

## **COBRA Information**

### **How to Elect COBRA Coverage**

Under COBRA, you have a limited number of days to elect continuation coverage. Your election window is determined by the plan and is calculated from the date your coverage under the plan is lost because of the event described above or the date this notice of your election rights is sent to you, whichever is later. To elect COBRA coverage, you must complete and submit the enclosed election form to Daemen College no later than the Election Period End date (“Date to Elect”) listed on the enclosed COBRA Election Form. This same notice is being sent separately to your spouse, if any; however, only one of you needs to elect continuation coverage for your spouse and dependent child(ren), if any, who wish to continue coverage. Furthermore, because COBRA gives you the right to elect coverage independently, you, your spouse or dependent child(ren), if any, may elect single coverage and not include those individuals who do not wish to continue coverage.

### **Payment of COBRA Coverage Premiums**

#### *First payment for continuation coverage*

You must make your first payment for continuation coverage no later than 45 days after the date of your election (this is the date the Election Notice is postmarked or received if provided in person). If you don’t make your first payment in full no later than 45 days after the date of your election, you’ll lose all continuation coverage rights under the Plan. You’re responsible for making sure that the amount of your first payment is correct.

*Periodic payments for continuation coverage:* After you make your first payment for continuation coverage, you will be required to make periodic payments for each subsequent coverage period. The amount due for each coverage period for each qualified beneficiary is shown in this notice. The periodic payments can be made on a monthly basis. Under the Plan, each of these periodic payments for continuation coverage is due on the first day of the month for that coverage period. If you make a periodic payment on or before the first day of the coverage period to which it applies, your coverage under the Plan will continue for that coverage period without any break. The Plan will send periodic notices of payments due for these coverage periods and accepts payment by cash, check, or money order.

*Grace period for periodic payments:* Although periodic payments are due the first of the month, you will be given a grace period of 30 days after the first day of the coverage period to make each periodic payment. Your continuation coverage will be provided for each coverage period as long as payment for that coverage period is made before the end of the grace period for that payment.

If you fail to make a periodic payment before the end of the grace period for that coverage period, you will lose all rights to continuation coverage under the Plan.

Your first payment and all periodic payments for continuation coverage should be sent to:

Daemen College  
Employee Engagement Department  
COBRA Benefits  
4380 Main Street  
Amherst, NY 14226

### **Are there other coverage options besides COBRA Continuation Coverage?**

Yes. Instead of enrolling in COBRA continuation coverage, there may be other more affordable coverage options for you and your family through the Health Insurance Marketplace, Medicaid, or other group health plan coverage options (such as a spouse's plan) through what is called a "special enrollment period." Some of these options may cost less than COBRA continuation coverage. You should compare your other coverage options with COBRA continuation coverage and choose the coverage that is best for you.

When you lose job-based health coverage, it's important that you choose carefully between COBRA continuation coverage and other coverage options, because once you've made your choice, it can be difficult or impossible to switch to another coverage option.

Additionally, you may qualify for a special enrollment opportunity for another group health plan for which you are eligible (such as a spouse's plan), even if the plan generally does not accept late enrollees, if you request enrollment within thirty days.

### **What is the Health Insurance Marketplace?**

The Marketplace offers "one-stop shopping" to find and compare private health insurance options. In the Marketplace, you could be eligible for a new kind of tax credit that lowers your monthly premiums and cost-sharing reductions (amounts that lower your out-of-pocket costs for deductibles, coinsurance, and copayments) right away, and you can see what your premium, deductibles, and out-of-pocket costs will be before you make a decision to enroll. Through the Marketplace you'll also learn if you qualify for free or low-cost coverage from Medicaid or the Children's Health Insurance Program (CHIP). You can access the Marketplace for your state at [www.HealthCare.gov](http://www.HealthCare.gov). In New York State, the Marketplace can be accessed anytime at [www.nystateofhealth.ny.gov](http://www.nystateofhealth.ny.gov)

### **If I choose to enroll in the Marketplace and not enroll in COBRA Continuation Coverage, when can I do so?**

You always have 60 days from the time you lose your job-based coverage to enroll in the Marketplace. That is because losing your job-based health coverage is a "special enrollment" event. After 60 days your special enrollment period will end and you may not be able to enroll, so you should take action right away. In addition, during what is called an "open enrollment" period, anyone can enroll in Marketplace coverage.

To find out more about enrolling in the Marketplace, such as when the next open enrollment period will be and what you need to know about qualifying events and special enrollment periods, visit [www.HealthCare.gov](http://www.HealthCare.gov) or in New York State, [www.nystateofhealth.ny.gov](http://www.nystateofhealth.ny.gov)

### **Newborns and Adoptees**

A child who is born to or placed for adoption with you during a period of COBRA coverage will be eligible to become covered under the plan. In accordance with the terms of the Daemen group health benefits plan and the requirements of Federal law, these qualified beneficiaries can be added to COBRA coverage upon prior notification to the Daemen Plan Administrator of the birth or adoption.

### **Early Termination of COBRA Coverage**

COBRA coverage may terminate early if:

- (1) The required premium payment is not paid when due.
- (2) After the date of your COBRA election, you and your spouse or dependent child(ren), if any, become covered under another group health plan that does not contain any exclusion or limitation for any of your pre-existing conditions.
- (3) After the date of your COBRA election, you, your spouse or dependent child(ren), if any, become entitled to Medicare benefits.
- (4) All of Daemen group health plans are terminated
- (5) COBRA coverage may also be terminated for any reason the plan would terminate coverage of a participant or beneficiary not receiving COBRA coverage (such as fraud).

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) restricts the extent to which group health plans may impose pre-existing condition limitations. These rules are generally effective for plan years beginning after June 30, 1997. HIPAA coordinate COBRA's other coverage cut-off rule with these new limits as follows.

If you become covered by another group health plan and that plan contains a pre-existing condition limitation that affects you, your COBRA coverage cannot be terminated. However, if the other plan's pre-existing condition rule does not apply to you by reason of HIPAA's restrictions on pre-existing condition clauses, the Daemen group health plan may terminate your COBRA coverage.

Continuation coverage under COBRA is provided subject to your eligibility. The Daemen Plan Administrator reserves the right to terminate your COBRA coverage retroactively if you are determined to be ineligible for coverage. To be sure that you, your spouse and your dependent child(ren), if any, receive the necessary information concerning your rights, you should keep Daemen College informed of any address changes.

The Trade Act of 2002 provides an additional 60-day COBRA election period for certain individuals who become eligible for Trade Adjustment Assistance ("TAA"). A TAA-eligible individual who did not elect continuation coverage during the 60-day COBRA election period that was a direct consequence of the TAA-related loss of coverage, may elect continuation coverage during a 60-day period that begins on the first day of the month in which he or she is determined to be an eligible individual, provided such election is made no later than six (6) months after the date of the TAA-related loss of coverage. Any continuation coverage elected during the TAA second election period will begin with the first day of the second election period, and not be counted for purposes of determining whether the individual has had a 63-day break in coverage. If you have any questions regarding the TAA, please contact the Health Care Tax Credit (HCTC) Customer Service department at (866) 628-4282. TDD/TYY callers, please call (866) 626-4282. Or visit the HCTC on the Web at <http://www.irs.gov> (IRS keyword: HCTC).