

Information on HB 146, Firefighters' Cancer Insurance Benefits

September 29, 2017

In 2016, House Bill 216 passed out of the General Assembly and was vetoed by Governor Deal. This bill would have amended Georgia's longstanding Occupational Disease Statute within the workers' compensation system by no longer considering cancer an ordinary disease of life for firefighters. Implementation of House Bill 216 would have placed significant costs on Georgia cities and strained the workers' compensation system.

Recognizing a need to provide assistance to Georgia's firefighters when they contract cancer, while also protecting the financial interests of Georgia cities, GMA worked with firefighters, elected officials and insurance industry experts to identify a compromise solution. The result of these efforts, and with support from Representative Micah Gravley and Senator John Albers, has been the 2017 passage of House Bill 146, known as the Firefighter Cancer Insurance bill.

House Bill 146 requires all legally organized fire departments to provide a lump sum payment to any firefighter diagnosed with certain types of cancer and up to three years of disability payments to firefighters who, because of injury or illness, cannot work as a firefighter. This new benefit requirement becomes effective on January 1, 2018. While the requirement to provide this benefit will be an additional expense to cities, the expense will be a fraction of the estimated costs House Bill 216 would have imposed.

GMA is offering a fully insured program, backed by The Hartford, to help cities be in compliance with the new law. GMA is currently accepting applications for the program and will return quotes to members in October.

Please see the following series of frequently asked questions below.

General Information about HB 146

Q. What is the purpose of HB 146 (the Act)?

A. The Act provides firefighters, including volunteers, with monetary assistance in the event they are diagnosed with cancer.

Q. Who is affected by HB 146?

A. All entities that have firefighters certified in the State of Georgia, whether public or private.

Q. In general, what does the Act require?

A. Primarily, there are two parts of the Act relating to a diagnosis of cancer for eligible firefighters. One is a critical illness requirement and the other is an income replacement requirement. Depending upon the severity of the diagnosis, the critical illness requirement is either \$25,000 or \$ 6,250. The income replacement requirement is 60% of the firefighter's total salary as a paid firefighter, or \$5,000 per month, whichever is less, for a period of 36 months. If the firefighter is a volunteer, then the requirement is \$1,500 (since there is no salary). Income replacement is required to start no later than 6 months after the determination that a firefighter can no longer perform the duties of a firefighter. The requirements are independent of each other, but the firefighter is not allowed to receive payments as both an employed firefighter and as a volunteer.

Q. What date does the Act become effective?

A. The effective date is 1/1/2018.

Q. How do I know if my entity is required to comply with the Act?

A. In the most basic terms, if your entity has a legally organized fire department that employs firefighters or utilizes volunteer firefighters, then your entity is subject to the Act.

Q. Who determines if an entity has complied with the provisions of the Act?

A. The Georgia Firefighter Standards and Training Council will determine rules and regulations governing the Act and what constitutes compliance.

Q. I've determined that my entity is subject to the Act. How do we comply?

A. There are two methods: you can purchase insurance that is in compliance with the Act or

you can self-insure the requirements. Most entities will find it necessary to purchase insurance to comply with the Act.

Q. What are the requirements to become self-insured?

A. Those requirements are established by the Georgia Department of Insurance.

Q. Is the State of Georgia creating an insurance program at the State level?

A. No. Insurance for the program can be provided by a private insurance company licensed in the State of Georgia or the entity can self-insure the required benefits.

Q. Will a compliant insurance program be established?

A. Yes, a program will be provided through the Georgia Municipal Association for municipalities and through ACCG for counties. Entities that do not fall into either category will have access to the same program through Willis Towers Watson.

Q. Can insurance be purchased outside of the GMA, ACCG or Willis Towers Watson program?

A. Yes, as long as the insurance is in compliance with the Act.

Q. Does the legislation allow for different plan aspects to be offered?

A. Yes. The legislation defines a minimum requirement. To the extent those requirements are met, or exceeded, will be determined by how an individual entity chooses to meet requirements of the Act.

