



## Notice of Continuation Of Health, Dental, Vision Insurance

Employees, their spouses, and their dependent children who participate in group health, dental, or vision insurance plans provided by the Berkley School District have the opportunity, under certain circumstances, to continue the same coverage at the time coverage would otherwise end. Federal law requires that most employers sponsoring group insurance plans offer employees and their dependents this opportunity for a temporary extension of coverage (called “continuation coverage”) at group rates. This notice is intended to inform you, in a summary fashion, of your rights and obligations under these continuation coverage provisions. Both you and your spouse (if you are currently married) should take the time to read this notice carefully.

If you are an employee of the Berkley School District, the spouse of an employee, or the dependent child of an employee covered by its group insurance plan, you have a right to choose this continuation coverage if your coverage would cease because of a qualifying event. The qualifying events that trigger the possibility of continuation coverage and the required continuation coverage periods are shown below:

### Qualifying Events

### Continuation Coverage Period

#### For Employees –

- |  |           |
|--|-----------|
| - Voluntary or involuntary termination of employment for other reasons other than gross misconduct | 18 months |
| - Reduction in hours of employment below eligibility minimum to participate in group health plan   | 18 months |

Qualifying EventsContinuation Coverage Period

For Beneficiaries (spouse and dependent children) -

-Termination of the covered employee's employment for any other reason than "gross misconduct"	36 months
-Reduction in hours worked by covered employee	36 months
-Covered employee's death	36 months
-Divorce or legal separation from covered employee	36 months
-Dependent child ceases to be eligible to be covered under group health plan	36 months
-Covered employee's becoming entitled to Medicare	36 months

Under this law, the employee or family member has a responsibility to inform the Berkley School District of a divorce, legal separation, or a child losing dependent status under a group insurance plan. When the Berkley School District is notified that one of those events has happened, or when death, termination of employment, reduction in hours, or election of Medicare of an employee occurs the Berkley School District will in turn notify you that you have the right to choose continuation coverage. You have 60 days from the date you would lose coverage because of one of the events described on this page or the previous page to inform the Berkley School District that you want continuation coverage.

Once COBRA coverage is chosen, the beneficiary is required to pay for the coverage. COBRA coverage is retroactive if elected and paid for by a qualified beneficiary.

***If you do not choose continuation coverage, your group insurance coverage will end.***

## Benefits Available to Qualified Beneficiaries

Qualified beneficiaries have the right to elect to continue coverage that is identical to the coverage provided under the plan. A covered employee or the covered employee's spouse may elect COBRA coverage on behalf of any other qualified beneficiary. Each qualified beneficiary, however, may independently elect COBRA coverage. A parent or legal guardian may elect on behalf of a minor child. You do not have to show that you are insurable to choose continuation coverage. However, you will have to pay the premium for your continuation coverage plus a 2% administration fee.

## Termination of COBRA Coverage

Coverage for the employee and eligible dependent(s), if any, may end when:

1. The last day of maximum coverage is reached;
2. Premiums are not paid on a timely basis;
3. The employer ceases to maintain any group health plan;
4. Coverage is obtained with another employee group health plan that does not contain any exclusion or limitation with respect to any pre-existing condition of such beneficiary;
5. A beneficiary is entitled to Medicare benefits.

Special rules for disabled individuals may extend the maximum periods of coverage. If a qualified beneficiary is determined under Title II or XVI of the Social Security Act to have been disabled at the time of a termination of employment or reduction in hours of employment and the qualified beneficiary properly notifies the plan administrator of the disability determination, the eighteen (18) month period is expanded to twenty-nine (29) months.

## Regular Conversion Option

After the continuation coverage under COBRA expires, the beneficiary may be eligible for coverage under any conversion option provided under the plan.

1. The plan administrator will notify a qualified COBRA beneficiary of the option to enroll in a conversion plan within 180 days before the expiration date of COBRA continuation coverage.

2. The benefits and costs of coverage available under a conversion option may differ from those offered through the group health plan.

## Notification Requirements

### A. The Board shall:

1. Notify all covered employees and spouses of their coverage continuation rights on the date the COBRA requirements took effect;

Thereafter, each employee shall be notified of this policy at the time they begin coverage under the Plan's Group Health Coverages and each spouse shall be notified of this policy at the time family or spouse coverage begins under the Plan's Group Health Coverages.

Notification to the employee's spouse shall be deemed to serve as notice on dependent children.

2. Include information on the continuation rights in the Summary Plan Description.
3. Notify the plan administrator within thirty (30) days of the following qualifying events:
  - a. Death of the covered employee
  - b. Termination of employment or reduction in hours of the covered employee
  - c. Eligibility of covered employee for Medicare
  - d. Bankruptcy of covered employee

### B. The Plan Administrator shall:

1. Notify the employee of their COBRA provisions when the employee begins under the group health coverages;
2. Notify the eligible beneficiaries within fourteen (14) days of receiving the specified notification of the qualifying event of his/her right to continuation of coverage. Notifying a spouse or former spouse of an employee is considered sufficient notice to all other eligible beneficiaries living with that person.

The employee, retiree, or family member should notify the plan administrator within (60) days of events consisting of divorce or legal separation or a child's ceasing to be covered as a dependent under plan rules.

If you become eligible for continuation coverage, more details about where and how to apply will be provided. In the meantime, if you have any questions, please contact Laura Cannon in the Benefits Office at 248.837.8033 or via email at [laura.cannon@berkleyschools.org](mailto:laura.cannon@berkleyschools.org).