



# Your COBRA Continuation Coverage Rights

## Important Information

### What is COBRA continuation coverage?

Federal law requires that employers give employees and their families the opportunity to continue their health care coverage when there is a “qualifying event” that would result in a loss of coverage under an employer’s plan. Qualifying events are situations that would ordinarily cause an individual to lose group health coverage.

Depending on the type of qualifying event, “qualified beneficiaries” can include the employee or retiree covered under the group health plan, the covered employee’s or retiree’s spouse or domestic partner, and the dependents of the covered employee or retiree.

Throughout this notice, the term “the Plan” refers to the wellness, medical (including behavioral health), dental, vision, and/or health FSA plan in which you are enrolled.

COBRA continuation coverage is identical to the UC-sponsored group coverage provided to employees and retirees (the same coverage the qualified beneficiary had immediately before qualifying for continuation coverage). Any change in benefits under the plan for active employees or retirees will also apply to COBRA qualified beneficiaries.

### How long will continuation coverage last?

Coverage generally may be continued for **up to 18 months** in the case of the employee’s loss of coverage due to termination of employment or reduction in hours of employment (includes leave without pay or layoff).

Coverage may be continued for **up to 36 months** in the case of a loss of coverage due to the employee’s or retiree’s divorce/legal separation/annulment or termination of domestic partnership, the employee’s or retiree’s death, or a dependent’s loss of eligibility.

If a covered employee becomes entitled to Medicare (due to age) within 18 months before a termination of employment or reduction of hours, family members who are qualified beneficiaries may continue COBRA continuation coverage for up to 36 months counted from the date of the employee’s Medicare entitlement.

### When will continuation coverage be terminated before the end of the maximum period?

COBRA continuation coverage for you and/or your enrolled family member(s) will end if:

- Any required premium is not paid in full or on time;
- A qualified beneficiary becomes covered under another group health plan (unless the plan has a pre-existing condition exclusion that affects the qualified beneficiary);
- A qualified beneficiary notifies the Plan that he or she wishes to cancel continuation coverage;
- A qualified beneficiary extends coverage up to 29 months under the disability extensions rule, and there has been a final determination that the individual is no longer disabled.
- A qualified beneficiary becomes entitled to Medicare benefits (under Part A, Part B, or both) after electing continuation coverage, or
- UC ceases to provide group health coverage.

### How can I extend the length of the 18-month period?

**Disability** An 11-month extension of coverage may be available if a qualified beneficiary is determined by the Social Security Administration (SSA) to be disabled. The disability must have started at some time before the 60th day of COBRA continuation coverage.

It is the qualified beneficiary’s responsibility to obtain the disability determination from the SSA and provide a copy of the Social Security disability determination to the Plan within 60 days of the date of determination and before the original 18 months of COBRA expire. Each qualified beneficiary who has elected continuation coverage will be entitled to the 11-month disability extension even if only one of them qualifies. If the qualified beneficiary does not comply with these time frames, the additional 11-month extension of COBRA coverage will not be provided. If the qualified beneficiary is determined by SSA to no longer be disabled,

he or she must notify the Plan of that fact within 30 days after the SSA's determination.

**Second Qualifying Event** An 18-month extension of coverage will be available to a spouse or domestic partner and dependents who elect continuation coverage if a second qualifying event occurs during the first 18 months of continuation coverage. The maximum amount of continuation coverage available when a second qualifying event occurs is 36 months from the date of the original qualifying event.

Such second qualifying events may include the death of a covered employee or retiree, divorce/legal separation/annulment or termination of domestic partner relationship from the employee or retiree, or a dependent losing eligibility. These events will be considered to be second qualifying events only if they would have caused the qualified beneficiary to lose coverage under the Plan if the first qualifying event had not occurred. The qualified beneficiary must notify the Plan within 60 days after a second qualifying event occurs if he or she wants to extend continuation coverage.

**CalCOBRA** You and your qualified beneficiaries may be eligible to extend your medical plan coverage under CalCOBRA for up to a maximum of 36 months from the date of the beginning of your COBRA continuation coverage period if you have exhausted the 18-month or 29-month federal COBRA coverage period. The extension applies to all UC-sponsored California insured medical plans, but does not apply to the non-California medical plans. The extension does not apply to the UC-sponsored dental, wellness, vision, and health FSA plans.

In order to exercise the continuation rights afforded under CalCOBRA, an election to purchase the extended coverage must be made in writing to the medical carrier no later than 30 calendar days prior to the end of the federal 18-month COBRA continuation period.

The cost for the additional coverage (after the 18-month or 29-month period) cannot exceed 110 percent of the applicable premium. A qualified beneficiary who is determined to be disabled for Social Security purposes may be required to pay no more than 150 percent of the applicable premium.

## How can I elect COBRA continuation coverage?

**To elect continuation coverage, you must complete and mail a copy of the *Application for COBRA Continuation* directly to the University of California at: Human Resources and Benefits, P.O. Box 24570, Oakland, CA 94623-1570.**

Each qualified beneficiary has a separate right to elect continuation coverage. For example, the employee's spouse or domestic partner may elect continuation coverage even

if the employee does not. Continuation coverage may be elected for only one, several, or all qualified beneficiaries.

