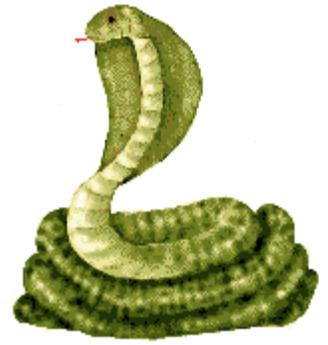


Consolidated Omnibus Budget Reconciliation Act COBRA

Termination of Coverage Processing



COBRA refers to a Federal Law that allows employees and their dependents to keep coverage through their employer's medical, dental, vision and Flexible Health Care plans if they experience certain life events.

Examples of types of life events listed below:

Life Event	Maximum Length of time you may remain on COBRA coverage
Employee	
Termination of Employment	18 months
Disability (must have an award letter from Social Security)	29 months
Dependent	
Divorce	36 Months
Overage Dependent Child	
Death of Employee	
Dependent loses coverage due to employee becoming eligible for Medicare	

For more detailed information on the COBRA regulations please review the U.S. Department of Labor's Home page: <http://www.dol.gov/dol/topic/health-plans/cobra.htm>

An employee's (and his/her dependent's) insurance coverage as an active employee terminates on the **last** day of the pay period following the termination date ([Click here to view the pay period schedule](#)).

Employee COBRA Process

When an employee terminates, his/her department generates a personal action that moves that individual from an active employment status to a terminated status. The department has 30 business days to provide this information to Human Resources. Human Resources enters the termination action and effective date into the payroll system. Generally, on the same day, the Employee Health Initiatives department processes the benefits-related termination action.

That night the system creates a file that is available for CompuSys (the COBRA Administrator) to pick up on the next business day. The COBRA Administrator has 14 business days from this date to generate the COBRA election notice and send that notice by first class mail to the terminated employee's address on file in the payroll system.

The employee has 60 days from either the time of the event, i.e., the first day of the pay period following the termination date, or the date of the COBRA election notice, whichever is later, to enroll in COBRA by completing the election form and paying the premium. The COBRA notice lists the **exact date** that the response and premium must be received by the COBRA Administrator. When enrolled, benefit coverage is retroactive so that there is no break in coverage.

If the employee does not respond by the date specified in the COBRA notice, then coverage ends on the **last** day of the pay period following the termination effective date.

- ✓ It is important to check and make sure that your mailing address on the payroll system is correct because this is the address to which your COBRA notice will be sent.
- ✓ You need to advise the COBRA Administrator if you are eligible for Health Care Subsidy payments through the Retirement System.

Dependent COBRA Guidelines

An employee, spouse, or dependent that is determined under Title II or XVI of the Social Security Act to have been disabled at any time during the first 60 days of COBRA continuation coverage, may be able to extend the continuation coverage for a maximum of 29 months. A notice must be provided to the COBRA Administrator of the disability determination on a date that is both within 60 days after the date the determination is issued and before the end of the original 18-month maximum coverage period.

A spouse and/or dependent children (qualified beneficiary) who lose coverage because of the death of the employee or divorce or separation from an employee, may continue coverage for a maximum of 36 months. **If the qualifying event is a divorce or legal separation, the covered employee is required to notify the Plan Administrator with 60 days from the later of the date of the event, or the date on which the Qualified Beneficiary would lose coverage on account of the event.**

Dependent children who lose coverage because they no longer qualify as a dependent under the Plan may continue coverage for a maximum of 36 months. **The covered employee is required to notify the Plan Administrator when a child ceases to be an eligible dependent under the plan within 60 days from the later of the date of the event, or the date on which the dependent children would lose coverage on account of the event.**

The County will not permit a break in coverage.

For information on available plans and rates please click on the link below.

<http://www.maricopa.gov/benefits/default.asp?link=cobra>

At the expiration of the maximum 18, 29, or 36-month period, you and your eligible dependents may convert to an individual medical policy. The conversion privilege will not be available if coverage terminates because of non-payment of premium or if a beneficiary becomes covered under another group plan that doesn't contain any exclusion or limitations for pre-existing conditions or if the beneficiary is covered by Medicare. You must notify the Employee Health Initiatives Department and apply for conversion coverage within 30-days of your COBRA termination date.

Maricopa County

Employee Health Initiatives Department
301 W. Jefferson, Suite 201
Phoenix, AZ 85003
602-506-1010
Fax 602-506-2354
BenefitsService@mail.maricopa.gov

COBRA Administrator

CompuSys, Inc.
12325 Hymeadow Drive, Bldg. 4
Austin TX 78750-1847
1-800-933-7472
Fax (512) 250-2937
mccobra@compusysaz.com