



Election Form for Health Care Continuation Coverage COBRA Enrollment Form

The 'Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) requires your employer to provide you and/or your Spouse/ Dependents with the opportunity to elect health care continuation coverage under the employer's group health plan. If you would like to elect continuation coverage, please complete and sign this form and return it to the Plan Administrator as soon as possible. If you do not return this election form within 60 days of the date you lose health coverage, you will lose your right to elect coverage. If you do return this form, then, within 45 days after your election, you must pay a premium for the period from the date your coverage would otherwise terminate to the date of this election, in addition to any future monthly premium that becomes due during the 45-day period. If you fail to pay this premium, as well as any other monthly premium upon the due date, your coverage will terminate.

You and/or your spouse/dependents are eligible for continued coverage for:

18 months, 29 months, 36 months, based on the following qualifying event, which occurred on _____:

- | | |
|---|---|
| <input type="checkbox"/> Termination of your employment | <input type="checkbox"/> Death of Spouse/Parent |
| <input type="checkbox"/> Termination of spouse's/parents employment | <input type="checkbox"/> Retirement |
| <input type="checkbox"/> Reduction in hours that resulted in loss of benefits | <input type="checkbox"/> Divorce or legal separation from employee |
| <input type="checkbox"/> Your status as a 'dependent child' has ended. | <input type="checkbox"/> Spouse or parent became covered under Medicare |

I waive my right to continuation coverage under the Plan

I elect continuation coverage under the Plan for the following individuals:

Note: Available only for individuals who were covered under the Plan at the time of the qualifying event.

Indicate any coverage(s) below you wish to elect to continue.

You will be deemed to have waived your right to continue any coverage(s) you have not selected below.

Type of Health Coverage and Current Monthly Premium*

	Medical	Dental	Vision	Total
Single Coverage	\$ _____	\$ _____	\$ _____	\$ _____
Two-Party Coverage	\$ _____	\$ _____	\$ _____	\$ _____
Family Coverage	\$ _____	\$ _____	\$ _____	\$ _____

Premium amounts may change. You will be notified of any change in this premium amount. Premium payments are generally due before the first of each month. If premium payments are not received by the Plan Administrator on time, coverage will terminate.

*The Plan Administrator may charge up to 2% of the monthly premium for administrative fees.

Continuation health care coverage is first effective _____ and is provided subject to eligibility.

I HAVE READ THIS FORM AND UNDERSTAND MY RIGHTS TO ELECT CONTINUATION COVERAGE.

Name of Subscriber

Social Security Number

Mailing Address

Telephone Number

Signature

Date

Plan Administrator _____ Contact Number _____

Received by Plan Administrator _____ Date _____



NetCare Life & Health Insurance Company COBRA Policy and Procedures

Introduction

The 'Consolidated Omnibus Budget Reconciliation Act of 1985' (COBRA) requires that taxable and non-taxable employers with 20 or more employees must provide continuation coverage to qualified employees and dependents.

Eligibility

- The qualifying event must occur after the Employer implements the COBRA program.
- COBRA continuation coverage must be offered if the qualified beneficiary (covered employee and covered dependents) would otherwise lose coverage due to a qualifying event. The following are qualifying events:
 - 1) The termination (other than by reason of the employee's gross misconduct), or reduction of hours, of the covered employee's employment;
 - 2) The death of the covered employee;
 - 3) The divorce or legal separation of the covered employee;
 - 4) A dependent child is no longer eligible under the employer's plan.

Period of Continuation Coverage:

COBRA continuation coverage must extend for at least the period beginning on the day of the qualifying event and ending not earlier than the earliest of the following:

- Maximum Period -
 - A) 18 months for a covered employee and covered dependents for the qualifying event of termination of the covered employee's employment or reduction of hours.

The 1989 amendments provide that the 18 months of COBRA continuation coverage will be extended to 29 months if the qualified beneficiary is disabled for Social Security purposes (Title II or Title XVI) at the time of termination (or reduction in hours) of employment.
 - B) 36 months for covered dependents for all other qualifying events. (Although there may be more than one qualifying event, the maximum COBRA coverage is 36 months).
- End of Plan - The date on which the employer ceases to provide any group health plan to any employee.
- Failure to make timely payments - The date on which the qualified beneficiary is, after the date of the election, covered under any other group health plan (as an employee or otherwise) which does not contain any exclusion or limitation with respect to any preexisting condition of such beneficiary.
- Medicare entitlement - The date on which the qualified beneficiary is entitled to benefits under Medicare.

Election

- COBRA continuation coverage is not automatic. Continuation coverage must be elected by the qualified beneficiary. The election period begins no later than the date on which coverage terminates under the plan by reason of a qualifying event. The election period is 60 days in duration. If the COBRA election is not made within 60 days of the qualifying event, you and/or your dependents will lose the right to continuation coverage.
- To elect COBRA continuation coverage, qualified beneficiaries must complete the NetCare COBRA Enrollment form. COBRA coverage must be the same as coverage provided at the time of the qualifying event. If an employee or employee's beneficiary has no coverage prior to a qualifying event, no COBRA coverage will be offered.
- If a negative election is made, and a qualified beneficiary 'changes his/her mind' within the 60-day election period and decides to elect coverage, COBRA coverage begins on the date of the positive election. (COBRA coverage is not provided retroactively to the date of the employee termination).
- There can be no interruption of coverage under COBRA. A COBRA enrollee who is deleted cannot be re-enrolled.

Payment Requirement

- Qualified beneficiaries are required to pay the full cost of the applicable premium (plus up to 2% for administrative fees) even if the employer had previously paid all or a portion of the cost.
- Benefits for COBRA enrollees will remain the same as for those active enrollees under the employer's plan. Consequently, any changes of benefits and/or rates will also apply to COBRA enrollees.