

COBRA OPTIONS FOR CONTINUED COVERAGE

The following alternative conditions are options after you've lost your employer sponsor group medical, dental and vision coverage:

COBRA:

1. After receiving the COBRA notice, employee will have to make the COBRA election within **45 days**. (If employee chose to elect)
2. This COBRA coverage may continue for:
 - **18 months** *
 - **29 months** *
 - **36 months** *

* - Continuation of coverage is for **18 months** for workers and their dependents in case of loss of coverage through:

1. Reductions in work hours (no longer full-time)
2. You voluntarily quit
3. Layoff for economic reasons
4. Discharge for misconduct (other than gross misconduct)

* - The disability extension rule (extending the **18 months** period to **29 months** for all qualified beneficiaries, applicable in certain cases when a qualified beneficiary is disabled.

* - Continuation of coverage is for **36 months** for employees and their dependents in case of the following:

1. Surviving spouse and children of deceased employee
2. Separated/divorced spouse and children of current employee
3. Children of current employees who would lose coverage due to age

CalCOBRA

* **Continuation under AB 1401** (This continuation law applies to COBRA continuation coverage that began on or after January 1st, 2003.)

CalCOBRA extends the continuation health coverage period in California employees who have exhausted their federal **18-month** or **29-month** coverage period up to **36 months** from the date of the beginning of their COBRA coverage period. It does not further extend the coverage period for COBRA beneficiaries already receiving up to **36 months** of continued coverage (e.g., in connection with the death of the covered employee or divorce or legal separation).

The cost for the additional coverage after **18 months** cannot exceed 110 percent of the applicable premium. A qualifies beneficiary who is determined to be disabled for Social

Security purposes may be required to pay no more than 150 percent of the group rate after the first **18 months** of continuation coverage expires.

This extension does not apply to group-sponsored dental or vision plans or to Medicare supplement plans.

Exception: Partial Self Funding PPO medical plan is not subject to CalCOBRA extension rule.

GUARANTEE ISSUE:

Within **63 days** after you run out of COBRA coverage (**18, 29, 36 months**) or due to employer bankruptcy then you are eligible for individual guarantee issue policy.

QUALIFY EVENT:

Employee's dependent(s) must be added into the plan within **30 days** after the loss of coverage.

“Who qualifies for qualify event”

1. Acquisition of new dependent by adoption, placement for adoption, Birth, or Marriage
2. Spouse loss of coverage through their employer
3. Divorce or legal separation
4. Spouse coming from abroad

OPTION OTHER THAN COBRA ELECTION:

1. Individual/Family Health Plan without subsidy. Member has to enroll within 30 days after the termination date with proof of Employer termination notice.
2. CoveredCA Individual/Family Health Plan with subsidy. If your household income falls into Federal Poverty level between 100% - 400%. See below 2019 Federal Poverty Guidelines. When your income is below 138% of the Federal poverty level (see chart below), you may qualify for Medical program.

Group Life Insurance – Conversion Privilege

When coverage ends under the plan, you can convert your coverage to an individual life policy, without evidence of insurability. The maximum amount that you can convert is the amount you are insured for under the plan. You may convert a lower amount of life insurance.

You must apply for individual life insurance under this life conversion privilege and pay the first premium within **31 days** after the date:

- Your employment terminated; or

- You no longer are eligible to participate in the coverage of the plan.

If you convert to an individual life policy, then return to work, and, again, become insured under the plan, you are not eligible to convert to an individual life policy again. However, you do not need to surrender that individual life policy when you return to work.

Long Tern Disability

Elimination Period: The Elimination Period is the length of time of continuous disability which much be satisfied before you are eligible to receive benefits.

LTD benefits would begin after **90 consecutive days** of disability, as described in the policy booklet.

You can start to submit the claim as soon as 45 days after total disabled condition along with the doctor's certification that this disability will last more than 90 days.