COBRA Continuation of Coverage

Quick Facts – COBRA Legislation

April 7, 1986: COBRA: (The Consolidated Omnibus Budget Reconciliation Act), mandated that most employers offer continuation of group health care coverage to plan participants and their eligible dependents for 18 or 36 months, at 102% of the monthly group premium, for certain qualifying events, such as voluntary or involuntary separation from employment, a reduction of hours worked, overage dependent, or a divorce. (Additional events and provisions apply – See the HR Benefits website at www.csus.edu/hr/Benefits → When You Separate.

February 17, 2009: ARRA (American Recovery and Reinvestment Act), provides for a 65% COBRA premium subsidy for a maximum of nine (9) months for involuntary terminations that occur between September 1, 2008 and December 31, 2009. Qualified beneficiaries and their eligible family members, pay the remaining 35% of the monthly COBRA premium.

December 19, 2009: ARRA extended the COBRA subsidy provisions for an additional six months, for a maximum of 15 months for eligible workers who are involuntarily terminated on or before February 28, 2010.

March 2, 2010: ARRA extended the COBRA subsidy provisions to workers involuntarily terminated from March 1 – March 31, 2010. In addition, ARRA extended the COBRA premium assistance eligibility to individuals and their qualified beneficiaries who were eligible for COBRA due to reduced hours of employment from September 1, 2008 through March 31, 2010, and experienced a subsequent involuntary termination on or after March 2, 2010 through March 31, 2010.

April 15, 2010: ARRA extended the COBRA subsidy provisions to individuals involuntarily terminated April 1 – May 31, 2010 and their qualified beneficiaries in addition to extending the COBRA premium assistance eligibility to individuals and their qualified beneficiaries who were eligible for COBRA due to reduced hours of employment between September 1, 2008, through May 31, 2010 and experience a subsequent involuntary termination on or after March 2, 2010 through May 31, 2010.

Frequently Asked Questions – COBRA Initial Processing

1. How am I notified of COBRA eligibility?
   - The HR Benefits office will send you a COBRA packet if your loss of coverage is due to a separation from employment, loss of eligibility, or upon notification from you of an ineligible dependent.

   - Note: Overage dependents are automatically terminated by the Benefits Office. You will receive a COBRA election packet the month before their 26th birthday.

2. How long do I have to decide whether I want to continue any or all of my benefits available under COBRA?
   - You and your eligible dependents have sixty (60) days from your qualifying event, or date of notification, whichever is later.

3. How can I cancel my COBRA coverage if I become eligible under another group policy?
   - You simply contact the carrier’s COBRA administration unit directly to cancel your COBRA benefits coverage. A complete explanation of this information will be included in the COBRA enrollment material you receive from your carrier.

4. Where can I find additional information regarding the provisions of COBRA and Healthcare Reform?
   - www.calpers.ca.gov (See Health Plans: → Eligibility and Enrollment → COBRA & Conversion, or National Healthcare Reform Update. Visit the Benefits website at www.csus.edu/hr/benefits → When You Separate for information regarding your COBRA benefits.)