FAQ for Firefighters

Q. Who is eligible for benefits?

A. All employed and volunteer Georgia firefighters, as of 1/1/2018.

Q. Can a firefighter submit a claim under the program for an illness or injury diagnosed prior to 1/1/2018?

A. No. Only compensable injuries and illnesses diagnosed on 1/1/2018 or after will be eligible to receive benefits.

Q. What is the difference between employed and volunteer firefighters?

A. An employed firefighter's primary source of employment is working as a firefighter and is receiving compensation for their work. Volunteer firefighters, while not employed for compensation, are certified according to the rules and regulations of the Georgia Firefighter Standards and Training Council.

Q. What is the estimated number of employed and volunteer firefighters in the State of Georgia?

A. There are approximately 30,000 employed and volunteer firefighters currently serving in the State of Georgia.

Q. Are only county and city firefighters covered under the Program?

A. No. County, city, state and private firefighters are all eligible.

Q. Must a firefighter have served continuously for a period of time to be eligible?

A. Yes, firefighters must have served 12 consecutive months with their fire department to be eligible.

Q. If a firefighter serves as a paid firefighter in one location and a volunteer firefighter in another location, would that firefighter be eligible for coverage in both locations?

A. No. Upon diagnosis of illness or injury, a firefighter would be eligible in either their primary place of employment or where they volunteer as a firefighter, but not both.

Features of the GMA Firefighters Benefit Program

Q. How does the lump-sum supplemental medical benefit work with the insurance program GMA will make available?

A. The lump-sum benefit provides a payout for a diagnosis of cancer based upon severity of the condition. For severe forms of cancer, the payout is \$25,000. For less severe forms of cancer, the payout is \$6,250. There are also types of pre-cancerous conditions which would not qualify for a payout. These details will be provided in future materials distributed to the firefighters as well as the future Benefit Program website.

Q. Does the lump-sum benefit pay for more than one diagnosis of cancer?

A. Yes. Subject to a limit of \$25,000 per diagnosis, the critical illness (lump sum) component is limited to \$50,000.

Q. How much time must separate multiple diagnoses to allow for more than one payout?

A. The firefighter must be symptom free for 180 days between diagnoses.

Q. May the firefighter take the benefit with them when they leave service?

A. Yes, provided they have not exhausted their \$50,000 limit while employed or volunteering, the firefighter may keep the lump-sum benefit and continue coverage. The firefighter must pay the premium to continue coverage.

Q. How does the income replacement benefit work?

A. The benefit starts 6 months after the date a firefighter is determined to be disabled by illness or injury. For employed firefighters, the monthly benefit is 60% of their pre-disability earnings, subject to a maximum of \$5,000. For volunteer firefighters, the benefit is a flat monthly benefit of \$1,500.

Q. How long does the income replacement benefit last?

A. Provided the firefighter is deemed disabled, the benefit maximum duration is 36 months following the waiting period.

Q. Does the income replacement benefit pay only for a diagnosis of cancer?

A. No. The income replacement benefit will pay for any illness or injury resulting in disability as detailed under the insurance contract provisions.

Q. For an active firefighter who is employed with more than one fire station, may they combine the income received from each station to determine their income replacement benefit?

A. Yes, provided the salary information is available, the firefighter may combine all sources of firefighter income to calculate their benefit up to a maximum of \$5,000 per month.

Q. For a volunteer firefighter, does the income replacement benefit cover income

earned in employment outside of service as a firefighter?

A. No. The volunteer firefighter maximum benefit is a flat \$1,500.

Q. If the active or volunteer firefighter is receiving income from other sources, is the monthly benefit reduced?

A. Yes. The monthly benefit will be reduced based on the other sources of income.

Q. If a firefighter owns a privately purchased insurance policy paying benefits in addition to those received under the program, would the Program monthly benefit be reduced?

A. No, provided the firefighter purchased a privately acquired policy not provided or funded by their employer.

Q. Are both benefits taxable?

A. Both benefits are taxable under IRS rules as the firefighter's employer is paying for the coverage.

Q. What is the estimated cost of the insurance Program through GMA?

A. Although not finalized, the estimated cost per firefighter per year is approximately \$400.

Q. Who is responsible for paying for the Program?

A. Municipalities, counties, and private organizations that employ firefighters and/or use the services of volunteer firefighters will be responsible for paying the premium. In those cases where a firefighter is both employed by a fire department and volunteers at other departments, then the employer will be responsible for the premium.

Q. Is the State of Georgia paying for any of the local governments' costs for the Program?

A. No, however, House Bill 146 does exempt the purchase of this type of insurance from all state and local insurance premium taxes.

