

Senate Bill 481

By: Senator Hudgens of the 47th

A BILL TO BE ENTITLED
AN ACT

1 To amend Title 33 of the Official Code of Georgia Annotated, relating to insurance, so as to
2 revise the provision in accident and sickness policies for termination of coverage of surviving
3 spouse or as a result of a break in marital relationship; to provide for availability of accident
4 and sickness policy upon termination of dependent coverage under certain circumstances;
5 to revise certain definitions related thereto; to provide for related matters; to repeal
6 conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Title 33 of the Official Code of Georgia Annotated, relating to insurance, is amended by
10 revising subsection (b) of Code Section 33-24-20, relating to the provision in accident and
11 sickness policies for termination of coverage of surviving spouse or as a result of a break in
12 marital relationship, as follows:

13 "(b) Every policy which contains a provision for termination of coverage of the spouse
14 upon death of the insured or divorce shall contain a provision to the effect that, upon the
15 death of the insured or the entry of a valid decree of divorce between the insured parties,
16 the surviving or divorced spouse shall be entitled to have issued to him or her, without
17 evidence of insurability, upon application made to the company within ~~31~~ 90 days
18 following the entry of such decree and upon the payment of the appropriate premium, an
19 individual or family policy of accident and sickness insurance then being issued by the
20 insurer which provides coverage most nearly similar to the coverage contained in the policy
21 which was terminated by reason of death or divorce or any other similar individual or
22 family policy then being issued by the insurer which contains lesser coverage. Any and all
23 probationary or waiting periods set forth in such an individual or family policy shall be
24 considered as being met to the extent coverage was in force under the prior policy."

25 **SECTION 2.**

26 Said title is further amended by revising subsection (b) of Code Section 33-24-21, relating
 27 to the provision in accident and sickness policies for termination of group coverage of
 28 surviving spouse or as a result of break in marital relationship, as follows:

29 "(b) Every policy which contains a provision for termination of coverage of the spouse
 30 upon death of the insured or divorce shall contain a provision to the effect that, upon the
 31 death of the insured or the entry of a valid decree of divorce between the insured parties,
 32 the surviving or divorced spouse shall be entitled to have issued to him or her, without
 33 evidence of insurability, upon application made to the company within ~~31~~ 90 days
 34 following the entry of such decree and upon the payment of the appropriate premium, an
 35 individual or family policy of accident and sickness insurance then being issued by the
 36 insurer which provides coverage most nearly similar to the coverage contained in the policy
 37 which was terminated by reason of death or divorce or any other similar individual or
 38 family policy then being issued by the insurer which contains lesser coverage. Any and all
 39 probationary or waiting periods set forth in an individual or family policy shall be
 40 considered as being met to the extent coverage was in force under the prior policy."

41 **SECTION 3.**

42 Said title is further amended by revising Code Section 33-29-21.1, relating to the availability
 43 of accident and sickness policy upon termination of dependent coverage based on age of the
 44 dependent, as follows:

45 "33-29-21.1.

46 Every policy which contains a provision for termination of coverage of a dependent upon
 47 the reaching of a certain age shall contain a provision to the effect that, upon the date of the
 48 dependent reaching the age at which coverage would terminate under the provisions of the
 49 policy, the dependent shall be entitled to have issued to him or her, without evidence of
 50 insurability, upon application made to the company within ~~45~~ 90 days following the date
 51 the dependent reaches the age at which coverage would terminate and upon the payment
 52 of the appropriate premium, an individual or family policy of accident and sickness
 53 insurance then being issued by the insurer which provides coverage most nearly similar to
 54 the coverage contained in the policy which was terminated by reason of dependent reaching
 55 a certain age or any similar individual or family policy then being issued by the insurer
 56 which contains lesser coverage. Any and all probationary or waiting periods set forth in
 57 such an individual or family policy shall be considered as being met to the extent coverage
 58 was in force under the prior policy."

59 **SECTION 4.**

60 Said title is further amended by revising paragraph (1) of subsection (a) of Code Section
 61 33-29A-2, relating to definitions pertaining to availability and assignment system of
 62 individual health insurance coverage, as follows:

63 "(1) 'Creditable coverage' and 'eligible individual' have the same meaning as specified
 64 in Sections 2701 and 2741 of the federal Public Health Service Act, 42 U.S.C.A. Sections
 65 300gg and 300gg-41 except that: a

66 (A) A period of creditable coverage shall not be counted, with respect to enrollment
 67 of an individual under a group health plan, if, after such period and before the
 68 enrollment date, there was a 90 day period during all of which the individual was not
 69 covered under any creditable coverage; and

70 (B) A person shall not be an eligible individual under this chapter if such person is
 71 eligible for or has declined any continuation or conversion coverage or has terminated
 72 any such coverage prior to its exhaustion."

73 **SECTION 5.**

74 Said title is further amended by revising paragraph (3.1) of Code Section 33-43-1, relating
 75 to definitions pertaining to medicare supplement insurance, as follows:

76 "(3.1) 'Continuous period of creditable coverage' means the period during which an
 77 individual was covered by creditable coverage if during the period of the coverage the
 78 individual had no breaks in coverage greater than ~~63~~ 90 days."

79 **SECTION 6.**

80 All laws and parts of laws in conflict with this Act are repealed.