Qualifying Event Forms Packet (NY)

This packet contains form for use following a qualifying event that is:

1. Termination of employment
2. Reduction in hours of employment
3. Death of employee
4. Divorce or legal separation
5. Employee becomes qualified Medicare
6. Child’s loss of dependent status

Packet Contents:

1. Qualifying Event Notice
2. Election Notice

ERISA Section 606(c) requires the plan administrator to notify a qualified beneficiary of their COBRA rights within 14 days after the plan administrator is notified by the employer that a qualifying event has occurred. When the employer is also the plan administrator, the employer must provide notice to the qualified beneficiary within 44 days of the qualifying event date.

For qualifying events where the qualified beneficiary is required to notify the plan administrator (divorce or legal separation, Medicare entitlement, loss of dependent status), the administrator has **14 days** to provide the notice.

|  |  |  |  |
| --- | --- | --- | --- |
| **Date of Notice** |  | **Mailing Method** |  |
| **Name of Individual(s)** |  | | |
| **Address** |  | | |
| **City, St, Zip** |  | | |
| **Notes:** | | | |

**Please note text in red. Some sections of this document can be removed if not applicable to your plan.**

**Model COBRA Continuation Coverage Election Notice**

**(For use by single-employer group health plans)**

**IMPORTANT INFORMATION: COBRA Continuation Coverage and other Health Coverage Alternatives**

[*Enter date of notice*]

Dear: [*Identify the qualified beneficiary(ies), by name or status*]

**This notice has important information about your right to continue your health care coverage in the [*enter name of group health plan*] (the Plan), as well as other health coverage options that may be available to you, including coverage through the Health Insurance Marketplace at** [**www.HealthCare.gov**](http://www.healthcare.gov/) or call1-800-318-2596**. You may be able to get coverage through the Health Insurance Marketplace that costs less than COBRA continuation coverage.** Please read the information in this notice very carefully before you make your decision. If you choose to elect COBRA continuation coverage, you should use the election form provided later in this notice.

### Why am I getting this notice?

You’re getting this notice because your coverage under the Plan will end on [*enter date*]due to [*check appropriate box*]:

□ End of employment □ Reduction in hours of employment

□ Death of employee □ Divorce or legal separation

□ Entitlement to Medicare □ Loss of dependent child status

Federal law requires that most group health plans (including this Plan) give employees and their families the opportunity to continue their health care coverage through COBRA continuation coverage when there’s a “qualifying event” that would result in a loss of coverage under an employer’s plan.

### What’s COBRA continuation coverage?

COBRA continuation coverage is the same coverage that the Plan gives to other participants or beneficiaries who aren’t getting continuation coverage. Each “qualified beneficiary” (described below) who elects COBRA continuation coverage will have the same rights under the Plan as other participants or beneficiaries covered under the Plan.

**Who are the qualified beneficiaries?**

Each person (“qualified beneficiary”) in the category(ies) checked below can elect COBRA continuation coverage:

□ Employee or former employee

□ Spouse or former spouse

□ Dependent child(ren) covered under the Plan on the day before the event that caused

the loss of coverage

□ Child who is losing coverage under the Plan because he or she is no

longer a dependent under the Plan

**Are there other coverage options besides COBRA Continuation Coverage?**

Yes. Instead of enrolling in COBRA continuation coverage, there may be other more affordable coverage options for you and your family through the Health Insurance Marketplace, Medicaid, or other group health plan coverage options (such as a spouse’s plan) through what is called a “special enrollment period.” Some of these options may cost less than COBRA continuation coverage.

You should compare your other coverage options with COBRA continuation coverage and choose the coverage that is best for you. For example, if you move to other coverage you may pay more out of pocket than you would under COBRA because the new coverage may impose a new deductible.

When you lose job-based health coverage, it’s important that you choose carefully between COBRA continuation coverage and other coverage options, because once you’ve made your choice, it can be difficult or impossible to switch to another coverage option.

**If I elect COBRA continuation coverage, when will my coverage begin and how long will the coverage last?**

|  |  |
| --- | --- |
| Coverage Begin Date: |  |
| Coverage End Date:  (18 or 36 months from qualifying event date, depending on the type of qualifying event. |  |

|  |  |
| --- | --- |
|  | 18 months (for termination of employment and reduction of hours). |
|  | 36 months (for other qualifying events). |

You may elect any of the following options for COBRA continuation coverage:

|  |  |
| --- | --- |
| Coverage Type | Plan Name |
|  |  |
|  |  |
|  |  |
|  |  |

Continuation coverage may end before the date noted above in certain circumstances, like failure to pay premiums, fraud, or the individual becomes covered under another group health plan.