Additional details will be provided in the coming weeks and a website will be developed for reference. In the interim, please direct any questions to Stan Deese at (678) 686-6221 or Cal

Wray at (678) 686-6215.



**GMA - GIRMA Firefighters' Cancer Benefit Program
Proposal for Coverage**

Effective Date: January 1, 2018

Anniversary Date: January 1

City Name: City of Lake Park

City FCC ID Number: 0000139

Insurer: Hartford Life and Accident Insurance Company

There are two coverage components required by House Bill 146 (2017) effective January 1, 2018:

- 1) Lump Sum Cancer Benefit
- 2) Long-Term Disability (Income Replacement)

The GMA-GIRMA Lump Sum Cancer Benefit and Long-Term Disability (Income Replacement) coverage components are designed to comply with House Bill 146 when purchased together. However, a city is permitted to purchase only one component if desired.

Estimated annual premiums are based on the Eligible Firefighter census data provided by the city. Premiums for Long-Term Disability (Income Replacement) differ based on whether a firefighter is employed or is a volunteer. While the premiums below are estimated annual amounts, the city will be billed on a quarterly basis in an amount that reflects the city's updates to the census.

Component 1: Lump Sum Cancer Benefit – All Firefighters	
Maximum Benefit each diagnosis:	\$6,250 (less severe forms of cancer)
	\$25,000 (severe forms of cancer)
Lifetime Benefit per firefighter:	\$50,000
Lump Sum Cancer Benefit Only - Estimated Annual Premium for All Firefighters:	\$793
Component 2: Long-Term Disability (Income Replacement)	
Employed Firefighters	
Monthly benefit:	60% of pre-disability firefighter earnings
Maximum monthly benefit per firefighter:	\$5,000
Estimated Annual Premium for Employed Firefighters:	\$0
Volunteer Firefighters	
Monthly Benefit per firefighter:	\$1,500
Estimated Annual Premium for Volunteer Firefighters:	\$331
Long-Term Disability Only (Income Replacement) –	\$331
Estimated Annual Premium for All Firefighters:	
Estimated Annual Premium for Components 1 & 2: Lump Sum Cancer Benefit + Long Term Disability (Income Replacement):	\$1,124

This proposal is valid for 30 days after proposal is issued or until the effective date, whichever is later.
This overview is not a part of the policy(ies) and does not provide or explain all provisions of the policy(ies).



DESCRIPTION OF COVERAGE PROVIDED THROUGH GMA

All legally organized fire departments in Georgia are required by House Bill 146 (2016-2017) to provide certain cancer benefits to their firefighters effective January 1, 2018. GMA has developed a solution for Georgia cities that need this coverage, providing financial protection to firefighters and their families in the event they contract cancer.

INSURER: The Hartford Life and Accident Insurance Company
 COVERAGES PROVIDED: Lump Sum Cancer & Long Term Disability (Income Replacement)
 MASTER POLICYHOLDER: GMA – Georgia Interlocal Risk Management Agency
 ADMINISTRATOR: Georgia Municipal Association

Who is eligible? An “Eligible Firefighter” is a recruit or a trained individual who is a full-time employee, part-time employee, or volunteer for a legally organized fire department as defined by O.C.G.A. § 25-4-2 after having served 12 consecutive months for such fire department.

CLASS DESCRIPTIONS: Class 1 - Volunteer Firefighters; Class 2 – Employee Firefighters

Lump Sum Cancer Benefit: Full-time/Part-time Employees and Volunteers
 Maximum Limit each diagnosis: \$6,250 (less severe forms of cancer as noted in HB 146);
 \$25,000 (severe forms of cancer as noted in HB 146)
 Lifetime Benefit per Firefighter: \$50,000
 Continuation Rights: Yes (Enroll within 31 days of termination of eligibility)

Long-Term Disability (Income Replacement)

Elimination Period: 180 Days
 Benefit Duration: 3 Years or until released to work as firefighter
 Return to Work Incentive: Included
 Integration Method: Direct with Family Social Security Offset
 Pre-Existing Condition Limit: 3 months lookback
 Survivor Income Benefit: 3 times last monthly Benefit
 Continuation Rights: Yes (Enroll within 31 days of termination of eligibility)

Benefits:

Volunteer: \$1,500 Monthly Benefit
 Full-time/Part-time Employee: 60% of pre-disability earnings as firefighter for Participating Employer
 Minimum Monthly Benefit: \$100
 Maximum Monthly Benefit: \$5,000

The disability benefits will be reduced by any other income benefits other than those purchased solely by the firefighter as noted by House Bill 146 (2016-2017).