In considering whether to elect continuation coverage, you should take into account that a failure to continue your group health coverage will affect your future rights under federal law. Here are some important considerations:

- You can lose the right to have pre-existing condition exclusions applied to you by other group health plans if you have more than a 63-day gap in health coverage. Electing continuation coverage may help you to not have such a gap.
- If you do not get continuation coverage for the maximum time available to you, you will lose the guaranteed right to purchase individual health insurance policies that do not impose such pre-existing condition exclusions.
- You have special enrollment rights under federal law. You have the right to request special enrollment in another group health plan for which you are otherwise eligible (such as a plan sponsored by your spouse's employer) within 30 days after your UC-sponsored health coverage ends because of the qualifying event indicated on your *Application for COBRA Continuation*. You will also have the same special enrollment rights at the end of your COBRA continuation coverage period as long as you are enrolled for the maximum time period available to you.

## How much does COBRA continuation coverage cost?

COBRA mailing addresses and premium information is enclosed.

Generally, each qualified beneficiary is required to pay the entire cost of continuation coverage. The amount a qualified beneficiary is required to pay may not exceed 102 percent (or, in the case of an extension of continuation coverage due to a disability, 150 percent) of the cost to the group health plan (including both employer and employee contributions) for coverage of a similarly situated plan participant or beneficiary who is not receiving continuation coverage.

## When and how must payment be made for COBRA continuation coverage?

You must mail a copy of the *Application for COBRA Continuation* directly to us by the application due date shown on the form. **If the University does not receive the form by this date, you will lose eligibility to elect COBRA continuation coverage.**

You will be required to make periodic payments for each coverage period. The carrier(s) will tell you how to make payments.

## HIPP and CARE/HIPP Assistance

Upon termination of employment, you may be eligible for medical insurance premium assistance. The California Department of Health Services may pay your medical insurance premiums in the following circumstances:

- If you are eligible for Medi-Cal and you have a high-cost medical condition, you may qualify for the Health Insurance Premium Payment (HIPP) Program. You can get more information by calling 1-866-298-8443.
- If you are unable to work because of disability due to HIV/AIDS and you are losing your medical insurance, you may qualify for the CARE Health Insurance Premium Payment (CARE/HIPP) program under the Ryan White Comprehensive AIDS Resources Emergency (CARE) Act of 1990. You can get more information by calling the CARE/HIPP Program AIDS Hotline at 1-800-367-2437.

## Open Enrollment

If you elect COBRA, you will have rights to make changes to your coverage during UC's annual Open Enrollment, generally held in November. You may enroll in another program (medical, dental, vision plan) during Open Enrollment if:

- you were eligible for that program at the time of your original qualifying event, and
- you elected COBRA continuation coverage for at least one of the health programs (medical, dental, vision, wellness, Health FSA) at the time and have been continuously enrolled, and
- you will still be within your maximum COBRA continuation coverage period on the January 1 following Open Enrollment.

By authority of the Regents, University of California Human Resources and Benefits, located in Oakland, administers all benefit plans in accordance with applicable plan documents and regulations, custodial agreements, University of California Group Insurance Regulations, group insurance contracts, and state and federal laws. No person is authorized to provide benefits information not contained in these source documents, and information not contained in these source documents cannot be relied upon as having been authorized by the Regents. Source documents are available for inspection upon request (1-800-888-8267). What is written here does not constitute a guarantee of plan coverage or benefits—particular rules and eligibility requirements must be met before benefits can be received. The University of California intends to continue the benefits described here indefinitely; however, the benefits of all employees, retirees, and plan beneficiaries are subject to change or termination at the time of contract renewal or at any other time by the University or other governing authorities. The University also reserves the right to determine new premiums, employer contributions and monthly costs at any time. Health and welfare benefits are not accrued or vested benefit entitlements. UC's contribution toward the monthly cost of the coverage is determined by UC and may change or stop altogether, and may be affected by the state of California's annual budget appropriation. If you belong to an exclusively represented bargaining unit, some of your benefits may differ from the ones described here. Contact your Human Resources Office for more information.

The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) provides for continued coverage for a certain period of time at applicable monthly COBRA rates if you, your spouse, or your dependents lose group medical, dental, or vision coverage because you terminate employment (for reasons other than gross misconduct); your work hours are reduced below the eligible status for these benefits; you die, divorce, or are legally separated; or a child ceases to be an eligible dependent. Note: The continuation period is calculated from the earliest of these qualifying events and runs concurrently with any other UC options for continued coverage. See your Benefits Representative for more information.

In conformance with applicable law and University policy, the University is an affirmative action/equal opportunity employer. Please send inquiries regarding the University's affirmative action and equal opportunity policies for staff to Director of Diversity and Employee Programs, University of California Office of the President, 300 Lakeside Drive, Oakland, CA 94612 and for faculty to Director of Academic Affirmative Action, University of California Office of the President, 1111 Franklin Street, Oakland, CA 94607.

For information regarding plan changes and premium amounts, contact the UC Customer Service Center at 1-800-888-8267 or see the UC HR/Benefits website ([atyourservice.ucop.edu](http://atyourservice.ucop.edu)).

## For More Information

**Employees:** Contact your Benefits Office or the person handling benefits for your department for detailed information about COBRA continuation coverage.

**Retirees:** Contact the UC Customer Service Center for information about COBRA continuation.

Information is also available on the UC HR/Benefits website ([atyourservice.ucop.edu](http://atyourservice.ucop.edu)).

For further information about your rights under COBRA, the Health Insurance Portability and Accountability Act (HIPAA), and other laws affecting group health plans, contact the nearest Regional or District Office of the U.S. Department of Labor Employee Benefits Social Security Administration (EBSA) in your area or visit the EBSA website at [www.dol.gov/ebsa](http://www.dol.gov/ebsa).

## Keep Your Plan Informed of Address Changes

In order to protect you and your family's rights, you should keep your health plan carriers informed of any changes in your address as well as the addresses of enrolled family members. You should also keep a copy, for your records, of any notices you send to the health plan carriers.



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