

Appendix Number 27

COBRA NOTIFICATION

Dear [Name of Employee],

1. Federal Public Law 99-272 (which became effective July 1, 1986 and is known as COBRA) requires that all employers of 20 or more full time employees offer a continuation of group insurance coverage to individuals who fall under one of the following "qualifying events". The qualifying event that has made you eligible for this continued group insurance coverage is:

- ___ Termination of employment (other than for gross misconduct), for a maximum continuation period of eighteen (18) months.
- ___ Reduction of work hours below eligibility requirement, for a maximum continuation period of eighteen (18) months.
- ___ Dependent coverage terminated due to death of employee, for a maximum continuation period of thirty six (36) months.
- ___ Divorce or legal separation from employee, for a maximum continuation period of thirty six (36) months.
- ___ Spouse or dependent of Medicare eligible employee, for a maximum continuation period of thirty six (36) months.
- ___ Dependent child who ceases to be a dependent under the generally applicable requirements of the group plan, for a maximum continuation period of thirty six (36) months.

2. Under the Act, a qualifying individual is entitled to continued group insurance coverage identical to that which is provided to similarly situated beneficiaries to whom a qualifying event has not occurred. Individuals who are entitled to continued benefits under COBRA guidelines are required to pay the entire premium required under the policy during the entire period of the continued coverage. The premium you will be required to pay may not exceed one hundred and two percent (102 %) of the applicable premium, for any period of continued coverage. Failure to pay the monthly premium will result in a cancellation of the insurance.

3. The insurance benefits offered under the COBRA guidelines will be terminated if and when any of the following occur:

- A. You fail to pay the premium at the time it is required.
- B. You become eligible for coverage under any other group insurance plan due to

employment or remarriage.

C. At the expiration of the maximum continuation period.

4. The offer of continued insurance coverage under COBRA is made independently of any other offer to continue insurance that may be required under any applicable state law.

5. You have sixty (60) days from the termination date of your current coverage to decide whether to continue your insurance coverage under this plan. If you decide to apply for the continued coverage, all due and owing premiums must be paid before coverage will be granted. If you fail to apply for coverage within the sixty (60) days, you will have waived your rights to continuation of coverage under the COBRA guidelines. You are not required to apply for or accept coverage under COBRA.

6. I am fully aware of Cobra and understand that the insurance providers will send me the application within one month of my termination from the insurance. I also understand that if I do not receive an enrollment form, I am to call the provided numbers to insure proper enrollment

Employee Signature

Date

Witness Signature

Date

COBRA CONTACTS

Health Insurance
National Benefit Services
800-274-0503 ext 185

Dental Insurance
Dentist Direct
Tana r. Lee
866 my-molar (866-696-6527)

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