

Cal-COBRA Notice

Cal-COBRA Applies to Non-Government employers of 2-19 Employees who lose health care coverage under a group health plan.

Employees and their dependent spouses and children who are enrolled in the employer's benefit plans at the time of a qualifying event (defined below) are known as "qualified beneficiaries" and are eligible for Cal-COBRA, unless the individual:

- becomes covered under another group benefit plan which does not impose any pre-existing condition limitations affecting the individual;
- becomes eligible for federal COBRA;
- becomes eligible for Medicare;
- becomes eligible for Medi-Cal;
- fails to notify the health plan of a qualifying event in the time specified by the law (generally within 60 days); or
- fails to pay their premium on a timely basis

The employee must be enrolled in an employer's health plan at the time of a qualifying event.

Qualifying events include:

- The death of the covered employee;
- The termination or reduction of hours of the covered employee's employment for other than gross misconduct;
- Their divorce or legal separation from a covered employee;
- Their loss of dependent status by a dependent child; and
- The covered employee becoming eligible for Medicare.

Within 14 days of notification of a qualifying event, the insurance carrier will send an election form and premium information to the qualified beneficiary. If the qualified beneficiary wishes continued coverage, he/she must notify the insurance carrier in writing within 60 days of the later of:

- The qualifying event
- The date the employee is given notice

The first premium payment must be received by the carrier within 45 days of the date the qualified beneficiary provides written notice of election. The employee will pay 110% of regular premium for 18 months; qualified beneficiaries who are totally disabled as determined by the Social Security Administration can continue their coverage up to an additional 11 months beyond the initial 18 months by paying 150% of the premium for the additional 11 months.

The major difference between Cal-COBRA and COBRA is that the insurance carrier is responsible for the administration of Cal-COBRA. The employer is responsible for notifying the carrier of the qualifying event and the carrier takes it from there.

Anyone covered under Cal-COBRA has the same benefits as active covered employees. However, California law does not require the plan to continue your non-medical coverage, like dental or vision care. If active employees have open enrollment periods when they can change from one plan to another, Cal-COBRA enrollees may do the same. If the employer changes the employees from one plan to another, the Cal-COBRA enrollee must be allowed to transfer into the new group along with active covered employees. No restrictions based on pre-existing conditions are allowed.

Cal-COBRA provisions are found at Cal. Health & Safety Code § 1366.20 et seq.