
COBRA: CONTINUATION OF COVERAGE PROVISIONS FOR THE GROUP HEALTH INSURANCE PROGRAM

This notice is provided to meet federally required notification for continuing your health insurance in the event that you or a covered dependent lose eligibility for coverage. Both you and your spouse should take the time to read this information carefully.

If active coverage is lost, Madison College routinely permitted continuation of coverage for a:

- Retired employee
- Surviving spouse of an active or retired employee
- Surviving dependent child of an active or retired employee

The coverage for a retired employee and surviving spouse may be continued to age 65 or Medicare eligibility, whichever occurs first. Children may continue coverage for only as long as they meet the definition of a dependent child. This is considered to be continuation of coverage as discussed below. Current federal law, known as COBRA, is somewhat broader and requires that this notification, regarding additional continuation rights, be given to you and your spouse at the time group health insurance coverage begins. Your employer will provide you with the necessary forms. *If you choose COBRA, complete and return the forms to ETF. Do not send a check. Your health plan will bill you.*

Note: You may be able to get coverage through the Health Insurance Marketplace or other group health plan coverage (such as under a spouse's plan) through a "special enrollment period". Some of these options may cost less than COBRA continuation coverage. You should compare options and choose what is best for you.

If you are the actively employed subscriber, you have the right to apply for continuation of coverage for up to 18 months if you lose coverage because of a reduction in hours of employment or termination of employment (for reasons other than gross misconduct).

If you are the spouse of the subscriber (active or retired), you have the right to apply for continuation if you lose coverage for any of the following reasons:

1. The death of your spouse*
2. A termination of your spouse's employment (for reasons other than gross misconduct) or reduction in your spouse's hours of employment
3. Divorce from your spouse*

Dependent children have the right to continuation if coverage is lost for any of the following reasons:

1. The death of a parent*
2. A termination of a parent's employment (for reasons other than gross misconduct) or reduction in a parent's hours of employment
3. Parents' divorce*; or
4. The dependent child loses dependent status*.

* These qualifying events entitle the dependent to up to 36 months of continuation coverage.

The employee or a family member has the responsibility to inform the employer of a divorce or a child losing dependent status. Under the law, your application to continue coverage must be postmarked within 60 days from the termination of your current coverage or within 60 days of the date you were notified by your employer of the right to choose continuation coverage, whichever is later. If notification is not provided within 60 days of the date of these two events, the right to continuation coverage is lost.

Continuation coverage is identical to the former coverage, and you have the right to continue this coverage from the date of the qualifying event (for example, divorce or a dependent reaching the limiting age) that caused the loss of eligibility. However, your continuation coverage may be cut short for any of the following reasons:

1. The premium for your continuation coverage is not paid;
2. You or a covered family member become covered under another group health plan that does not have a preexisting conditions clause which applies to you or your covered family member;
3. You were divorced from a covered employee, subsequently remarry and are covered under your new spouse's group health plan.
4. A covered member becomes entitled to Medicare benefits.

If you do not choose continuation coverage, your group health insurance coverage will end. You do not have to show that you are insurable to choose continuation coverage. However, you will be required to pay all of the premium (both your share and any portion previously paid by your employer). At the end of the continuation coverage period, you will be allowed to enroll in an individual conversion or Marketplace health plan. Contact your health plan directly to make application for such coverage.

If you are an active employee, you or your dependents should contact your employer regarding continuation (including any changes to your marital status or addresses).