

Senate Bill 481

By: Senator Hudgens of the 47th

**AS PASSED SENATE**

**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.