree, Contract Employee, or Extended Beneficiary who is currently enrolled in Coverage and who has paid the necessary Deduction or Premium for such Coverage.

(28) **"Extended Beneficiary"** means the individual who was covered as an Active or Retired Employee, Employee on Approved Leave of Absence Without Pay or person who was covered as a Spouse or eligible Dependent of an Active or Retired Employee or Employee on Approved Leave of Absence Without Pay on the day SHBP Coverage was lost as a result of a Qualifying Event under the requirements of federal law and regulation known as the Consolidated Omnibus Budget Reconciliation Act (COBRA), as amended.

(29) **"Full-time Attendance"** means that the full-time student is registered for the minimum number of hours required to meet that Accredited School's full-time status. A withdrawal from some coursework that reduces the number of hours to less than full-time during the school's summer break will not affect Full-Time Attendance provided the student will be registered to return to full-time status during the Fall or semester. Full-Time Attendance ends at the end of the month in which coursework is completed or if the student ceases attendance.

(30) **"Fund" or "Health Benefit Fund" or "Health Insurance Fund"** means the State Employees Health Insurance Fund, the Teachers Health Insurance Fund, and the Public School Employees Health Insurance Fund.

(31) **"Georgia Retiree Health Benefit Fund" or "GRHBF"** means the fund which provides for costs of retiree post employment health insurance benefits. The fund shall be a trust fund of public funds; the Board in its official capacity shall be the fund's trustee; and the Commissioner in his or her official capacity shall be its administrator.

(32) **"Group"** means all eligible Employees authorized under a specific chapter, article or part of the Official Code of Georgia Annotated for Coverage under the SHBP.

(33) **"Health Maintenance Organization" or "HMO"** means an organization authorized and certified to provide services under Chapter 21 of Title 33 of the Official Code of Georgia Annotated.

(34) **"Local Employer"** means a county or independent board of education, regional or county libraries of Georgia, the governing authority of the Georgia Military College, or Regional Educational Service Areas.

(35) **"Managed Care Plan"** means plans that provide health Coverage through a specified network of providers with benefit differentials in cost sharing between in-network and out-of-network providers.

(36) **"Medicare Advantage"** means ~~an the managed care Option that is offered to Retirees through an HMO or other legally licensed organization and that and is approved through the Centers for Medicare and Medicaid Services (CMS) as a Medicare Advantage plan under the Medicare Prescription Drug, Improvement and Modernization Act of 2003 and federal regulations thereunder for Medicare enrolled Retirees.~~

(37) **"Member"** means a benefit eligible or ineligible Employee, former Employee, Retiree, or Extended Beneficiary.

(38) **"Option"** means ~~a the type of benefit schedule or premium rating category that is offered to an eligible Member through Regular Insurance, an HMO, supplement, or other health benefit offering of the SHBP.~~

(39) **"Other Post Employment Benefits" or "OPEB"** means retiree post-employment health insurance benefits.

(40) **"Partial Disability"** means the Employee is unable to perform the normal, full-time duties of the individual's occupation or employment due to disability, but is certified by his/her physician to return to work on a part-time basis following a period of disability for a fixed period of time in that individual's occupation or in a modified work capacity.

(41) **"Payor, Primary"** means the entity which is required by contract or law to reimburse or pay for covered health services without regard to any other benefit entitlement or contractual provision.

(42) **"Payor, Secondary"** means the entity which does not have the primary liability for providing benefit reimbursement for covered health services.

(43) **"Plan" or "Health Insurance Plan"** means the insurance Options formed by the combination of Health Insurance Plans for State Employees, Teachers, and Public School Employees.

(44) **"Plan Year"** means the twelve-month period beginning on January 1, and ending on the following December 31. The Commissioner shall have the flexibility to modify the SHBP Plan Year.

(45) **"Pre-existing Condition"** is a term defined by the Health Insurance Portability and Accountability Act of 1996 and regulations thereunder. In general, it means a sickness, injury, or other condition (except for pregnancy) for which medical advice,

diagnosis, care or treatment was recommended or received within the six (6) months immediately before Coverage began under the Plan. ~~Genetic status is not a Pre-existing Condition unless diagnosis, care or treatment was rendered within the six-month period. (Health Insurance Portability and Accountability Act of 1996).~~

(46) **"Premium"** means the Enrolled Member's cost as set by the Board of Community Health for the elected Coverage

(47) **"Public School Employee"** means a person who is employed by the local school system, meets the eligibility requirements under these regulations and is receiving a salary for services.