This overview is not a part of the policy(ies) and does not provide or explain all provisions of the policy(ies).

Questions about this program? Call Willis Towers Watson representatives Lindsey Albright (404.224.5044) or Meghan Murray (404.302.3898) or Stan Deese at GMA (678.686.6221).

Georgia Interlocal Risk Management Agency ("GIRMA")

Fund Participation Election Form for Prospective Member Entities Joining GIRMA On or After January 1, 2018 [Attach to Intergovernmental Contract]

As stated in Section 6.1 of the Intergovernmental Contract, a GIRMA member must participate in at least one Fund established by the GIRMA Board of Trustees. The Intergovernmental Contract and GIRMA Bylaws apply to all GIRMA members, regardless of the Fund or Funds in which they participate. Terms and conditions specific to a Fund are set forth in the Coverage Description for the Fund.

A coverage description for Fund A is on file with the Georgia Department of Insurance and is provided to new Fund A members after approval of membership in Fund A. A copy of the coverage description for Fund A is available to prospective members upon request. A coverage description for Fund B will be filed with the Georgia Department of Insurance and made available upon request to Fund B members after approval of membership in Fund B.

All Prospective Members joining GIRMA on or after January 1, 2018 must complete this Fund Participation Election Form.

Please select the Fund or Funds in which the Prospective GIRMA Member named below will participate. This completed Form will be attached to the Resolution to Become a Member of the Georgia Interlocal Risk Management Agency (GIRMA) and Participate in One or More of GIRMA's Funds. If Fund B is selected, the Prospective Member also must complete the attached **FIREFIGHTER CANCER COVERAGE APPLICATION AND PARTICIPATION AGREEMENT**.

Fund A	Fund B
Coverage of: <ul style="list-style-type: none"> • Property liability • Automobile physical damage and liability • Law enforcement liability • General liability • Public official liability • Employee benefits liability • Fidelity (including crime and all bonds) liability • Data and network security liability 	<ul style="list-style-type: none"> • Firefighter Cancer lump sum and disability coverage required by Georgia House Bill 146, 2016-2017 Regular Session • Coverage is fully insured by Hartford Insurance

The [Name of Prospective Member Entity] _____ elects to join [choose one or both] ___ Fund A ___ Fund B (**FIREFIGHTER CANCER COVERAGE APPLICATION AND PARTICIPATION AGREEMENT** required). Membership in the Fund or Funds selected shall be effective on the date of approval by Georgia Municipal Association, Inc., the Program Administrator for GIRMA.

By: _____ Title: _____ Date: _____

Print Name of Authorized Signer: _____

**A RESOLUTION TO BECOME A MEMBER OF THE GEORGIA INTERLOCAL RISK
MANAGEMENT AGENCY (GIRMA) AND
PARTICIPATE IN ONE OR MORE OF GIRMA'S FUNDS**

WHEREAS, Article 9, Section 3, Paragraph 1 of the Constitution of Georgia authorizes municipalities and other political subdivisions to contract with each other for activities which the contracting parties are authorized by law to undertake; and

WHEREAS, Chapter 85 of Title 36 of the Official Code of Georgia Annotated authorizes certain public entities to execute intergovernmental contracts to become members of an interlocal risk management agency for the purpose of sharing their accident, disability, supplemental medical, general liability, motor vehicle and property damage risks in whole or in part; and

WHEREAS, municipalities within Georgia have found it increasingly difficult to obtain commercial insurance protection, and have found the costs of such protection often exceeds the ability of a public entity to pay; and

WHEREAS, public entities in Georgia need a stable method for managing their risks to avoid the unpredictable and cyclical nature of the commercial insurance market; and

WHEREAS, many Georgia public entities do not have sufficient resources to self-insure their risks on an individual basis; and

