

SECTION 5.3: COBRA / CONTINUATION OF MEDICAL INSURANCE

- A. Employees and their covered dependents may extend employer sponsored group health coverage at the group rate in certain instances where coverage would otherwise end. There is a 2% fee added to the full group rate to cover administrative expenses, as permitted under COBRA regulations.
- B. Coverage (medical, dental, vision, health care flexible spending account) may be extended when a "qualifying event," as defined by the Department of Labor, occurs. These include:
1. Loss of coverage because of reduction in hours of employment.
 2. Termination of employment (excluding discharge for gross misconduct).
 3. Failure to return from an approved leave of absence in accordance with the Family and Medical Leave Act.
 4. Loss of coverage for a spouse and/or dependent when covered by a County employee as a result of the above; or because of divorce, legal separation, death of the employee, or when a child ceases to be eligible.

The maximum length of extended coverage is determined by the type of qualifying event.

- C. Coverage under COBRA may be terminated by the County under the following circumstances:
1. The required premium is not paid in a timely manner.
 2. In the event that the County no longer provides a group health plan to any employees.
 3. Coverage is obtained under another group health plan that does not contain pre-existing condition limitations.
 4. Coverage is obtained through Medicare.
- D. Responsibility for proper implementation of this policy shall be shared between Human Resources and the Department Head or designee (typically the payroll officer) in cooperation with the Third-Party Administrator. The Department Head or designee shall affirm that all employee actions are properly recorded in the Payroll System to assure the County's COBRA responsibilities can be carried out effectively and accurately.
- E. The Third-Party Administrator is responsible for mailing the initial COBRA notice and the COBRA qualifying event benefit notification based on information entered into the system by the Department Payroll Officer and/or the Employee Benefits Division.
- F. Payments for coverage shall be delivered directly to the Third-Party Administrator.

Effective: November 12, 1991

Revised: 1/11/95, 12/06/00, 02/23/01, 01/01/13, 10/01/13