



Rules of the Employee Benefit Plan Council

478-2-.01 Definitions.

- (1) “Act” means the legislative act that authorized the establishment of a flexible employee benefit plan and is designated in the Official Code of Georgia Annotated as Article 3 of Chapter 18 of Title 45.
- (2) “Active” means an eligible employee for whom the employee’s cost of the coverage is stated as a payroll deduction or reduction.
- (3) “Administrative Fee” means the cost added to the benefit(s) selected to cover the administrative expenses of the Flexible Benefit Program.
- (4) “Administrator” means the Department of Administrative Services or the Commissioner of the Department of Administrative Services.
- (5) “After-Tax Premium” or “After-Tax Contribution” means the contract rate approved by the Council for a specific benefit or health care spending account contribution transmitted directly to the Flexible Benefits Program by the employee or extended beneficiary or the contract rate for after-tax options that have been approved by the Council to be offered through payroll deductions.
- (6) “After-Tax Option” means any benefit option that is approved by the Council to be offered to employees through payroll deductions and for which the cost of the option is not a reduction of gross salary for the purposes of federal or state income taxes or FICA taxes.
- (7) “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 paid wages or salary.
- (8) “At Work” means that the employee is at the employee’s customary place of employment, on paid leave for conditions other than illness or injury, or performing his normal duties at a place other than the place of employment or in a non-scheduled work period, must be able to perform normal duties on that day.
- (9) “Annuitant” means a retired employee or surviving spouse or dependent child who receives a monthly retirement benefit from the Employees’ Retirement System (ERS), Judicial Retirement System (JRS), Legislative Retirement System (LRS), Teachers Retirement System, or the Public School Employees Retirement System (PSERS).
- (10) “Beneficiary” means the person, individual, trust, or estate named by the employee to receive the

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value of the insurance proceeds at the employee's death.

- (11)** "Benefit" or "Benefits" means any of the types of offerings under the Flexible Benefits Program.
- (12)** "Benefit Salary" means the amount of compensation used to calculate certain salary based coverage. This compensation is intended to be normal, regular, non-temporary, and shall include base salary and any special salary supplements that are intended to be regular and not of short duration. This salary amount shall not exceed the amount on which retirement contributions are calculated.
- (13)** "Cafeteria Plan" means a plan which meets the requirements of the Regulations of the Internal Revenue Service under Internal Revenue Code (IRC) 125.
- (14)** "Commissioner" means the Commissioner of the Department of Administrative Services as created by the Official Code of Georgia Annotated 45-20-4.
- (15)** "Community Service Board" means a public community mental health, mental retardation, and substance abuse board established pursuant to the Official Code of Georgia Annotated 37-2-6.
- (16)** "Contractor" and "Supplier" and "Vendor" are synonymous and mean a company or corporation approved to provide one or more benefit types under the Flexible Benefits Program.
- (17)** "Contribution" means the amount to be reduced by a salary agreement transferred to the Administrator for the employee's health care and/or dependent care flexible spending account.
- (18)** "Council" and "Employee Benefit Plan Council" are synonymous and mean the governing body as created in O.C.G.A. 45-18-51.
- (19)** "Coverage" means the type, tier, and option of the benefit(s) offered to an eligible employee pursuant to the contract(s) or policy(ies).
- (20)** "Department," "Employing Entity or Entity," and "Agency" are synonymous and mean any of the separate and distinct employing entities defined as a State Employer, an Educational Institution, a County Department of Family and Childrens Services, County Department of Health, a Community Service Board, the Federal-State Shipping Point Inspection, or the Georgia Firefighters Pension Fund, that employs an employee as defined in these regulations.
- (21)** "Dependent" means any eligible spouse, dependent child under the age of 26, or disabled child and as more specifically defined by the Cafeteria Plan.
- (22)** "Dependent Care Flexible Spending Account" or "DCFSA" means the reimbursement account for eligible dependent care expenses as defined by the Flexible Benefit Plan Document and IRS Regulations.

