

## **COBRA Continuation Coverage Election Notice**

### **IMPORTANT INFORMATION: COBRA Continuation Coverage and other Health Coverage Alternatives**

**This notice has important information about your right to continue your GIC health care coverage (the Plan), 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. In Massachusetts, please view potential coverage options at [MA Health Connector \(mahealthconnector.org\)](http://mahealthconnector.org). You may be able to get coverage through the Health Insurance Marketplace or at the MA Health Connector that cost less than COBRA continuation coverage. Please read the information in this notice very carefully before you make your decision. If you choose to elect COBRA continuation coverage, you should use the election form provided later in this notice. **You must complete the enclosed Election Form and return it to the GIC by no later than 60 days after the date of this notice. If you do not submit a completed election form by this deadline, you will lose your right to elect COBRA coverage.****

#### **Why am I getting this notice?**

You're receiving this notice because your coverage under the Plan either has or will end due to one of the following qualifying life events:

1. End of employment
2. Reduction of employment hours
3. Death of employee/retiree
4. Divorce or legal separation
5. Loss of dependent child status

Federal law requires that most group health plans (including this Plan) give employees and their families the opportunity to continue their health care coverage through COBRA continuation coverage when there is a qualifying event that would result in a loss of coverage under an employer's plan.

#### **What's COBRA continuation coverage?**

COBRA continuation coverage allows you to continue having the same coverage Plan that you had prior to the event that made you eligible for COBRA. Each "qualified beneficiary" (described below) who elects COBRA continuation coverage will have the same rights under the Plan as other participants or beneficiaries covered under the Plan.

#### **Who are the qualified beneficiaries and who is eligible for COBRA continuation coverage?**

Each eligible person, known as a "qualified beneficiary" has an independent right to elect COBRA continuation coverage.

Qualified beneficiaries may include (1) the employee or former employee; (2) spouse or former spouse; (3) dependent child(ren) covered under the Plan on the day before the event that caused the loss of coverage; and (4) child(ren) who lose dependent child status. See below for specific situations of eligibility:

**If you are an employee of the Commonwealth of Massachusetts and covered by the GIC's health care insurance program, you are eligible to elect COBRA continuation coverage if:**

- You lost your coverage due to reduced employment hours; or
- Your employment ends for reasons other than gross misconduct

**If you are an employee's spouse covered by the GIC's health care insurance program, you are eligible to elect COBRA continuation coverage if you lose coverage because:**

- Your spouse dies; or
- Your spouse's employment with the Commonwealth of Massachusetts ends for reasons other than gross misconduct or coverage is lost due to reduced employment hours; or
- You and your spouse divorce or legally separate.

**If you are a dependent child(ren) of an employee covered by the GIC's health care insurance, you are eligible to elect COBRA continuation coverage if you lose coverage because:**

- The employee-parent dies; or
- The employee-parent's employment with the Commonwealth of Massachusetts ends for reasons other than gross misconduct or coverage is lost due to reduced employment hours; or
- Your parents' divorce or legally separate; or
- You lose your dependent child status under GIC eligibility rules or other applicable law.

### **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, Medicare, or other group health plan coverage options (such as a spouse's plan) through what is called a "special enrollment period." These options may cost less than COBRA continuation coverage.

You should compare your other coverage options with COBRA continuation coverage and make the best decision for you. For example, if you move to other coverage you may pay more out of pocket than you would under COBRA because the new coverage may impose a new deductible. Another example might be that moving to a new coverage option may have lower premiums and/or out of pocket costs than COBRA continuation coverage.

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.

## **If I elect COBRA continuation coverage, when will my coverage begin and how long will the coverage last?**

By law, COBRA continuation coverage must begin on the day immediately after your group health care coverage ends. If your group coverage ends due to employment termination or reduction in employment hours, COBRA continuation coverage may last for up to 18 months. If it ends due to any other qualifying event listed above, you may maintain COBRA continuation coverage for up to 36 months.

**Continuation coverage may end early in certain circumstances, like failure to pay premiums, fraud, or the individual becomes covered under another group health plan.**

## **Can I extend the length of COBRA continuation coverage?**

If you elect 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 GIC of a disability or a second qualifying event within 60 days to preserve any right to extend the period of continuation coverage for which you may be eligible (see the “Your Responsibilities” section, below, for more details on notification timing). If you don’t provide notice of a disability or second qualifying event within the 60 days, you will lose your right to extend continuation coverage.

It is your responsibility to know what life events provide for COBRA coverage extensions and when the 60 day notice period begins and ends. If you miss notifying the GIC, you will lose your right to extend continuation coverage.

