

What to do if you lose medical / dental coverage – COBRA Information

Have you ever wondered what to do if you or your dependents lose medical, dental and/or FSA coverage? The following details the COBRA process, offering definitions, detailing the timeline, and listing the responsibilities of your department, you, the Department of Personnel and Administration (DPA), and the insurance carriers.

Definitions

- Qualified Beneficiary - An individual covered by a group health plan, or a dependent of such an individual, as of the day *before* a COBRA qualifying event takes place.
- COBRA Qualifying Event – An event that terminates an individual’s normal group medical, dental, or FSA coverage.
- Qualifying Event Date - The actual day the event occurs e.g., the actual last day of work, or the date the divorce becomes legal.
- Coverage End Date – Last day of the month in which a qualified event occurs.
- COBRA Eligibility Date – Your first day of COBRA coverage.
- Eligibility Period - The allotted time the COBRA qualified beneficiary can remain on the group coverage under COBRA.

Timing

- Your COBRA coverage will become effective once your first premium is paid. **DO NOT** send premiums with your COBRA enrollment form. Coverage will then be retroactive to your initial COBRA eligibility date, provided your enrollment form was timely.
- ***Coverage for active employees, and/or their dependents, continues through the end of the month in which the COBRA qualifying event occurs.*** The COBRA eligibility period begins on the *first of the month following the end of active employee coverage.* For example, if you terminate employment May 15, your active employee coverage ends on May 31. Your COBRA eligibility period starts June 1.
- Please note that the COBRA enrollment process can take up to three weeks to complete. ***During that time, your coverage is suspended pending receipt of your first premium, and you are financially responsible for any medical or dental services you receive.*** Once your COBRA continuation coverage is effective, you need to contact the insurance carrier regarding any reimbursements.

Your Department’s Responsibilities

- Once a qualifying event occurs, (retirement, termination, divorce, death or loss of student status) your department’s human resource office must mail the COBRA Packet to all qualified beneficiaries within 14 days of the qualifying event (the notice cannot be sent prior to the qualifying event).
COBRA packet includes:
 - Seven-page Election Notice
 - Enrollment form
 - Medical and Dental COBRA Premiums
 - Return envelope

Employee’s / COBRA Enrollee’s Responsibilities

- Your COBRA enrollment form must be received by the Department of Personnel and Administration (DPA) **no later than 60 days following the later of:**
 - Date you receive the Election Notice informing you of your rights to continuation coverage
 - Date your coverage as an active employee ends

- Mail or fax *completed* election form to:
Department of Personnel and Administration (DPA)
Division of Human Resources
Attn: COBRA Administrator
1313 Sherman Street, First Floor
Denver, Colorado 80203

Fax: 303-866-3879

- Your first premium payment must be made directly to the insurance carrier(s) **within 45 days of electing coverage** (the date election form was mailed).
- You will be billed directly by the carrier(s). For coverage to continue, you must make your payments directly to the carrier(s) **by the first of each month**.
- To cancel COBRA continuation coverage, you must provide a written request directly to the insurance carrier(s).

DPA's Responsibilities

- Process COBRA election form
- Provide insurance carrier(s) with copy of election form
- Mail confirmation to employee

Insurance Carriers' Responsibilities

- Process COBRA enrolment forms
- Mail statements / bills and issue new insurance cards (if applicable). In most cases, the first statement / bill will be for **two** months of premiums.
- Resolve any billing and claim issues.

COBRA Open Enrollment

- COBRA members have an Open Enrollment period just as active employees do. This is an opportunity for all participants to make changes to their coverage. Employees or dependents experiencing a COBRA qualifying event near or during COBRA Open Enrollment may need to make **two decisions** at this time:
 - 1) Initial election of COBRA continuation coverage for the remainder of the **current plan year**;
 - 2) Any new choices the participant may wish to make to their COBRA continuation coverage for the **upcoming new plan year**. These new choices would be accomplished through the COBRA Open Enrollment process.

NOTE: Qualified beneficiaries who initially declined COBRA coverage at the beginning of the COBRA eligibility period **MAY NOT BE ADDED** to coverage during COBRA Open Enrollment.

This is only a brief description of the process and responsibilities. For more information on COBRA, please visit www.colorado.gov/dpa/dhr/benefits. You may also contact the State's COBRA Administrator, Jamie L. Thornton, at 303-866-2254 / 1-800-719-3434 or at jamie.thornton@state.co.us.