# Can I extend the length of COBRA continuation coverage?

If you elect continuation coverage, you may be able to extend the length of continuation coverage if a qualified beneficiary is disabled, or if a second qualifying event occurs. You must notify [*enter name of party responsible for COBRA administration*] of a disability or a second qualifying event within a certain time period to extend the period of continuation coverage. If you don’t provide notice of a disability or second qualifying event within the required time period, it will affect your right to extend the period of continuation coverage.

For more information about extending the length of COBRA continuation coverage visit <http://www.dol.gov/ebsa/publications/cobraemployee.html>.

### How much does COBRA continuation coverage cost?

COBRA continuation coverage will cost:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Coverage/Plan | Monthly Premium | | | | |
|  | Employee | EE+ Spouse | EE+ Child(ren) | Family |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |

**Election Timeframe for COBRA**

|  |  |
| --- | --- |
| You have 60 days to elect COBRA, measured from the later of the date of this notice or date coverage is lost. Coverage must be elected by this date. | COBRA Election Deadline |
|  |

Other coverage options may cost less. If you choose to elect continuation coverage, you don’t have to send any payment with the Election Form. Additional information about payment will be provided to you after the election form is received by the Plan. Important information about paying your premium can be found at the end of this notice.

**You may be able to get coverage through the Health Insurance Marketplace that costs less than COBRA continuation coverage.** You can learn more about the Marketplace below.

**What is the Health Insurance Marketplace?**

The Marketplace offers “one-stop shopping” to find and compare private health insurance options. In the Marketplace, you could be eligible for a new kind of tax credit that lowers your monthly premiums and cost-sharing reductions (amounts that lower your out-of-pocket costs for deductibles, coinsurance, and copayments) right away, and you can see what your premium, deductibles, and out-of-pocket costs will be before you make a decision to enroll. Through the Marketplace you’ll also learn if you qualify for free or low-cost coverage from [Medicaid](https://www.healthcare.gov/do-i-qualify-for-medicaid) or the [Children’s Health Insurance Program (CHIP)](https://www.healthcare.gov/are-my-children-eligible-for-chip). You can access the Marketplace for your state at [www.HealthCare.gov](http://www.HealthCare.gov).

Coverage through the Health Insurance Marketplace may cost less than COBRA continuation coverage. Being offered COBRA continuation coverage won’t limit your eligibility for coverage or for a tax credit through the Marketplace.

**When can I enroll in Marketplace coverage?**

You always have 60 days from the time you lose your job-based coverage to enroll in the Marketplace. That is because losing your job-based health coverage is a “special enrollment” event. **After 60 days your special enrollment period will end and you may not be able to enroll, so you should take action right away.** In addition, during what is called an “open enrollment” period, anyone can enroll in Marketplace coverage.

To find out more about enrolling in the Marketplace, such as when the next open enrollment period will be and what you need to know about qualifying events and special enrollment periods, visit [www.HealthCare.gov](http://www.HealthCare.gov).

**If I sign up for COBRA continuation coverage, can I switch to coverage in the Marketplace? What about if I choose Marketplace coverage and want to switch back to COBRA continuation coverage?**

If you sign up for COBRA continuation coverage, you can switch to a Marketplace plan during a Marketplace open enrollment period. You can also end your COBRA continuation coverage early and switch to a Marketplace plan if you have another qualifying event such as marriage or birth of a child through something called a “special enrollment period.” But be careful though - if you terminate your COBRA continuation coverage early without another qualifying event, you’ll have to wait to enroll in Marketplace coverage until the next open enrollment period, and could end up without any health coverage in the interim.

Once you’ve exhausted your COBRA continuation coverage and the coverage expires, you’ll be eligible to enroll in Marketplace coverage through a special enrollment period, even if Marketplace open enrollment has ended.

If you sign up for Marketplace coverage instead of COBRA continuation coverage, you cannot switch to COBRA continuation coverage once your election period ends.

**Can I enroll in another group health plan?**

You may be eligible to enroll in coverage under another group health plan (like a spouse’s plan), if you request enrollment within 30 days of the loss of coverage.

If you or your dependent chooses to elect COBRA continuation coverage instead of enrolling in another group health plan for which you’re eligible, you’ll have another opportunity to enroll in the other group health plan within 30 days of losing your COBRA continuation coverage.

**Can I enroll in Medicare instead of COBRA continuation coverage after my group health plan coverage ends?**

In general, if you don’t enroll in Medicare Part A or B when you are first eligible because you are still employed, after the initial enrollment period for Medicare Part A or B, you have an 8-month special enrollment period[[1]](#footnote-1) to sign up, beginning on the earlier of

* The month after your employment ends; or
* The month after group health plan coverage based on current employment ends.

