



# NOTICE OF COBRA RIGHTS FOR NEW EMPLOYEES

901 Myrtle Avenue • Eureka, California 95501 • (707) 445-7126

DATE: \_\_\_\_\_

TO: Employees Covered by Health Plans

On April 7, 1986, a new federal law was enacted (Public Law 99-272 Title X) which allows you to continue your group health and dental coverage with no lapse in coverage *if certain qualifying events occur*:

As an employee you can choose this continuation coverage for up to 18 months at 102% of the active group rates if you lose your coverage because of a reduction of hours, termination of your employment, or retirement. An employee and any covered dependent who qualifies for Social Security disability, as of the date of the qualifying event (termination of employment or reduction in hours) may extend coverage an additional 11 months for a total of 29 months of COBRA coverage. During the 11-month extension, premiums are increased to 150% of the applicable premium. The extension is only available for as long as the individual remains disabled.

If you are the spouse of an employee covered under the active group plan, you have the right to continuous coverage at 102% of the active group rate for 36 months if any of the following events occur:

1. The death of your spouse.
2. Divorce.
3. Legal separation.
4. Your spouse becomes eligible for Medicare and terminates the plan.

If you are a dependent child of an employee covered by the active group plan you have the right to continue coverage for 36 months at 102% of the active group rates for any of the following reasons:

1. Death of the parent who is the covered employee.
2. Parents divorce or legal separation.
3. The covered parent becomes entitled for Medicare and terminates the plan.
4. The dependent ceases to be a dependent child under the group plan.

It is the *employee or family member's responsibility* to notify the employer of change of address, divorce, legal separation or child's loss of eligibility. You have 60 days from the date of the qualifying event to choose continuation of coverage. If you do not choose continuation coverage, your group coverage will end. Your group coverage may be cut short if any of the following five events occur:

1. The premiums are not received by the 30th day of each month.
2. The employer no longer provides group coverage for any of its employees.
3. You become eligible for coverage under another health plan.
4. You become entitled for Medicare.
5. You were divorced from a covered employee and you subsequently remarry and are covered under your new spouse's health plan.

More complete information regarding such rights is available from the plan administrator and is also in the Summary Plan Description.

I have read the above as of \_\_\_\_\_, 20\_\_\_\_\_ and understand my continuation of coverage rights and the obligation to make payment by the 30th day of each month following the qualifying event.

\_\_\_\_\_  
*Employee Signature*

\_\_\_\_\_  
*Received by District Representative*

\_\_\_\_\_  
*Employee's Spouse/Partner Signature*