

# COBRA Continuation Coverage

## General Notice

**This notice contains important information about your right to COBRA continuation coverage, which is a temporary extension of group health coverage.** It explains what COBRA continuation coverage is, when it may become available to you and your covered family members, and what you need to do to protect the right to receive it.

### COBRA Continuation Coverage

The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) gives UC employees and their covered family members the right to temporarily continue their UC-sponsored group health coverage in situations (known as “qualifying events”) that would ordinarily cause an individual to lose group health coverage. Specific qualifying events are listed below.

Throughout this notice, the term “the Plan” refers to the medical, dental and/or vision plans in which you are enrolled.

After a qualifying event, COBRA continuation coverage must be offered to each person who is a “qualified beneficiary.” You, your spouse or domestic partner and your dependent children could become qualified beneficiaries if coverage under the Plan is lost because of a qualifying event. Under the Plan, qualified beneficiaries who elect COBRA continuation coverage must pay for the coverage.

### Qualifying Events for Covered Employees

You will become a qualified beneficiary if you lose your UC-sponsored coverage under the Plan because of either of the following qualifying events:

- Voluntary or involuntary termination of your UC employment (for any reason other than gross misconduct); or
- Reduction in hours of employment (including leave without pay or layoff).

### Qualifying Events for Covered Spouse or Domestic Partner

Your spouse or domestic partner will become a qualified beneficiary if he or she loses UC-sponsored coverage under the Plan because of any one of the following qualifying events:

- Voluntary or involuntary termination of the employee’s employment (for reasons other than gross misconduct);
- Reduction of hours worked by the employee (includes leave without pay or layoff);
- Divorce, legal separation, annulment or termination of domestic partnership of the employee; or
- Death of the employee.

### Qualifying Events for Covered Dependent Children

Your dependent children will become qualified beneficiaries if they lose coverage under the Plan because of any one of the following qualifying events:

- Voluntary or involuntary termination of the employee’s employment (for reasons other than gross misconduct);
- Reduction of hours worked by the employee (includes leave without pay or layoff);
- Divorce, legal separation, annulment or termination of employee’s domestic partnership;
- Death of the employee; or
- Loss of dependent child status under UC’s Group Insurance Regulations (for example, when a child marries or reaches age 23).

### Notification Requirements

When the qualifying event is due to a divorce, legal separation, annulment, termination of domestic partnership or loss of dependent status, you (or the qualified beneficiary) must notify your Benefits Office or the person handling

benefits for your department **in writing within 60 days of the qualifying event or the date coverage is lost**, whichever is later. The following information must be included: name of the qualified beneficiary, the qualifying event and the date of the qualifying event. **Failure to provide written notice within the time limits can result in COBRA continuation coverage being forfeited.**

If your UC employment ends or your work hours are reduced, your Benefits Office or the person handling benefits for your department will notify you of your right to elect COBRA continuation coverage. In the event of your death, your Benefits Office or the person handling benefits for your department will notify your qualified beneficiaries of their right to elect COBRA continuation coverage.

If your employment termination is due to “gross misconduct,” your Benefits Office or the person handling benefits for your department will not offer COBRA continuation coverage to you or your enrolled family members. An employment termination due to gross misconduct is not a COBRA qualifying event.

## How COBRA Coverage Is Provided

Once your Benefits Office or department receives notice that a qualifying event has occurred, COBRA continuation coverage will be offered to each of the qualified beneficiaries. You, your spouse or domestic partner may elect COBRA continuation coverage on behalf of any other qualified beneficiary. In addition, each qualified beneficiary will have an independent right to elect COBRA continuation coverage. This means each qualified beneficiary can elect independently to continue UC-sponsored health coverage, even if you choose not to continue coverage under COBRA.

**Each qualified beneficiary will have 60 days to elect COBRA continuation coverage.** This period is measured from the date the qualified beneficiary would lose coverage as a result of the qualifying event or the date they receive notice from UC about their right to elect COBRA continuation coverage—whichever is later.