If you don’t enroll in Medicare Part B and elect COBRA continuation coverage instead, you may have to pay a Part B late enrollment penalty and you may have a gap in coverage if you decide you want Part B later. If you elect COBRA continuation coverage and then enroll in Medicare Part A or B before the COBRA continuation coverage ends, the Plan may terminate your continuation coverage. However, if Medicare Part A or B is effective on or before the date of the COBRA election, COBRA coverage may not be discontinued on account of Medicare entitlement, even if you enroll in the other part of Medicare after the date of the election of COBRA coverage.

If you are enrolled in both COBRA continuation coverage and Medicare, Medicare will generally pay first (primary payer) and COBRA will pay second. Certain COBRA continuation coverage plans may pay as if secondary to Medicare, even if you are not enrolled in Medicare.

For more information visit <https://www.medicare.gov/medicare-and-you>.

**What factors should I consider when choosing coverage options?**

When considering your options for health coverage, you may want to think about:

* Premiums: Your previous plan can charge up to 102% of total plan premiums for COBRA coverage.  Other options, like coverage on a spouse’s plan or through the Marketplace, may be less expensive.
* Provider Networks: If you’re currently getting care or treatment for a condition, a change in your health coverage may affect your access to a particular health care provider.  You may want to check to see if your current health care providers participate in a network as you consider options for health coverage.
* Drug Formularies: If you’re currently taking medication, a change in your health coverage may affect your costs for medication – and in some cases, your medication may not be covered by another plan.  You may want to check to see if your current medications are listed in drug formularies for other health coverage.
* Severance payments: If you lost your job and got a severance package from your former employer, your former employer may have offered to pay some or all of your COBRA payments for a period of time. In this scenario, you may want to contact the Department of Labor at 1-866-444-3272 to discuss your options.
* Service Areas: Some plans limit their benefits to specific service or coverage areas – so if you move to another area of the country, you may not be able to use your benefits.  You may want to see if your plan has a service or coverage area, or other similar limitations.
* Other Cost-Sharing: In addition to premiums or contributions for health coverage, you probably pay copayments, deductibles, coinsurance, or other amounts as you use your benefits.  You may want to check to see what the cost-sharing requirements are for other health coverage options. For example, one option may have much lower monthly premiums, but a much higher deductible and higher copayments.

### For more information

This notice doesn’t fully describe continuation coverage or other rights under the Plan. More information about continuation coverage and your rights under the Plan is available in your summary plan descriptionor from the Plan Administrator.

If you have questions about the information in this notice, your rights to coverage, or if you want a copy of your summary plan description, contact:

|  |  |
| --- | --- |
| Company Name |  |
| Contact Name |  |
| Phone |  |
| Address |  |
| City, State, Zip |  |

For more information about your rights under the Employee Retirement Income Security Act (ERISA), including COBRA, the Patient Protection and Affordable Care Act, and other laws affecting group health plans, visit the U.S. Department of Labor’s Employee Benefits Security Administration (EBSA) website at [www.dol.gov/ebsa](http://www.dol.gov/ebsa) or call their toll-free number at 1-866-444-3272. For more information about health insurance options available through the Health Insurance Marketplace, and to locate an assister in your area who you can talk to about the different options, visit [www.HealthCare.gov](http://www.HealthCare.gov).

**Keep Your Plan Informed of Address Changes**

To protect your and your family’s rights, keep the Plan Administrator informed of any changes in your address and the addresses of family members. You should also keep a copy of any notices you send to the Plan Administrator.

###### COBRA Continuation Coverage Election Form

I (We) elect COBRA continuation coverage in the [*enter name of plan*] (the Plan)listed below:

**Instructions: To elect COBRA continuation coverage, complete this Election Form and return it to us. Under federal law, you have 60 days after the date of this notice to decide whether you want to elect COBRA continuation coverage under the Plan.**

**Send completed Election Form to: [*Enter Name and Address*]**

**This Election Form must be completed and returned by mail [*or describe other means of submission and due date*]. If mailed, it must be post-marked no later than [*enter date*].**

**If you don’t submit a completed Election Form by the due date shown above, you’ll lose your right to elect COBRA continuation coverage. If you reject COBRA continuation coverage before the due date, you may change your mind as long as you submit a completed Election Form before the due date. However, if you change your mind after first rejecting COBRA continuation coverage, your COBRA continuation coverage will begin on the date you submit the completed Election Form.**

