

Federal COBRA & New Hampshire Continuation of Coverage

Quick Facts and Information for Granite Staters



What is COBRA?

Consolidated Omnibus Budget Reconciliation Act Continuation Coverage (COBRA) is a Federal law that gives employees and their covered dependents, who lose health benefits, the right to continue their coverage, in most cases, a maximum of 18 months. There are some circumstances that may allow you to extend COBRA beyond 18 months, which are described below.

Who does COBRA apply to?

COBRA applies to group health and dental plans sponsored by employers with 20 or more employees. It does not apply to individual or association health insurance policies, and it does not include non-health benefits, like life insurance.

How do I apply for COBRA?

Your employer is required to provide you with an election notice, which describes your rights under COBRA. You have 60 days from the time you receive notification or the date you would lose coverage (whichever date is later) to elect COBRA and to make a payment to continue coverage.

How much does COBRA cost?

The cost of COBRA is equal to your employer's full cost for the coverage, plus a 2% administrative fee. Your cost will be stated in the notification letter. If you have questions, ask your employer. Payments for your COBRA coverage are generally paid directly to your employer or to their administrator.

Are there exceptions that allow COBRA to continue for more than 18 months?

Yes. When the qualifying event is the end of employment or reduction of the employee's hours, and the employee became entitled to Medicare less than 18 months before the qualifying event, COBRA coverage for the employee's spouse and dependents can last until 36 months after the date the employee becomes entitled to Medicare. For example, if a covered employee becomes entitled to Medicare eight months before the date his/her employment ends (termination of employment is the COBRA qualifying event), COBRA coverage for his/her spouse and children would last 28 months (36 months minus eight months).

What is New Hampshire Continuation of Coverage?

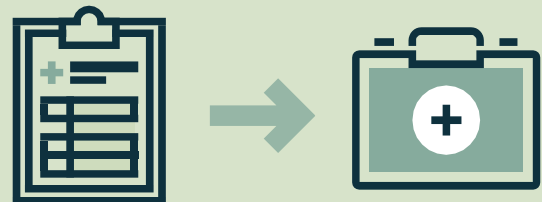
New Hampshire Continuation works like COBRA except that employees of all size employers are eligible to continue coverage. In addition, in the event the employer's health plan terminates, you and your dependents are eligible for 39 weeks of coverage, provided you enroll and pay the required premium.

How much does New Hampshire Continuation of Coverage cost?

You'll pay the employer's full price, plus a 2% administrative fee. Unlike COBRA, you'll make New Hampshire Continuation of Coverage payments directly to the employer.

How do I sign up for continuation?

The insurance carrier is responsible under NH law to notify eligible individuals of their continuation rights. The carrier has 30 days to provide the individual with an election notice and enrollment instructions. The individual then has 45 days to elect and make payment.



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How is my eligibility for COBRA or New Hampshire Continuation of Coverage determined?

To be eligible for COBRA or New Hampshire Continuation of Coverage, you must have a qualifying event, which results in the loss of your health insurance. Qualifying events include:

- **Termination of employment** by quitting or being laid off by your employer, excluding termination for gross misconduct
- **Reduction of hours**
- **Declaration of bankruptcy** by the employer (to be eligible for New Hampshire Continuation of Coverage)

In addition to the family protections described above, there are additional protections for the spouse and dependent children. COBRA coverage can be extended in the following circumstances:

- **Divorce and legal separation**
- **Change in dependent status**
- **Being declared totally disabled**
- **Death of covered employee**
- **Declaration of bankruptcy by the employer** (to be eligible for New Hampshire Continuation of Coverage)



Can my coverage period be shortened?

Yes. If you fail to pay your premiums, if you obtain health coverage under another employer's group plan or if you become eligible for Medicare, your coverage period may end earlier.

I have more questions.

Who can help me?



CONTACT YOUR HEALTH INSURANCE COMPANY.

You'll find their phone number on the back of your insurance card or visit their website.

CONTACT THE NH INSURANCE DEPARTMENT CONSUMER SERVICES DEPARTMENT.

- (603) 271-2261
- (800) 852-3416
- (800) 735-2964 (TTY/RDD Relay Services)
- consumerservices@ins.nh.gov
- www.NH.gov/insurance

This document is for informational purposes only. While the New Hampshire Insurance Department has made every effort to provide accurate information, some information has been generalized. Please contact your health insurance company to obtain specific information about your policy.