



COBRA

Understanding Your
Continued Benefits Options

As your residency comes to an end, so does your benefits



The Questions You Are Most Likely Asking are...

- Now What?
- If I don't have coverage available to me for a temporary period of time after I leave TTUHSC, what am I going to do?



Answer...



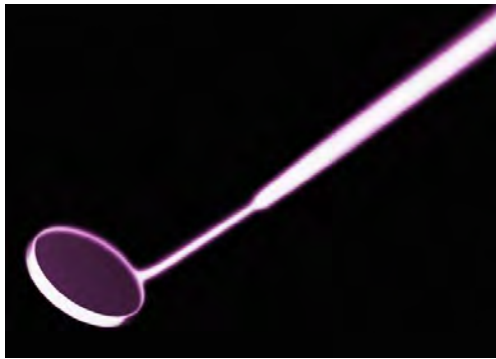
ELECT COBRA

What is COBRA?

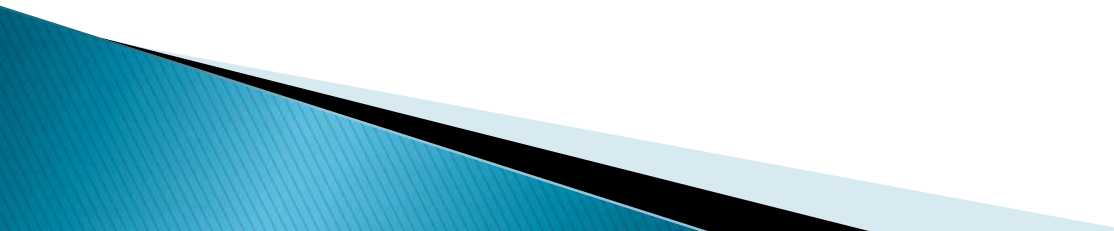
- ▶ It is a continuation of coverage to covered employees, former employees, spouses, former spouses, and dependent children when group “health” coverage would otherwise be lost due to certain specific events.

What is deemed “health” coverage?

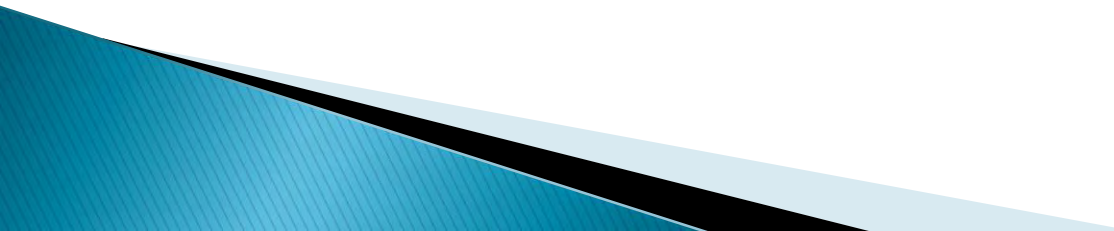
- ▶ Medical
- ▶ Dental
- ▶ Vision



The election of coverage is your choice...

- ▶ For the benefits that are currently available to you and your covered dependents, you may elect to continue the coverage for one benefit or all benefits.
 - ▶ The decision is yours.
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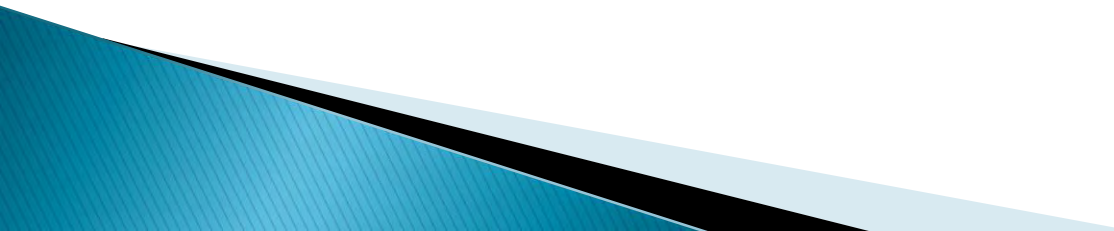
Who Is Entitled to Continuation Coverage?

- ▶ A group health plan is required to offer COBRA continuation coverage only to **qualified beneficiaries** and only after a **qualifying event** has occurred.
 - ▶ A qualified beneficiary is an individual who was covered by a group health plan on the day before a qualifying event occurred and who is either an employee, the employee's spouse or former spouse, or the employee's dependent child.
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What are Qualifying Events?

- ▶ "Qualifying events" are events that cause an individual to lose group health coverage.
 - The following are qualifying events for a **covered employee** if they cause the covered employee to lose coverage:
 - Termination of the covered employee's employment for any reason other than "gross misconduct"; or
 - Reduction in the covered employee's hours of employment.
 - The following are qualifying events for a **spouse and dependent child** of a covered employee if they cause the spouse or dependent child to lose coverage:
 - Termination of the covered employee's employment for any reason other than "gross misconduct";
 - Reduction in hours worked by the covered employee;
 - Covered employee becomes entitled to Medicare;
 - Divorce or legal separation of the spouse from the covered employee; or
 - Death of the covered employee.
 - In addition to the above, the following is a qualifying event for a **dependent child** of a covered employee if it causes the child to lose coverage:
 - Loss of "dependent child" status under the plan rules

Then what?

- ▶ Upon your leaving TTUHSC, you and each covered dependent will receive a COBRA ELECTION NOTICE.
 - ▶ Each qualified beneficiary has 60 days after the loss of coverage in which to elect continuation coverage.
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Who pays the premium?

YOU DO!



When is the first payment due?

- ▶ Qualified beneficiaries who elect to continue coverage, have 45 days after the date of election in which to make the initial premium payment.
- ▶ NOTE: ALL PREMIUM DUE MUST BE PAID BY THE END OF THIS PERIOD

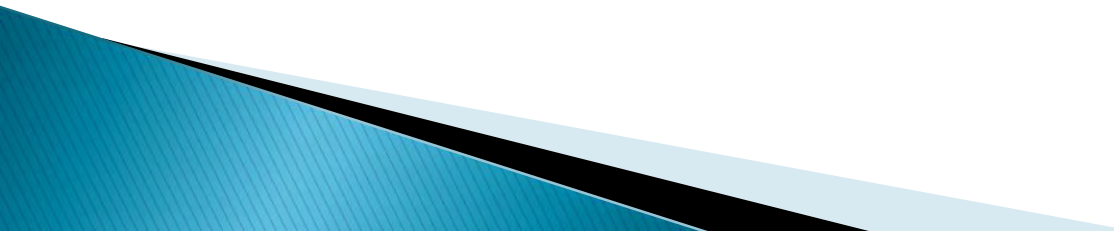
When are subsequent premiums due?

- ▶ The 1st of each month

When will I know the cost?

- ▶ When you receive your COBRA Election Notice and Form, the cost of continuing your coverage will be included.

Important Steps:

- ▶ Watch for your COBRA Election Notice in your mail
 - ▶ Decide if you need to continue the coverage
 - ▶ Complete the COBRA Election Form to either elect coverage or decline
 - ▶ Return, Return, Return...return the election form to the address indicated in the instructions.
 - ▶ Pay, Pay, Pay...pay your premium on time
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How long can I continue COBRA?

- ▶ 18 months (for termination of employment other than gross misconduct)
 - However, you can terminate the COBRA coverage at any time

If I have more questions who do I call?

- ▶ Monica Loya
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