WHEREAS, the Public Entity of _____ ("Public Entity"), located in _____ County, Georgia, desires to become a Member of the Georgia Interlocal Risk Management Agency ("GIRMA"), an interlocal risk management agency formed pursuant to Chapter 85 of Title 36 of the Official Code of Georgia Annotated; and

WHEREAS, the intergovernmental contract requires all members of GIRMA to participate in at least one GIRMA Fund; and

WHEREAS, the governing authority of Public Entity has reviewed the intergovernmental contract, the Fund Election Form, and the bylaws of GIRMA and finds that the goals of GIRMA and the obligations imposed on Public Entity by membership in GIRMA and the Fund or Funds selected on the Fund Election Form are in accordance with the philosophy and public policy objectives of this community; and

WHEREAS, the governing authority of Public Entity finds that it is in the best interest of its residents to become a member of GIRMA and to join the Fund or Funds selected on the Fund Election Form;

NOW THEREFORE BE IT RESOLVED by the governing authority of Public Entity:

1. The [Insert title of Chief Officer] of Public Entity is authorized to execute the intergovernmental contract to become a Member of GIRMA and the GIRMA Fund Election Form to become a member of the GIRMA Funds identified on that Form. A copy of the intergovernmental contract and bylaws of GIRMA and the completed Fund Election Form are attached and made part of this resolution as Appendix 1.
2. The powers of GIRMA shall be limited to those contained in the documents attached as Appendix 1, as amended from time to time, and those contained in Chapter 85 of Title 36 of the Official Code of Georgia Annotated and the rules and regulations of the Insurance Commissioner of the State of Georgia.

3. The commencement of operations and the continuing operations of GIRMA and the obligation of Public Entity to fully participate in such operations shall be effectuated in accordance with the intergovernmental contract and bylaws and the Fund Election Form.
4. The [Insert title of Chief Officer] of Public Entity is designated as Public Entity's representative to GIRMA, and he or she is authorized to complete any additional documents required for membership in GIRMA or the selected Fund or Funds.
5. Public Entity may change its representative by making a written request to Georgia Municipal Association, Inc., the Program Administrator for GIRMA.
6. This resolution shall be effective on the date of adoption.

Adopted this _____ day of 20 _____. _____
(Name of Public Entity)

By: _____,
[Print Name of Person Authorized to Sign Resolutions, Title]

Attest: _____,
[Print Name of Person Authorized to Attest, Title]

Southern Stone Age

Estimate

For: Terry Dees
terrydeescui@yahoo.com
300 north Railroad Ave. Lake Park Ga. 31636

Estimate No: 8
Date: 10/05/2017

Description	Quantity	Rate	Amount
Remove and relay brick pavers in front and side of Historical Society Lake Park to accommodate for proper drainage of rain water	1	\$5,800.00	\$5,800.00
		Subtotal	\$5,800.00
		Total	\$5,800.00
Total			\$5,800.00

STOKES MASONRY & CONST.CO, LLC ESTIMATES
LABOR & MATERIALS
OFFICE..... 512 SOUTH ASHLEY ST
MAILING ADDRESS.....2448 PATRICK PL
VALDOSTA GA.31601...PHONE#229-630-8483

FOR SERVICES RENDERED TO MR TERRY DEES

JOB SITE..... THE OLD BUILDING IN LAKE PARK

STOKES WILL DIG & POUR CONCRETE PADS FOR 6 AIR VENTS WATER TABLE
SINKS AT \$40 EA VENT=\$240
STOKES WILL BUILS 6 BRICK WATER TABLES SINKS AT \$65 EA SINK=\$390
STOKES WILL BUILS A 12 FT WATER PREVENTION WALL AT END OF BUILDIND AT
\$425
STOKES WILL CUT OUT PARTIAL WOOD FROM FRONT DOOR AND REPLACE WITH
CONCRETE AT \$75

TOTAL ESTIMATED PROJECT COST.....\$1,130.00

DATE... 04-08-18

OWNER.....

NOTE... ANY CHANGES TO THIS QUOTE WILL BE CONSDIERED CHANGE ORDERED
& WILL BE CHARGED ACCORDINGLY.

THANK YOU FOR ALLOWING US TO SERVICE YOU.

TAX ID#... 45-2760113
BUS. LICENSE#... 17770
INSURANCE CARRIER..... BLANTON & GRIFFIN...ASK FOR KIM OR
KEVIN...PH#229-247-6500