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- (23) "Dependent Child" means natural or legally adopted child(ren) of an eligible employee and/or his or her spouse, including legal ward or guardianship, who are either under age 26; or age 26 or more, if disabled before age 26 and incapable of self-sustaining employment by reason of mental incapacity or physical disability.
- (24) "Educational Institution" means any separate and distinct local school system, regional educational services agency, and county or regional library whose heads are legally authorized to appoint employees to positions and whose heads have elected to participate in the Flexible Benefits Program administered by the Department of Administrative Services.
- (25) "Employee" means a member of the General Assembly or a person who works full-time for the state and receives his compensation in a direct payment from a department, agency, authority, or institution of state government; a county department of family and children services, or a county department of health; the Federal Shipping Point Inspection Service; the Georgia Firefighters' Pension Fund; a member of any local board of education; and public school teachers and public school employees as defined in Code Sections 20-2-880 and 20-2-910, exclusive of the members, employees, and officials of the Board Regents of the University System of Georgia.
- (26) "Employer" means the State of Georgia and the department, agency, or entity from which the employee receives his compensation.
- (27) "Extended beneficiary" means the individual who was covered as an active or retired employee or employee on approved leave of absence without pay; or a 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 the dental option, health care spending account or vision option 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; and further defined and expanded under the Health Insurance Portability and Accountability Act (HIPAA) of 1996 to include a child who is born to the covered person, adopted or placed for adoption by a qualified beneficiary while on COBRA continuance.
- (28) "Extended coverage" means coverage required to be made available by federal law or regulation to an extended beneficiary under the dental option(s), the health care spending account or vision plan option(s) of the Flexible Benefit Plan upon the occurrence of a qualifying life event.
- (29) "Flexible Benefits Program" or "Flexible Benefit Plan" or "Plan" or "Program" means the combination of approved benefits authorized for establishment by O.C.G.A. 45-18-52 and offered to all eligible employees. Benefit options are those authorized in the Flexible Benefit Plan Document.
- (30) "Flexible Benefit Plan Document" means the legal document required by the Regulations of the Internal Revenue Service for a cafeteria plan under IRC 125. Statutory benefit options as allowed by IRC 125 and authorized by the Council shall be incorporated in the Flexible Benefit Plan Document.

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- (31) “Fund” means any moneys received and accounted for on behalf of the Flexible Benefits Program.
- (32) “Health Care Flexible Spending Account” or “HCFSA” means the reimbursement account for eligible health care expenses are defined by the Flexible Benefit Plan Document and IRS Regulations.
- (33) “Insurance option” or “plan option” means any specific benefit offering under the Flexible Benefits Program approved by the Council.
- (34) “Participant” means an individual enrolled in the Flexible Benefits Program as an eligible Employee, Retired employee, COBRA beneficiary, survivor, or eligible dependent.
- (35) “Plan Year” means the twelve-month period beginning on January 1 and ending on the following December 31.
- (36) “Premium” means the cost to the employee for each insurance option offered under the Flexible Benefits Program.
- (37) “Qualifying Life event” or “Change in Status” means an event as defined by federal law or regulation that authorizes eligibility for extended coverage or a change in coverage election. Qualifying events include a change in employment or family status such as: termination of employment (except for gross misconduct), employee layoff, reduction of employee’s hours below the minimum number required for coverage eligibility as an active employee, end of twelve (12) month leave without pay period, covered employee’s death, divorce or legal separation from the covered employee, or any reason for which a dependent child would otherwise become ineligible for coverage under the applicable option.
- (38) “Retired Employee” means a former state employee, former teacher, or former public school employee who met the eligibility criteria when active, and who receives a monthly benefit from the Employees’ Retirement System (ERS), Judicial Retirement System (JRS), Legislative Retirement System (LRS), Teachers Retirement System (TRS), or the Public School Employees Retirement System (PSERS).
- (39) “Retiring Employee” means a covered employee who is eligible to receive an immediate retirement benefit payment from the Employees’ Retirement System (ERS), Judicial Retirement System (JRS), Legislative Retirement System (LRS), Teachers Retirement System (TRS), or the Public School Employees Retirement System (PSERS).
- (40) “Salary deduction” means an agreement between the employee and the employer, on behalf of the Council, to deduct an amount from the employee’s wages for the purpose of purchasing or contributing to the purchase of benefits as allowed under federal and state laws.
- (41) “Salary reduction” means an agreement between the employee and the employer, on behalf of the

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Council, to reduce an employee's wages for the purpose of purchasing benefits as allowed under federal and state laws.

- (42) "Spouse" means an individual who is legally married to a Participant as determined under Georgia law, and who is treated as a spouse under the Code and the Section 125 Cafeteria Plan.
- (43) "State Employer" means all separate and distinct divisions and subdivisions of state governments, including authorities, county departments of family and children services, or county departments of health, whose heads are legally authorized to appoint employees to positions. "State Personnel Board" or "Board" means the State Personnel Board established by Article IV, Section III, Paragraph I of the Constitution of the State of Georgia.
- (44) "State Personnel Board" or "Board" means the State Personnel Board established by Article IV, Section III, Paragraph I of the Constitution of the State of Georgia.
- (45) "Surviving Spouse" means the living spouse of a deceased active or retired employee who was covered under the Flexible Benefits Program.
- (46) "Third-Party Administrator" or "TPA" means the third-party flexible benefits eligibility and enrollment system administrator for the Flexible Benefits Program.

Authority:

O.C.G.A. §§ 45-18-50, 45-18-51, 45-18-52, 45-18-53

Other State Law References:

O.C.G.A. §§ 20-2-880, 20-2-910(Plans for Public School Teachers and Employees)

Federal Law References:

42 U.S.C. §§ 300bb-1—300b-8(Requirements for Continuation Coverage for State and Local Government Group Health Plans)

26 U.S.C. § 125 (Cafeteria Plans)