**Read the important information about your rights included in the pages after the Election Form.**

Name Date of Birth Relationship to Employee SSN (or other identifier)

a. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

[*Add if appropriate:* Coverage option elected: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_]

b. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

[*Add if appropriate:* Coverage option elected: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_]

c. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

[*Add if appropriate:* Coverage option elected: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_]

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature Date

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Print Name Relationship to individual(s) listed above

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

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Print Address Telephone number

### Important Information About Payment

*First payment for continuation coverage*

You must make your first payment for continuation coverage no later than 45 days after the date of your election (this is the date the Election Notice is postmarked). If you don’t make your first payment in full no later than 45 days after the date of your election, you’ll lose all continuation coverage rights under the Plan. You’re responsible for making sure that the amount of your first payment is correct. You may contact the plan administrator to confirm the correct amount of your first payment.

|  |  |
| --- | --- |
| Company Name |  |
| Company Contact |  |
| Phone: |  |
| Address |  |
| City, State, Zip |  |

*Periodic payments for continuation coverage*

After you make your first payment for continuation coverage, you’ll have to make periodic payments for each coverage period that follows. The amount due for each coverage period for each qualified beneficiary is shown in this notice. The periodic payments can be made on a monthly basis. Under the Plan, each of these periodic payments for continuation coverage is due on the first day of the month for that coverage period. If you make a periodic payment on or before the first day of the coverage period to which it applies, your coverage under the Plan will continue for that coverage period without any break. The Plan will not send periodic notices of payments due for these coverage periods.

*Grace periods for periodic payments*

Although periodic payments are due on the dates shown above, you’ll be given a grace period of 30 days after the first day of the coverage period to make each periodic payment. You’ll get continuation coverage for each coverage period as long as payment for that coverage period is made before the end of the grace period. If you pay a periodic payment later than the first day of the coverage period to which it applies, but before the end of the grace period for the coverage period, your coverage will be suspended as of the first day of the coverage period and then retroactively reinstated (going back to the first day of the coverage period) when the periodic payment is received. This means that any claim you submit for benefits while your coverage is suspended may be denied and may have to be resubmitted once your coverage is reinstated.]

If you don’t make a periodic payment before the end of the grace period for that coverage period, you’ll lose all rights to continuation coverage under the Plan.

Your first payment and all periodic payments for continuation coverage should be sent to:

|  |  |
| --- | --- |
| Company Name |  |
| Contact Name |  |
| Phone |  |
| Address |  |
| City, State, Zip |  |

**Addendum: New York State Continuation and its effects on Federal COBRA**

On July 29, 2009, Governor David A. Paterson signed into law Chapter 236 of the Laws of 2009, which **extends state continuation coverage to 36 months, regardless of the qualifying event**. This extension will assist employees and their dependents who are eligible for federal COBRA coverage in fully insured products or New York State continuation coverage.

The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) allows employees who work for employers with 20 or more employees to continue their current group health insurance once they leave employment or have a reduction in hours that makes them ineligible for employer-sponsored coverage. New York State continuation coverage, also known as “mini-COBRA,” gives the same right to employees who work for employers with fewer than 20 employees.

Before the new state law went into effect, the length of time that a person could have state continuation coverage depended on why the person was losing coverage. Under the new law, all people eligible for state continuation coverage may continue their coverage for a total of 36 months, regardless of the reason for the coverage loss.

Under COBRA, if an employee loses coverage due to voluntary or involuntary termination of employment or reduction in hours, then coverage generally may be continued for up to 18 months from the date coverage would otherwise terminate. **Under the new law, a person eligible for COBRA may elect 18 months of COBRA and 18 months of state continuation coverage, for a total of 36 months.**

**The new law states**:

A group policy shall offer an insured who has exhausted continuation coverage under COBRA (or the Public Health Service Act) the opportunity to continue coverage for **up to thirty-six months from the date the employee's or member's continuation coverage began, if the employee or member is entitled to less than thirty-six months of continuation benefits under federal law.**

Continuation coverage **will be terminated** prior to the end of the maximum coverage period if:

1. The employee or member fails to make timely payment of a required premium payment.

2. After the date of COBRA election, the qualified beneficiary first becomes covered under another group health plan that does not impose any preexisting condition exclusion.

3. After the date of COBRA election, the qualified beneficiary becomes entitled to Medicare Part A, B, or both.

4. The date the employer ceases to provide any group health plan (including successor plans) for its employees.

For more information, contact the plan sponsor or the New York Insurance Department's Consumer Services Bureau at (212) 480-6400 or 1-800-342-3736.

1. <https://www.medicare.gov/sign-up-change-plans/how-do-i-get-parts-a-b/part-a-part-b-sign-up-periods>. These rules are different for people with End Stage Renal Disease (ESRD). [↑](#footnote-ref-1)