For more information about extending the length of COBRA continuation coverage visit <https://www.dol.gov/sites/dolgov/files/EBSA/about-ebsa/our-activities/resource-center/publications/an-employees-guide-to-health-benefits-under-cobra.pdf>.

## **How much does COBRA continuation coverage cost?**

COBRA continuation coverage costs are provided in the Monthly COBRA Rates chart, further below in this notice.

Other coverage options may cost less. If you choose to elect continuation coverage, do not send any payment with the Election Form. Additional information about payment will be provided to you after the election form is received by the Plan. Important information about paying your premium can be found at the end of this notice.

**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 below.

## **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). The Massachusetts specific Marketplace is the MA Health Connector ([mahealthconnector.org](http://mahealthconnector.org)).

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 once your election period ends.**

### **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 or during that other group health plan’s open enrollment window.

### **Can I enroll in Medicare instead of COBRA continuation coverage after my group health plan coverage ends?**

In general, if you don’t enroll in Medicare Part A or B when you are first eligible because you are still employed, after the initial enrollment period for Medicare Part A or B, you have an 8-month special enrollment period<sup>1</sup> to sign up, beginning on the earlier of

- The month after your employment ends; or
- The month after group health plan coverage based on current employment ends.

If you don’t enroll in Medicare Part B and elect COBRA continuation coverage instead, you may have to pay a Part B late enrollment penalty and you may have a gap in coverage if you decide you want Part B later. If you elect COBRA continuation coverage and then enroll in Medicare Part A or B before the COBRA continuation coverage ends, the Plan may terminate your continuation coverage. However, if Medicare Part A or B is effective on or before the date of the COBRA election, COBRA coverage may not be discontinued on account of Medicare entitlement, even if you enroll in the other part of Medicare after the date of the election of COBRA coverage.

---

<sup>1</sup> <https://www.medicare.gov/basics/get-started-with-medicare/sign-up/when-does-medicare-coverage-start>. These rules are different for people with End Stage Renal Disease (ESRD).

If you are enrolled in both COBRA continuation coverage and Medicare, Medicare will generally pay first (primary payer) and COBRA will pay second. Certain COBRA continuation coverage plans may pay as if secondary to Medicare, even if you are not enrolled in Medicare.

For more information visit <https://www.medicare.gov/medicare-and-you>.

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

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

- **Premiums:** COBRA coverage costs 102% of total plan premiums (if your COBRA is extended, you may be charge 150% of total plan premiums). Other options, like coverage on a spouse's plan or through the Marketplace, may be less expensive.
- **Provider Networks:** 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.
- **Drug Formularies:** 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.
- **Severance payments:** 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.
- **Service Areas:** 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 should examine plan service or coverage areas or other similar limitations.
- **Other Cost-Sharing:** 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. Additionally, any payments made toward your previous plan's deductible(s) will not count if you enroll in a new plan instead of COBRA coverage.

### How and when do I pay for COBRA continuation coverage?

If you elect COBRA continuation coverage, you must make your first payment within 45 days after the date you elect it. If you do not make this first payment in full within that 45 window, you will lose all COBRA continuation coverage rights. Do not submit payment with your application. You will be billed for your COBRA payments once you complete and return the application.

**Your first payment must cover the cost of COBRA coverage from the time your employer-sponsored plan coverage ends through the time you make the first payment. Services cannot be covered until the GIC receives and processes the first payment. You are responsible for ensuring that the amount of your first payment is enough to cover this entire period. After you make your**

payment, you will be required to pay for COBRA coverage for every subsequent month of coverage. These periodic payments are due usually around the 15<sup>th</sup> of each month. The GIC will send monthly bills, specifying the due date for payment. **You are responsible for paying the coverage even if you do not receive a monthly statement.** Payments should be sent to the GIC's address on the bill, made through the member portal ([mygiclink.my.site.com](http://mygiclink.my.site.com)), or may be paid through our online payment system ([mass.gov/info-details/gic-member-payments](http://mass.gov/info-details/gic-member-payments)).

After the first payment, you will have a 30-day grace period beyond the due date on each monthly bill. **If you fail to make a periodic payment before the end of the grace period for that payment, you will lose all rights to COBRA continuation coverage.**

### For more information

This notice doesn't fully describe continuation coverage or other rights under the Plan. More information about continuation coverage and your rights under the Plan is available in your summary plan description, plan handbook, or from the Plan Administrator.

If you have questions about the information in this notice, your rights to coverage, or if you want a copy of your summary plan description, contact the GIC at P.O. Box 556, Randolph, MA 02368 or call the Public Information Unit at 617-727-2310.

