

# Consolidated Omnibus Budget Reconciliation Act (COBRA) FAQ

## Snohomish County Human Resources

### What is COBRA?

The Consolidated Omnibus Budget Reconciliation Act (COBRA), is a federal law that may allow you to temporarily keep health coverage after your employment ends, you lose coverage as a dependent of the covered employee, or another qualifying event listed in the chart below. The following chart outlines the qualifying events, qualified beneficiaries, and the maximum period of continuation coverage:

Qualifying Event	Qualified Beneficiaries	Maximum Period of Continuation Coverage
Termination (for reasons other than gross misconduct) Reduction in Hours of Employment	Employee Spouse Dependent Child	Up to 18 months (24 months for military leave)
Divorce or Legal Separation* Death of the Covered Employee* Employee's Entitlement to Medicare*	Spouse Dependent Child	Up to 36 months
Loss of "dependent child" status under the plan	Dependent Child	Up to 36 months

\*You must notify the County within 60 days from this qualifying event to be eligible for COBRA.

### What does COBRA continuation of coverage offer?

COBRA offers you and/or your dependents continuation coverage. That's simply continuing the same coverage you had the day before you lost your coverage, including medical, dental, and/or vision insurance. If you were enrolled in the [Healthcare Flexible Spending Account](#), you may also continue participation through COBRA by making post-tax contributions for the remainder of the plan year.

### How much does COBRA cost?

If you elect COBRA coverage, you are required to self-pay the [monthly premiums](#) to our COBRA Administrator. When you elect COBRA, you must pay your premiums on time. If your premiums are not paid in full by the due date, COBRA may terminate early. Included in the [monthly premiums](#), is an additional 2% administrative cost.

With Chard Snyder - all premiums are due on the first of each month. You have a 30-day grace period to remit your premium(s); however, you will not have coverage until the carrier has been notified that you have paid the premium(s) in full. For initial premium(s), you have 45 days from the day you elected coverage to make the first payment for any back due premiums. But remember, you will not have coverage until all premiums have been paid in full.

### How do I enroll in COBRA?

The County contracts with a Third Party Administrator (TPA) to provide COBRA administration services to qualified beneficiaries. Our COBRA TPA will mail a COBRA Election Notice to your mailing address on file with the County after the plan receives notice of the qualifying event. It is important that you notify Human Resources and our COBRA TPA (if you elect COBRA) of any changes in the addresses of you/family members.

### How long do I have to elect COBRA coverage?

If you are entitled to elect COBRA coverage, you must be given an election period of at least 60 days (starting on the later of the date you are furnished the election notice or the date you would lose coverage) to choose whether or not to elect continuation coverage. Each of the qualified beneficiaries for a qualifying event may independently elect COBRA coverage. This means that if both you and your spouse are entitled to elect continuation coverage, you each may decide separately whether to do so. The covered employee or spouse

must be allowed to elect on behalf of any dependent children or on behalf of all of the qualified beneficiaries. A parent or legal guardian may elect on behalf of a minor child.

### **If I elect to continue coverage through COBRA, when does it start?**

If you elect COBRA, coverage will start the day after your active coverage ended. For example, if your coverage based on current employment ends on June 30<sup>th</sup>, your COBRA coverage will begin on July 1<sup>st</sup>, with no gap in coverage.

### **Can I participate in the County's open enrollment?**

When open enrollment season rolls around each year, keep in mind that COBRA qualified beneficiaries have the same rights as active employees. So if you have COBRA coverage, you may participate in the County's open enrollment period. You will receive information in the mail regarding open enrollment, plan changes, and premium changes.

### **Can COBRA coverage be terminated early for any reason?**

Yes. A group health plan may terminate coverage earlier than the end of the maximum period if premiums are not paid in full on a timely basis, the qualified beneficiary begins coverage under another group health plan after electing continuation coverage, a qualified beneficiary becomes entitled to Medicare benefits after electing COBRA continuation coverage.

### **How does COBRA work with Medicare?**

- If you elect Medicare first, then COBRA, you can continue COBRA and Medicare will become the primary
- If you elect COBRA first, and then become entitled to Medicare, your COBRA coverage will terminate
- If you have Medicare because you're 65 or over or because you have a disability other than End-Stage Renal Disease (ESRD), Medicare pays first. If you have Medicare based on ESRD, COBRA continuation coverage pays first. Medicare pays second to the extent COBRA coverage overlaps the first 30 months of Medicare eligibility or entitlement based on ESRD. For more information on Medicare, visit [www.medicare.gov](http://www.medicare.gov) or call 1-800-Medicare.

### **Can I add my newborn baby or newly adopted child to my coverage?**

Yes. Children born to or placed for adoption with the covered employee during the COBRA continuation period are also treated as qualified beneficiaries.

### **Are other coverage options available?**

You do not have to elect COBRA to have health insurance for you and your family, COBRA is completely optional. You may be able to obtain coverage through other options, such as individual or family plans, or through the Health Insurance Marketplace at [www.healthcare.gov](http://www.healthcare.gov) at a lower cost than COBRA.

### **Where can I find helpful information on COBRA?**

Please review the [Employee's Guide to Health Benefits Under COBRA](#), which is a helpful resource developed by the Department of Labor (DOL). The [DOL'S COBRA FAQs](#) are also a helpful resource.

### **Who do I contact if I have questions on COBRA administration?**

Contact our third party COBRA administrator:

- Up to 3/31/18: Contact Optum at 866-301-6681 or [OperationsAdminServices@optum.com](mailto:OperationsAdminServices@optum.com)
- Beginning on 4/1/18: Contact Chard Snyder at 888-993-4646 or [cobra@chard-snyder.com](mailto:cobra@chard-snyder.com)

Contact Human Resources for further assistance at 425-388-3411 or [human.resources@snoco.org](mailto:human.resources@snoco.org).