

**CONSOLIDATED OMNIBUS BUDGET RECONCILIATION
ACT OF 1985
(COBRA)
CONTINUATION OF HEALTH CARE COVERAGE**

This notice has important information about your right to continue your health care coverage in the Bedford Public Schools Health Plan as well as other health coverage options that may be available to you, including coverage through the Health Insurance Marketplace at www.HealthCare.gov or by calling 1-800-318-2596. You may be able to get coverage through the Health Insurance Marketplace that costs less than COBRA continuation coverage. Please read the information in this notice very carefully before you make your decision. If you choose to elect COBRA continuation coverage, you should contact your benefits specialist listed below for a COBRA application.

On April 7, 1986, a federal law was enacted (Public Law 99-272, Title X) requiring that most employers sponsoring group health plans offer employees and their families the opportunity for a temporary extension of health coverage (called "continuation coverage") at group rates in certain instances where coverage under the plans would otherwise end. This notice is intended to inform you, in a summary fashion, of your rights and obligations under the continuation coverage provisions of the law which apply to Bedford Public Schools employees.

If you are an employee of Bedford Public Schools covered by a District-sponsored health plan, you have the right to choose continuation of coverage if you lose your group health coverage because of a reduction in your hours or the termination of your employment (for reasons other than gross misconduct on your part).

If you are a spouse of an employee covered by a District-sponsored health plan, you have the right to choose continuation coverage for yourself if you lose group health coverage for any of the following four reasons:

- (1) The death of your spouse;
- (2) A termination of your spouse's employment (for reasons other than gross misconduct) or reduction in your spouse's hours of employment;
- (3) Divorce or legal separation from your spouse; or
- (4) Your spouse becomes covered under Medicare.

In the case of a dependent child of an employee covered by a District-sponsored health plan, he or she has the right to continuation coverage if group health coverage is lost for any of the following five reasons:

- (1) The death of a parent;
- (2) The termination of a parent's employment (for reasons other than gross misconduct) or reduction in hours of a parent's employment;
- (3) Parent's divorce or legal separation;
- (4) A parent becomes covered under Medicare; or
- (5) The dependent ceases to be a "dependent child" under the group plan's eligibility requirement.

Under the law, the employee or a family member has the responsibility to inform Bedford Public Schools of any of the following:

- (1) A divorce;
- (2) Legal separation;
- (3) The Social Security determination that an individual with continuation coverage was disabled at the time of the employee's termination or reduction in hours;
- (4) A child losing dependent status under the group plan, within 60 days of the event causing the loss of coverage or of the Social Security determination of disability benefits.

The employer has the responsibility of notifying the group administrator of the employee's death, termination of employment, or involuntary reduction of hours.

When Bedford Public Schools is notified that one of these events has happened, they will in turn notify you that you have the right to choose continuation coverage. Under the law, you have at least 60 days from the date that you would lose coverage because of one of the events described above, to inform the District that you want continuation coverage.

If you do not choose continuation coverage, your group health insurance coverage will terminate.

If you choose continuation coverage, the District is required to give you coverage which, as of the time coverage is being provided, is identical to the coverage provided under the plan to similarly situated employees or family members. The COBRA law requires that you be afforded the opportunity to maintain continuation coverage for up to 18 months if the qualifying event was termination of employment or involuntary reduction of hours, and for up to 36 months for most qualifying events (i.e., divorce). The 18-month period may be extended to 36 months if other events (i.e., divorce, legal separation, death, or Medicare entitlement) occur during that 18-month period. The 18-month period may also be extended for an additional 11 months (for a total of 29 months) if an individual is determined to be disabled (under the rules for Social Security benefits) and that the group plan administrator is notified within 60 days. The affected individual also must notify the group plan administrator when it is determined that the individual is no longer disabled.

However, the law also provides that your continuation coverage may be cut short for any of the following reasons:

- (1) Bedford Public Schools no longer provides group health coverage to any of its employees;
- (2) The premium for your continuation coverage is not paid in a timely fashion;
- (3) You become covered under another group health plan that does not include a pre-existing conditions exclusion that applies to you or to a covered member;
- (4) You become eligible for Medicare; or
- (5) There has been a final determination that you are no longer disabled (in the case of beneficiaries who qualified for an extra 11 months continuation coverage based upon their disability at termination).

You do not have to show that you are insurable to choose continuation coverage. However, under the law, you may have to pay all or part of the premium for your continuation coverage. You will have a grace period of at least 30 days in which to pay the regular premiums.

If you have the continuation coverage, please notify Bedford Public Schools' Benefits Specialist if you have changed your marital status or address.

If you have any questions about the law, please contact:

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