(48) **"Qualifying Event"** means an event as defined by federal law or regulation that authorizes: (a) eligibility for Extended Coverage or (b) change in coverage election under a health benefit plan. Qualifying Events include changes in employment or family status as outlined in Sections 111-4-1-.06, 111-4-1-.07, and 111-4-1-.08 of these regulations.

(49) **"Rate"** means an amount set by the Board for the Enrolled Member Premium or an amount or percentage of salary set by the Board as the Employer's Contribution.

(50) **"Regular Insurance"** means ~~the self-insured Options that are not Medicare Advantage Options. "PPO", "PPO Choice, and "Indemnity".~~

(51) **"Retired Employee"** or **"Retiree"** or **"Annuitant"** means a former State Employee, former Teacher, or former Public School Employee who met the eligibility criteria when Active or was included by specific legislation and who receives a monthly benefit from the Employees' Retirement System, Georgia Legislative Retirement System, Teachers Retirement System, Public School Employees Retirement System, Superior Court Judges Retirement System, District Attorneys' Retirement System, or local school system retirement system and an eligible and former Employee of a county department of family and children services or county department of health who receives a monthly benefit from the Fulton County Retirement System. In the case of a county health department Employee, the Employee must have been covered as an Active Enrolled Member and continued Coverage upon receiving an annuity from the Fulton County Retirement System. Retiree shall also include Enrolled Members who remit payment directly to the SHBP and who are eligible for Coverage as a Surviving Spouse of the eligible Employee or Retiree, and Extended Beneficiary who is eligible by virtue of State law, or an Annuitant whose monthly benefit from a retirement system is insufficient to pay the Premium for the Coverage in which enrolled.

(52) **"Retiring Employee"** means a Enrolled Member who is eligible to receive an immediate retirement benefit payment from the Employees' Retirement System, Georgia Legislative Retirement System, Teachers Retirement System, Public School Employees Retirement System, Superior Court Judges Retirement System, District Attorneys' Retirement System or local school system retirement system or an Enrolled Member of a county department of family and children services or county department of health who is eligible to receive an immediate retirement benefit payment from the Fulton County Retirement System.

(53) **"Spouse"** means an individual who is not legally separated, who is of the opposite sex to the Enrolled Member and who is legally married or who submits satisfactory evidence to the Administrator of common law marriage to the Employee or Retired Employee entered into prior to January 1, 1997 and is not legally separated.

(54) **"State Employee"** means a person employed by the State or a community service board and who meets the eligibility definitions of these regulations and who is receiving a salary or wage for services rendered.

(55) **"State Health Benefit Plan"** or **"SHBP"** means the health benefit plan administered by the Department of Community Health covering State Employees, Public School Teachers, Public School Employees, Retirees and their eligible Dependents, and other entities under The Acts for health insurance.

(56) **"Summary Plan Description"** is a booklet that describes the health benefits and other provisions of the State Health Benefit Plan (SHBP) specific to the Coverage elected by the Enrolled Member.

(57) **"Surviving Spouse"** means the living Spouse of a deceased Enrolled Member.

(58) **"Teacher"** or **"Public School Teacher"** means a person employed by a local school system in a Certificated Position and who meets the eligibility definitions of these regulations and who is receiving a salary or wage for services rendered.

(59) **"Tier"** means the number and relationship to the Enrolled Member of the persons enrolled under the Member's Coverage.

(60) **"Total Disability"** means that the Enrolled Member is not able to perform any and every duty of the individual's occupation or employment or that the Dependent is not able to perform the normal activities of a person of like age or sex.

(61) **"TPA"** or **"Third-party Administrator"** means an approved contractor for adjudicating paying Claims, and performing other administrative processes.

Authority: O.C.G.A. §§ 20-2-881, 20-2-892, 20-2-911, 45-18-2, Health Insurance Portability and Accountability Act of 1996 (HIPAA), Consolidated Omnibus Budget Reconciliation Act (COBRA).