For more information about your COBRA rights, the Patient Protection and Affordable Care Act, and other laws affecting group health plans, visit the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) website at <http://www.dol.gov/ebsa> or call their toll-free number at 1-866-444-3272. For more information about health insurance options available through the Health Insurance Marketplace, and to locate an assister in your area who you can talk to about the different options, visit [www.HealthCare.gov](http://www.HealthCare.gov).

### Keep Your Plan Informed of Address Changes

To protect your and your family's rights, keep the Plan Administrator informed of any changes in your address and the addresses of family members. You should also keep a copy of any notices you send to the Plan Administrator.

### Your responsibilities

- You must inform the GIC of any address changes to preserve your COBRA rights.
- You must elect COBRA within 60 days from the date you would lose coverage due to the life events described in this notice. If you do not elect COBRA continuation coverage within 60 days, your group health care insurance will end and you will lose all rights to COBRA coverage.
- You must make the first payment for COBRA continuation coverage within 45 days after you elect COBRA. The first payment must be for the full amount of premiums starting the day after your employ-sponsored coverage ends, through when you send in your first payment. Failure to pay the full amount within the 45 days will result in a loss of COBRA coverage rights.
- You must pay the subsequent monthly costs for COBRA continuation coverage in full by the end of the 30-day grace period after the due date on every bill. If you do not make the payment within the 30-day grace period, COBRA continuation coverage will end after the last paid coverage period.

- You must inform the GIC within 60 days of the later of either (1) the date of any of the following or (2) the date on which coverage would be lost because of any of the following events:
  - Insured employee’s job terminates or their hours are reduced;
  - Insured employee dies;
  - Insured employee becomes legally separated or divorced;
  - Insured employee or their former spouse remarries;
  - A covered child ceases to be a dependent under GIC eligibility rules;
  - The Social Security Administration determines that the employee or covered family member is disabled; or
  - The Social Security Administration determines that the employee or covered family member is no longer disabled.

**Monthly Insurance Rates Consolidated Omnibus Budget Reconciliation Act (COBRA) Coverage  
Premium Rates Effective Starting July 1, 2024  
Full Cost COBRA Rates**

<b>Name of Health Plan</b>	<b>Individual Coverage</b>	<b>Family Coverage</b>
Harvard Pilgrim Access America	\$1,280.73	\$2,856.88
Wellpoint Total Choice	\$1,526.80	\$3,388.19
Wellpoint PLUS	\$974.87	\$2,322.76
Harvard Pilgrim Explorer	\$1,085.97	\$2,690.75
Mass General Brigham Health Plan Complete	\$994.23	\$2,629.24
Harvard Pilgrim Quality	\$801.39	\$2,039.81
Wellpoint Community Choice	\$757.59	\$1,880.43
Health New England	\$791.44	\$1,898.61



## GIC COBRA APPLICATION

Name of Applicant: \_\_\_\_\_

Preferred Email: \_\_\_\_\_

Home Address: \_\_\_\_\_  
\_\_\_\_\_

Preferred Phone: \_\_\_\_\_ Social Security Number: \_\_\_\_\_

Date of Coverage Termination (if known): \_\_\_\_\_

(Check one): I am the \_\_\_ Insured \_\_\_ Insured's Dependent\* (spouse, child)

Name of Insured: \_\_\_\_\_ Insured's Social Security Number: \_\_\_\_\_

Applicant Signature: \_\_\_\_\_ Date: \_\_\_\_\_

\*All dependents **must** complete information below in order to process application

### IF YOU ARE A DEPENDENT APPLYING FOR COVERAGE, PLEASE CHECK ALL THAT APPLY:

\_\_\_ I am a former spouse of a state/municipal insured who:

\_\_\_ died on \_\_\_\_\_

\_\_\_ remarried on \_\_\_\_\_

\_\_\_ left state/municipal service on \_\_\_\_\_

\_\_\_ I remarried on \_\_\_\_\_

\_\_\_ I am a surviving spouse of a deceased state/municipal insured, and remarried on \_\_\_\_\_

\_\_\_ I am a dependent of a state/municipal insured and:

\_\_\_ my parent (the state/municipal insured) died on \_\_\_\_\_

\_\_\_ my parent (the state/municipal insured) left state/municipal service on \_\_\_\_\_ (if known)

\_\_\_ my parents legally separated or became divorced on \_\_\_\_\_

\_\_\_ I am age 19 to 26 and am not a dependent child as defined under federal healthcare reform

\_\_\_ I am age 26 and my GIC coverage ended on \_\_\_\_\_

\_\_\_ I am a \_\_\_ spouse or \_\_\_ dependent of a state/municipal insured and the Social Security Administration determined that I am \_\_\_ disabled or \_\_\_ no longer disabled as of \_\_\_\_\_

Mail completed form to: GIC, P.O. Box 556, Randolph, MA 02368. Do not send any payments to this address.