

Attachment II

The Board of Regents Business Procedures Manual: §5.1.5 Cobra and Retiree Billing

5.1.5 COBRA and Retiree Billing

COBRA Billing

Under the Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA), employees or dependents enrolled in a health or dental plan when they experienced a qualifying event, which subsequently results in lost coverage, will become COBRA qualified beneficiaries. The employees or dependents have the option of continuing coverage under the University System of Georgia Board of Regents plan(s). Terms, conditions, and costs for coverage must be communicated to the eligible parties via notification letters.

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An election of COBRA must be made with sixty (60) days of the employee's termination, and payment must be made within forty-five (45) days of that election. Once COBRA has been elected, these premiums must be made on a monthly basis.

Institutions should bill the participants **monthly***. If a participant is more than thirty (30) days delinquent, benefits should be terminated and collection procedures initiated to collect any outstanding balance.

* **Note:** Institutions using the Georgia *FIRST* model of the PeopleSoft HRMS and Financials software may generate COBRA Billing Statements using either the HRMS or Financials module. To reduce paperwork and collection activities, institutions are encouraged to allow participants to remit premiums via direct debit transactions.

Retiree Billing

When an employee retires from active service with the University System of Georgia, participation in the health, dental, and supplemental life insurance plans may be continued into retirement if the member complies with the requirements as prescribed by the Board of Regents Policy Manual.

Participants should be billed **monthly, quarterly, or some interval consistency with the institution's business calendar***. If a participant is more than sixty (60) days delinquent from the date of the bill, benefits should be terminated and collection procedures initiated to collect any outstanding balance.

* **Note:** Institutions using the Georgia *FIRST* model of the PeopleSoft Financials software may generate Retiree Billing Statements using the Financials module. To reduce paperwork and collection activities, institutions are encouraged to allow participants to remit premiums via direct debit transactions.