

# Understanding Your COBRA Benefits

This document is designed to answer many questions you may have regarding your **COBRA benefits**. Please refer to your **COBRA General Rights Notices** or **Specific Rights Notices** for more information.

## THE BASICS

### WHAT IS COBRA?

COBRA (or the Consolidated Omnibus Budget Reconciliation Act) requires continuation coverage to be offered to covered employees, their spouses, former spouses and dependent children when group health coverage would otherwise be lost due to certain Qualifying Events.

### WHAT IS A QUALIFYING EVENT?

Common events include: termination of employment, reduction of hours, divorce or legal separation, cessation of dependent status, employee death, failure to return from FMLA or certain employer bankruptcy.

### HOW LONG DO I HAVE TO BE COVERED UNDER THE COMPANY INSURANCE BEFORE I (OR MY COVERED DEPENDENTS) ARE ELIGIBLE FOR COBRA?

As long as you were covered on the day prior to the Qualifying Event, you are eligible for COBRA.

### HOW LONG CAN I CONTINUE COVERAGE?

As an employee, the coverage for yourself and covered dependents can be continued for 18 months for termination or reduction of hours. Covered dependents can continue coverage for 36 months as a result of divorce or legal separation, cessation of dependent status, employee entitlement of Medicare or employee death.

### WHAT IF I AM DISABLED?

If it is determined by the Social Security Administration (SSA) that you were disabled within the first 60 days of COBRA coverage and you receive the determination from SSA prior to the 18th month of COBRA coverage, you may be continued up through the 29th month for yourself and covered dependents. The premium for the disabled Qualified Beneficiary can be increased to 150%.

## KEY TIMEFRAMES

1. Your employer terminates your coverage with the insurance carrier(s) at termination or the loss of coverage.
2. The employer notifies Benefit Resource (BRI) that your coverage has been terminated within 30 days of the loss of coverage.
3. Within 14 days, BRI will send you a Specific Rights Notice by First Class Mail to your last known address. (Separate letters will be sent to Qualified Beneficiaries who do not reside at the same address.)
4. You will have 60 days from the postmark on the envelope to make your COBRA election. The Insurance Carrier may require additional documentation to be completed.
5. Your first payment, including amounts due to-date, must be mailed within 45 days of the COBRA election.
6. Once BRI receives your COBRA election, Insurance Carrier forms (if applicable) and payment, the coverages elected will be reinstated back to the loss of coverage.
7. Future payments are due on the 1st of the month and must be post-marked by the 30th of the month. Late payments will result in termination of COBRA Benefits.

### BRI PRO TIP

For additional details regarding your available benefits, please refer to your COBRA General Rights Notices or Specific Rights Notices.

## IS MY DOMESTIC PARTNER COVERED?

In most cases, if your Domestic Partner was covered prior to the Qualifying Event, they will be provided COBRA-like benefits, although the IRS does not deem them to be Qualified Beneficiaries. Therefore, they can only participate as long as they are covered by the former employee.

## WHY IS THE ENVELOPE POSTMARK IMPORTANT?

All of the notice dates, response dates, and payment dates are based upon the postmark on the envelope, not when it is placed for mail pickup or when it is received.

## HOW DO I ELECT COBRA?

Once you receive your Specific Rights notice, you have 60 days from the postmark to elect COBRA coverage. When we receive your election form, we will send you a coupon book covering the remainder of the insurance Plan Year and any insurance forms (if required). You must return all forms and premiums covering the period from your loss of coverage date.

## SHOULD I ELECT COBRA OR ENROLL IN THE EXCHANGE?

There are many factors to consider when determining if you should enroll in COBRA or go to the Exchange for your state (or the Federal Exchange if one is not offered in your state). Some considerations:

- Are you eligible for the Exchange?
- Will your doctors be included in the networks offered?
- Will your out-of-pocket expenses increase?

## I CALLED MY DOCTOR OR REQUESTED A PRESCRIPTION BUT WAS TOLD THAT I AM NOT COVERED. AM I COVERED?

Your employer terminates your coverage at termination or the loss of coverage date. It is not reinstated until you return any required forms and in most cases, the COBRA premium due to-date. Once reinstated, the insurance carrier will reimburse you for covered expenses less any co-pay or deductible. If you belong to an HMO, it is important to return forms as soon as possible if you anticipate medical expenses during the election period. Once we receive your forms, it can take insurance carriers 3 to 7 business days to reinstate you.

## IF I DIDN'T NEED OR USE MY INSURANCE DURING THE ELECTION PERIOD, WHY DO I HAVE TO PAY ALL OF THE BACK PREMIUMS?

COBRA is a federal law providing certain rights to continue your Health, Dental, Vision, Health Flexible Spending Account, and certain EAPs. It also imposes certain responsibilities. Paying all premiums due from the loss of coverage is one of them.

## WHEN ARE PREMIUMS DUE?

Your first premium is due 45 days from your COBRA election. Subsequent premiums are due the 1st of each month but must be postmarked no later than the 30th. The insurance carrier has the right to suspend your coverage between the 1st and 30th, reinstating benefits when premiums are received.

## CAN I MAKE CHANGES TO MY COVERAGE(S)?

You have the same right to change coverage as active employees. Therefore, if you have an event such as a birth or marriage that would have allowed you to change your coverage as an active employee, you can make the same change as a COBRA participant. You can also make coverage changes or add dependents during any open enrollment period. If this occurs, you will be provided rates, benefit summaries and enrollment forms. While your dependents may be added, they will not be a Qualified Beneficiary.

## CAN MY EMPLOYER CHANGE MY INSURANCE CARRIER?

Only if they change insurance carriers. If they terminate with one carrier and replace it with another, you will be offered the opportunity of completing the forms for the new carrier.

## ARE HEALTH FLEXIBLE SPENDING ACCOUNTS SUBJECT TO COBRA?

If you had a positive balance in your account, you will be offered COBRA through the end of the Plan Year.

## QUICK REFERENCE

### COBRA LOGIN ACCESS


You will be able to log in to view your COBRA benefits at: [cobra.benefitresource.com](https://cobra.benefitresource.com)

To register for a log in, you will need your social security number and your registration code which is provided in the Specific Rights Notice.


### PREMIUM PAYMENTS

Premium payments may be made online or sent by mail to the address provided in your COBRA notification documents.

## PARTICIPANT SERVICES

 (800) 473-9595 (M - F, 8am - 8pm (ET))

 ParticipantServices@BenefitResource.com

 Live chat is available through the participant login at BenefitResource.com