Please examine your options carefully before declining this coverage. You should be aware that companies selling individual health insurance typically require a review of your medical history that could result in higher cost or you could be denied coverage entirely.

## Making Coverage Changes

If you enroll in COBRA, you can make changes in your coverage during a period of initial eligibility (PIE) or if you leave a plan’s service area. You may also make changes during Open Enrollment (see below).

**Open Enrollment:** If you elect COBRA, you can make changes to your coverage during Open Enrollment (generally held in November). You may also enroll in another program (medical, dental, or 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) at that time and have been continuously enrolled, and
- you will still be within your maximum COBRA continuation coverage period on the January 1 that follows Open Enrollment.

Changes made during Open Enrollment do not alter the length of COBRA continuation coverage.

## Length of COBRA Continuation Coverage Period

### 18-Month Period

The maximum COBRA continuation coverage period is 18 months for the following qualifying events:

- Voluntary or involuntary termination of employment (for reasons other than gross misconduct); or
- Reduction in hours (includes leave without pay or layoff).

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

### 36-Month Period

The maximum COBRA continuation coverage period is 36 months for the following qualifying events:

- Death of the employee;
- Divorce, legal separation, annulment or termination of domestic partnership; or
- Loss of dependent child status under UC’s Group Insurance Regulations.

### Maximum Coverage Period under USERRA

The maximum COBRA continuation coverage period is 24 months for employees on military leave who are covered by the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA).

## Extensions to the 18-month COBRA Continuation Coverage Period

### Disability

If you or any of your enrolled family members are determined by the Social Security Administration to be disabled and you notify the health insurance carrier in a timely fashion, you and your entire family may be entitled to receive up to an additional 11 months of COBRA continuation coverage, for a total maximum of 29 months. The disability must have started before the 60th day of COBRA continuation coverage and must last at least until the end of the 18-month period of continuation coverage. To be eligible for this extension, you must provide the health insurance carrier with a copy of the Social Security disability determination within 60 days of the determination and before the end of the 18-month continuation period.

### Second Qualifying Event

If your family experiences a second qualifying event while receiving 18 months of COBRA continuation coverage, your spouse or domestic partner and dependent children may receive up to 18 additional months of COBRA continuation coverage, for a maximum of 36 months, provided the notice of the second qualifying event is properly given to the Plan. This extension may be available to your spouse or domestic partner and any dependent children receiving continuation coverage if you (the employee or former employee) die, become divorced or legally separated, get an annulment, terminate a domestic partnership, or if your child loses dependent child status—but only if the event would have caused these individuals to lose coverage under the Plan had the first qualifying event not occurred.

### 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 or to the UC-sponsored dental and vision plans.

**Note:** The medical plan carrier must notify eligible COBRA recipients of the availability of CalCOBRA coverage in the notice of pending termination of COBRA coverage that is required to be provided to COBRA beneficiaries. Qualified beneficiaries must make written application and initial premium payment within the time specified by the carrier. CalCOBRA coverage will be effective on the day following the termination of coverage under federal COBRA.

## Keep Your Benefits Office/Department Informed of Address Changes

In order to protect your rights and those rights of your family, you should keep your Benefits Office and/or Department informed of any changes in your address or the addresses of any covered family members. You should also keep a copy, for your records, of any COBRA-related documents that you send to your Benefits Office and/or Department.

### For More Information

This notice does not fully describe continuation coverage or other rights under the plan. More complete information regarding such rights is available from the plan administrator and in the plan's Summary Plan Description.

You can obtain additional information about your COBRA rights and obligations under the UC-sponsored health plans and under federal law from UC's At Your Service website ([atyourservice.ucop.edu](http://atyourservice.ucop.edu)), your Benefits Office, or the person handling benefits in your department.

For information about UC's Health Care Reimbursement Account (HCRA), please call SHPS, Inc., the plan administrator, at 1-877-270-3915.

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's Employee Benefits Security Administration (EBSA) or visit the EBSA website ([www.dol.ebsa](http://www.dol.ebsa)).

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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.

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Website address: [atyourservice.ucop.edu](http://atyourservice.ucop.edu)



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