



To: Employees Covered by District Benefits and their Spouses and Dependents

From: Christine Vo
Benefits Manager

RE: General C.O.B.R.A. Information

The information contained in this letter pertains to a Federal law regarding continuation of medical benefits. It is important that you and your family members read this letter carefully and keep it for future reference.

Notice of Right to Continue Coverage (C.O.B.R.A.)

On April 7, 1986, a Federal law, Consolidated Omnibus Budget Reconciliation Act, was enacted (Public Law 99-272, Title X, known as **C.O.B.R.A.**) requiring that most employers sponsoring group health plans offer employees and their families the opportunity for a temporary extension of health coverage (called "**continuation coverage**") at group rates in certain instances where coverage under the plan would otherwise end. This notice is intended to inform you in a summary fashion, of your rights and obligations under the **continuation coverage** provisions of this law.

If you are an employee of the Foothill-De Anza Community College District covered by the District's Group Health Plans (Kaiser-HMO or District Self-Insured Medical Plan, Prescription Drug, Dental and Vision Care), you have a right to choose continuation coverage if you lose these group health coverage because of a reduction in your hours of employment or termination of your employment (for reasons other than gross misconduct on your part).

If you are the spouse of an employee covered by the District's Group Health Plans, you have the right to choose **continuation coverage** for yourself if you lose group health coverage under the Group Health Plans for any of the following four reasons:

1. The death of your spouse;
2. The termination of your spouse's employment (for reasons other than gross misconduct) or reduction in your spouse's hours of employment;
3. Divorce or legal separation from your spouse; or

4. Your spouse becomes eligible for Medicare.

In the case of a dependent child of an employee covered by the District's Group Health Plans, he or she has the right to **continuation coverage** if group health coverage under the District's Group Health Plans is lost for any of the following five reasons:

1. The death of a parent;
2. The termination of a parent's employment (for reason other than gross misconduct) or reduction in a parent's hours of employment with the Foothill-De Anza Community College District;
3. Parents divorce or legal separation;
4. A parent becomes eligible for Medicare; or
5. The dependent ceases to be a "dependent child" under the District's Group Health Plans.

Under the law, the employee or a family member has the responsibility to inform the Foothill-De Anza Community College District of a divorce, legal separation, or a child losing dependent status under the District's Group Health Plans within **60 days** of the date the event occurred. The Foothill-De Anza Community College District has the responsibility to notify the various Plan Administrators of the employee's death, termination of employment, reduction in hours or Medicare eligibility.

When the Foothill-De Anza Community College District is notified that one of these events has happened, the Foothill-De Anza Community College District will notify you that you have the right to choose **continuation coverage**. You have at least **60 days** from the date you would lose coverage, because of one of the events described above, to inform the Foothill-De Anza Community College District that you want **continuation coverage**. If you do not choose **continuation coverage**, your group health insurance coverage will end.

If you choose **continuation coverage**, Foothill-De Anza Community College District is required to give you coverage which, as of the time coverage is being provided, is identical to the coverage provided under the plan to similarly situated employees or family members. The law requires that you be afforded the opportunity to maintain **continuation coverage** for **36 months** unless you lose group health coverage because of a termination of employment or reduction in hours. In that case, the required **continuation coverage** period is **18 months**. However, the law also provides that your **continuation coverage** may be cut short for any of the following five reasons:

1. Foothill-De Anza Community College District no longer provides group health coverage to any of its employees;

2. The premium for your **continuation coverage** is not paid;
3. You become an employee covered under another group health plan, unless excluded by a pre-existing condition;
4. You become eligible for Medicare;
5. You were divorced from a covered employee and subsequently remarry and are covered under your new spouse's group health plan.

You do not have to show that you are insurable to choose **continuation coverage**. However, you must pay the premium for your **continuation coverage**. (The law also says that, at the end of the **18 month** or **36 month** continuation period, you may enroll in an individual conversion medical plan provided under Kaiser-HMO or ReliaStar (formerly NWNL). Currently, there is no individual conversion plan available for either the dental or vision care plans.

This law applies to the District Health Plans since January 1, 1987.

If you have any questions, please contact Christine Vo, Benefits Manager, at 650-949-6224 or via e-mail: VoChristine@fhda.edu.