

# COBRA COBRA Continuation Coverage Election Letter

<b>Date of Notice:</b>	MM/DD/YYYY
<b>To:</b>	NAME OF EMPLOYEE, SPOUSE, DEPENDENT CHILDREN, AS APPROPRIATE
<b>Address:</b>	ADDRESS TO WHICH NOTICE IS BEING SENT

This notice has important information about your right to continue your healthcare coverage with your group health plan(s), as well as other health coverage options that may be available to you, including coverage through the Health Insurance Marketplace at [www.HealthCare.gov](http://www.HealthCare.gov) or call 1-800-318-2596. You may be able to get coverage through the Health Insurance Marketplace that costs less than COBRA continuation coverage. Please read the information in this notice very carefully before you make your decision.

To elect COBRA continuation coverage, follow the instructions to complete the Election Form (MKT-365) and submit it to the Plan Administrator at the address below. This Election Form should be included in your COBRA Election Packet (MKT-171). Federal law requires that most group health plans (including this plan) give employees and their families the opportunity to continue their healthcare coverage through COBRA continuation coverage when there's a "qualifying event" that would result in a loss of coverage under an employer's plan.

COBRA continuation coverage is the same coverage that the plan gives to other plan members who aren't getting continuation coverage. Each "qualified beneficiary" (described below) who elects COBRA continuation coverage will have the same rights under the plan as other members covered under the plan.

<b>If you do not elect COBRA continuation coverage, your coverage under the plan will end on</b>	MM/DD/YYYY
<p><b>Please check the reason below:</b></p> <p><input type="checkbox"/> End of employment</p> <p><input type="checkbox"/> Reduction in hours of employment</p> <p><input type="checkbox"/> Death of employee</p> <p><input type="checkbox"/> Divorce</p> <p><input type="checkbox"/> Enrollment in Medicare</p> <p><input type="checkbox"/> Loss of dependent child status</p>	<p>Each person ("qualified beneficiary") in the category(ies) checked below is entitled to elect COBRA continuation coverage, which will continue group healthcare coverage under the plan for up to _____ months.</p> <p>If you elect COBRA continuation coverage, you may be able to extend the length of continuation coverage if a qualified beneficiary is disabled, or if a second qualifying event occurs. You must notify the Plan Administrator of a disability or a second qualifying event within a certain time period to extend the period of COBRA continuation coverage. If you don't provide notice of a disability or second qualifying event within the required time period, it will affect your right to extend the period of COBRA continuation coverage.</p> <p>For more information about extending the length of COBRA continuation coverage visit <a href="http://www.dol.gov/ebsa/publications/cobraemployee.html">www.dol.gov/ebsa/publications/cobraemployee.html</a>.</p>

**Please check the appropriate box or boxes below and give the names:**

<input type="checkbox"/> Covered employee or covered former employee	<input type="checkbox"/> Covered spouse or covered former spouse
<input type="checkbox"/> Dependent child(ren) covered under the plan on the day before the event that caused the loss of coverage	<input type="checkbox"/> Child who is losing coverage under the plan because he or she is no longer a dependent under the plan

If any of the persons listed above do not reside at the address to which this notice was sent, please notify the Plan Administrator of the new address for these persons so that we may give them a copy of this notice.

<b>If elected, COBRA continuation coverage will begin on</b>	MM/DD/YYYY	<b>and can last until</b>	MM/DD/YYYY
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COBRA continuation coverage may end before the date noted above in certain circumstances, like failure to pay premiums, fraud, or the individual becomes covered under another group health plan.

**You may elect either family coverage or single coverage for COBRA continuation coverage.**

<b>COBRA continuation coverage cost</b>	<b>Family:</b>	<b>Single:</b>
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Other coverage options may cost less. Your cost for COBRA coverage may change over time, as the cost of benefits under the plan changes. You do not have to send any payment with the Election Form. Important additional information about payment for COBRA continuation coverage is included in "Important Information about your COBRA Continuation Coverage Rights" (MKT-54).

**You may be able to get coverage through the Health Insurance Marketplace that costs less than COBRA continuation coverage.**

You can learn more about the Marketplace on the back of this page.

## 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).

Coverage through the Health Insurance Marketplace may cost less than COBRA continuation coverage. Being offered COBRA continuation coverage won’t limit your eligibility for coverage or for a tax credit through the Marketplace.

## When can I enroll in Marketplace coverage?

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).

## If I sign up for COBRA continuation coverage, can I switch to coverage in the Marketplace? What about if I choose Marketplace coverage and want to switch back to COBRA continuation coverage?

If you sign up for COBRA continuation coverage, you can switch to a Marketplace plan during a Marketplace open enrollment period. You can also end your COBRA continuation coverage early and switch to a Marketplace plan if you have another qualifying event such as marriage or birth of a child through something called a “special enrollment period.” But be careful though - if you terminate your COBRA continuation coverage early without another qualifying event, you’ll have to wait to enroll in Marketplace coverage until the next open enrollment period, and could end up without any health coverage in the interim.

Once you’ve exhausted your COBRA continuation coverage and the coverage expires, you’ll be eligible to enroll in Marketplace coverage through a special enrollment period, even if Marketplace open enrollment has ended. If you sign up for Marketplace coverage instead of COBRA continuation coverage, you cannot switch to COBRA continuation coverage under any circumstances.

## Can I enroll in another group health plan?

You may be eligible to enroll in coverage under another group health plan (like a spouse’s plan), if you request enrollment within 30 days of the loss of coverage.

If you or your dependent chooses to elect COBRA continuation coverage instead of enrolling in another group health plan for which you’re eligible, you’ll have another opportunity to enroll in the other group health plan within 30 days of losing your COBRA continuation coverage.

## What factors should I consider when choosing coverage options?

When considering your options for health coverage, you may want to think about:

<b>Premiums:</b>	Your previous plan can charge up to 102% of total plan premiums for COBRA coverage. Other options, like coverage on a spouse’s plan or through the Marketplace, may be less expensive.
<b>Provider Networks:</b>	If you’re currently getting care or treatment for a condition, a change in your health coverage may affect your access to a particular health care provider. You may want to check to see if your current health care providers participate in a network as you consider options for health coverage.
<b>Drug Formularies:</b>	If you’re currently taking medication, a change in your health coverage may affect your costs for medication – and in some cases, your medication may not be covered by another plan. You may want to check to see if your current medications are listed in drug formularies for other health coverage.
<b>Severance payments:</b>	If you lost your job and got a severance package from your former employer, your former employer may have offered to pay some or all of your COBRA payments for a period of time. In this scenario, you may want to contact the Department of Labor at 1-866-444-3272 to discuss your options.
<b>Service Areas:</b>	Some plans limit their benefits to specific service or coverage areas – so if you move to another area of the country, you may not be able to use your benefits. You may want to see if your plan has a service or coverage area, or other similar limitations.
<b>Other Cost-Sharing:</b>	In addition to premiums or contributions for health coverage, you probably pay copayments, deductibles, coinsurance, or other amounts as you use your benefits. You may want to check to see what the cost-sharing requirements are for other health coverage options. For example, one option may have much lower monthly premiums, but a much higher deductible and higher copayments.

If you have any questions about your rights to COBRA continuation coverage, you should contact:

Plan Administrator:	Name/Position:
Address:	Phone Number: