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HAWAII ADMINISTRATIVE RULES

TITLE 17

DEPARTMENT OF HUMAN SERVICES

SUBTITLE 12

MED-QUEST DIVISION

CHAPTER 1709.1

COBRA PREMIUM REIMBURSEMENT PROGRAM

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§17-1709.1-1 General provisions. (a) This chapter establishes the COBRA Premium Reimbursement Program which provides, for a limited period of time, reimbursement at the rates set forth in this chapter, for up to three months for premium payments for extension of employer-sponsored health insurance coverage as allowed by COBRA to an individual who lost employer-sponsored health insurance coverage as a result of a furlough, layoff, reduction in work hours, or termination from employment due to the economic downturn caused by the terrorist attacks on the United States on September 11, 2001, and who is eligible to participate in the program. Premiums paid by such an individual for coverage for the individual's dependent family members may also be covered under this program, provided the affected individual is determined eligible.

(b) The term "COBRA", as used in this chapter, shall refer to the Consolidated Omnibus Budget Reconciliation Act of 1985.

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(c) This program, which is unlike the medical assistance programs administered by the department of human services, shall not be subject to the rules of this subtitle, except as specifically set forth in this chapter.

(d) The provisions of chapter 1702 addressing confidentiality shall apply to this program.

(e) The provisions of chapter 1703 addressing administrative appeals shall apply to this program. However, in applying chapter 1703 to this program, the terms "eligibility branch," "eligibility branch administrator," "med-QUEST eligibility office," and "eligibility worker" in chapter 1703 shall be replaced by the term "med-QUEST division staff."

(f) The provisions of chapter 1704 addressing fraud shall apply to this program. However, in applying chapter 1704 to this program, the terms "medical assistance" and "Medicaid" in chapter 1704 shall be replaced by the term "COBRA premium reimbursement program."

(g) The provisions of subchapter 7 of chapter 1705 addressing recipient recovery shall apply to this program. However, in applying subchapter 7 to this program, the term "medical assistance" in subchapter 7 of chapter 1705 shall be replaced by the term "COBRA premium reimbursement program."

(h) For the purposes of this chapter, the term "med-QUEST division" shall mean the med-QUEST division of the department of human services of the State of Hawaii.

(i) This program shall be administered by the med-QUEST division, except that the department of labor and industrial relations of the State of Hawaii shall issue the reimbursement payments to eligible individuals in the amount and order determined by the med-QUEST division, for the purposes of this program.

(j) For the purposes of this chapter, the term "department" shall mean the department of human services of the State of Hawaii.

(k) For the purposes of this chapter, the terms "COBRA coverage," "COBRA extension," or "COBRA extended coverage" shall mean the extension of

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employer-sponsored health insurance coverage as provided for by the federal Consolidated Omnibus Budget Reconciliation Act of 1985.

(1) For the purposes of this chapter, the term "COBRA premiums" shall mean the premiums paid by an individual for the extension of employer-sponsored health insurance coverage as provided by the federal Consolidated Omnibus Budget Reconciliation Act of 1985.

(m) This program was implemented on January 2, 2002, shall be terminated as provided by law, and shall be subject to the availability of funds. [Eff 06/13/02] (Auth: HRS §346-14, SLH 2001 3 SP, Act 6) (Imp: HRS §346-14, SLH 2001 3 SP, Act 6)

§17-1709.1-2 Eligibility requirements. To be eligible for this program, the individual must:

- (1) Have lost employer-sponsored health insurance coverage, as a result of a furlough, layoff, reduction in work hours, or termination from employment due to the economic downturn caused by the terrorist attacks on the United States on or after September 11, 2001;
- (2) Have subsequently elected and paid for the COBRA extended coverage;
- (3) Not be eligible for any other employment related group health coverage reimbursement or subsidy aimed to assist the individual in continuing the individual's or the individual's family's group health insurance coverage;
- (4) Have documentation of payment of COBRA premiums for which reimbursement under this program is being sought;
- (5) Have countable family assets that do not exceed \$10,000, excluding the primary family residence, two motor vehicles required for employment or personal family use, furniture, items required for daily living,

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- household goods, and one burial space for each family member;
- (6) Have been a resident of Hawaii at the time of the furlough, layoff, reduction in work hours, or termination of employment; and
 - (7) Be a resident of Hawaii during the months or period of time for which reimbursement is sought under this program.
- [Eff 06/13/02] (Auth: HRS §346-14, SLH 2001 3 SP, Act 6) (Imp: HRS §346-14, SLH 2001 3 SP, Act 6)

§17-1709.1-3 Application for participation. (a) An application for participation in the program shall be submitted by or on behalf of an individual for reimbursement, at the rates set forth in this chapter, of COBRA premiums paid by the individual for the individual, the individual's dependent family members, or both.

(b) The application form designated by the department shall be completed and signed by the applicant and the applicant's present or most recent employer and submitted to the med-QUEST division.

(c) Documentary evidence of COBRA premium payments for which an applicant is seeking reimbursement shall be presented with the application. An application that is not accompanied by the required documentary evidence of COBRA premium payment shall be denied.

(d) An application may be submitted for reimbursement of COBRA premiums for one calendar month or multiple calendar months, not to exceed a total of three months. However, reimbursement requests shall only be considered for months for which documentary evidence of COBRA premium payment is submitted.

(e) The determination of whether an applicant is eligible for any reimbursement shall be made by the med-QUEST division.

(f) If an application is denied because it is incomplete, an individual may reapply for

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reimbursement under this program by submitting a new application,

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completed and signed, and the required documentary evidence of payment of the COBRA premium.

(g) Applications for participation in this program shall be accepted up to thirty days prior to the last day that the state department of labor and industrial relations will make payments for reimbursement of COBRA premium payments made for coverage after September 11, 2001, or through November 21, 2002, whichever is sooner.

[Eff 06/13/02] (Auth: HRS §346-14, SLH 2001 3 SP, Act 6) (Imp: HRS §346-14, SLH 2001 3 SP, Act 6)

§17-1709.1-4 Reimbursement of COBRA premium payments. (a) Reimbursement for one month of COBRA premiums for a single individual shall be the lesser of \$125 or the actual amount paid by the eligible individual.

(b) Reimbursement for one month of COBRA premiums for a family shall be the lesser of \$315 or the actual amount paid for the family by the eligible individual.

(c) Reimbursement of COBRA premiums shall be made for the period beginning after September 11, 2001 through June 30, 2002, or until such time the funds appropriated have been expended, whichever occurs sooner. [Eff 06/13/02; am 04/11/03] (Auth: HRS §346-14; SLH 2001 3 SP, Act 6; SLH 2002, Act 85, §5) (Imp: HRS §346-14; SLH 2001 3 SP, Act 6; SLH 2002, Act 85, §5)