



## HOW DO I ELECT COVERAGE?

# COBRA COVERAGE

## FREQUENTLY ASKED QUESTIONS

A personalized COBRA packet is sent to the employee's home address within 45 days of the date of termination of employment. Please make sure your current home address is on file with the City of Miami.

Qualified Beneficiaries for purposes of COBRA include the employee, employee's spouse, and the employee's dependent child (ren) enrolled in the health plan on the date of the Qualifying Event. Each Qualified Beneficiary has an individual right to elect COBRA coverage - the employee does not need to enroll in order for his or her spouse and dependent child(ren) to be eligible.

Qualified Beneficiaries must elect COBRA coverage within 60 days from the last to occur of the following:

1. The date of the Qualifying Event, or
2. The date the City sends the notice offering COBRA coverage. If Qualified Beneficiaries do not make an election during the applicable election period, health care coverage will end according to the terms of the health plan.

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## HOW LONG CAN I HAVE COBRA COVERAGE?

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An employee who has experienced a voluntary or involuntary termination of employment (including a reduction in force) may continue coverage through COBRA for up to 18 months.

## HOW LONG CAN I HAVE COBRA COVERAGE?

Under The American Recovery and Reinvestment Act of 2009, employees who lost their job involuntarily (for a reason other than gross misconduct) on or after September 1, 2008, may be eligible for a 65% reduction in their COBRA premiums for up to 9 months. Contact the Group Benefits Department at (305) 416-1700.

Those eligible for other group health coverage (such as a spouse's plan) or Medicare are not eligible for the premium reduction. The premium reduction for an individual ends upon the first to occur of the following events: (i) eligibility for other group coverage (or Medicare), (ii) after 9 months of

## **HOW LONG CAN I HAVE COBRA COVERAGE?**

the reduction, or (iii) the individual fails to make the premium payment within the grace period. Individuals paying reduced COBRA premiums must inform the Benefits Department if they become eligible for coverage under another group health plan or Medicare. Information on the subsidy will be included in the COBRA information sent by the Plan Administrator (Ceridian).

If an individual's modified adjusted gross income for the tax year in which the premium reduction is received exceeds \$145,000 (or \$290,000 for joint filers), then the amount of the premium reduction **HOW LONG CAN I HAVE COBRA COVERAGE?** during the tax year must be repaid as an increase in income tax liability for the year. For taxpayers with adjusted gross income between \$125,000 and \$145,000 (or \$250,000 and \$290,000 for joint filers), the amount of the premium reduction that must be repaid is reduced proportionately. Individuals may permanently waive the right to premium reduction but may not later obtain the premium reduction if their adjusted gross income ends up below the limits. If you think that your income may exceed the amounts above, consult your tax preparer or contact the IRS at [www.irs.gov](http://www.irs.gov).

## **MAY I ENROLL ONLY MY SPOUSE OR DEPENDENT?**

Yes, even if the employee chooses not to enroll, COBRA coverage is available individually to each person who had coverage on the day before the Qualifying Event. The COBRA Election Agreement will list those individuals who are eligible.

## **IS COBRA COVERAGE THE SAME AS THE COVERAGE I HAD AS AN ACTIVE EMPLOYEE?**

Yes, the coverage is the same; the only difference is the cost and the length of time the coverage is available.

## **MAY I ENROLL IN DENTAL COVERAGE ONLY?**

No, the only options are medical with dental or medical only.

**MAY I  
CHANGE TO A  
DIFFERENT  
HEALTH  
PLAN  
OPTION?  
WILL I  
RECEIVE  
NEW I.D.  
CARDS  
AFTER I  
ENROLL IN  
COBRA?**

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No, you must continue on the same health plan option. If you are enrolled with medical and dental coverage, you may drop dental and enroll in medical only. A change to your health plan option can only be made during the City's annual Open Enrollment. Open Enrollment usually occurs in November each year and changes to coverage are effective January 1.

Yes.

**Can I get the  
COBRA  
Election Form  
before my  
employment  
is terminated?**

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No. We do not give out election forms until the entry of the Qualifying Event to the payroll system. COBRA coverage will begin retroactive to the date the individual(s) lost coverage as a result of the Qualifying Event, so they will not have a break in coverage.

**IF I ENROLL  
IN COBRA,  
WILL I HAVE  
A LAPSE IN  
COVERAGE?**

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There is no lapse in coverage. When you elect COBRA and make your initial payment prior to the due date, the coverage will be effective retroactive to the day you lost coverage.

**WHO DO I  
CALL IF I  
HAVE  
ADDITIONAL  
QUESTIONS  
REGARDING  
COBRA?**

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Contact the Group Benefits Department at (305) 416-1381.