



Instructions:

## **Massachusetts-Specific Model COBRA Continuation Coverage Election Notice**

*For use by Massachusetts Employers and Employees*

The Department of Labor has developed a model Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) continuation coverage election notice that the Plan may use to provide the election notice. To use this model election notice properly, the Plan Administrator must fill in the blanks with the appropriate plan information. The Department considers use of the model election notice to be good faith compliance with the election notice content requirements of COBRA. The use of the model notices isn't required. The model notices are provided to help facilitate compliance with the applicable notice requirements.

This version of the model notice includes federally-required information for your employees about other coverage options besides COBRA, including coverage through the Massachusetts Health Connector. Massachusetts employers are not required to use this or any specific model template. However, this template was generated to provide an easy way for Massachusetts employers to satisfy their federal COBRA noticing responsibilities and also inform employees about Massachusetts-specific coverage alternatives, which may be more affordable.

**Note:** Plans do not need to include this instruction page with the model election notice.

### **Paperwork Reduction Act statement**

According to the Paperwork Reduction Act of 1995 (Pub. L. 104-13) (PRA), no persons are required to respond to a collection of information unless such collection displays a valid Office of Management and Budget (OMB) control number. The Department notes that a Federal agency cannot conduct or sponsor a collection of information unless it is approved by OMB under the PRA, and displays a currently valid OMB control number, and the public is not required to respond to a collection of information unless it displays a currently valid OMB control number. See 44 U.S.C. 3507. Also, notwithstanding any other provisions of law, no person shall be subject to penalty for failing to comply with a collection of information if the collection of information does not display a currently valid OMB control number. See 44 U.S.C. 3512.

The public reporting burden for this collection of information is estimated to average approximately four minutes per respondent. Interested parties are encouraged to send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the U.S. Department of Labor, Office of Policy and Research, Attention: PRA Clearance Officer, 200 Constitution Avenue, N.W., Room N-5718, Washington, DC 20210 or email [ebasa.opr@dol.gov](mailto:ebasa.opr@dol.gov) and reference the OMB Control Number 1210-0123.

*Adapted from OMB Control Number 1210-0123 (expires 12/31/2019)*

*For updates, visit: [www.dol.gov/agencies/ebsa/laws-and-regulations/laws/cobra](http://www.dol.gov/agencies/ebsa/laws-and-regulations/laws/cobra)*



## **IMPORTANT INFORMATION:**

# **COBRA Continuation Coverage and other Health Coverage Alternatives Available to Massachusetts Residents**

Date:

Dear:

This notice has important information about your right to continue your health care coverage in *(enter name of group health plan)*:

[the Plan], as well as other health coverage options that may be available to you, including coverage through our state's Health Insurance Marketplace, the Massachusetts Health Connector.

Learn more about the Health Connector at [MAhealthconnector.org](http://MAhealthconnector.org), or by calling 1-877 MA ENROLL (877-623-6765) or TTY: 1-877-623-7773. You may be able to get coverage through the Massachusetts Health Connector that costs less than COBRA continuation coverage. All of the health plans offered by the Health Connector meet the state's standards for quality and value. You may also wish to shop for a health plan directly from an insurance carrier.

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.

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

You're getting this notice because your coverage under the Plan will end on:  
due to *(check appropriate box)*:

End of employment

Reduction in hours of employment

Death of employee

Divorce or legal separation

Entitlement to Medicare

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's a "qualifying event" that would result in a loss of coverage under an employer's plan.

### **What is COBRA continuation coverage?**

COBRA continuation coverage is the same coverage that the Plan gives to other participants or beneficiaries 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 participants or beneficiaries covered under the Plan.

## Who are the qualified beneficiaries?

Each person (“qualified beneficiary”) in the category/categories checked below can elect COBRA continuation coverage:

Employee or former employee

Spouse or former spouse

Dependent child(ren) covered under the Plan on the day before the event that caused the loss of coverage

Child who is losing coverage under the Plan because he or she is no longer a dependent under the Plan

## Are there other coverage options besides COBRA?

Yes. Instead of enrolling in COBRA continuation coverage, there may be other more affordable coverage options for you and your family through the Massachusetts Health Connector, MassHealth (our state’s Medicaid program), other group health plan coverage options (such as a spouse’s plan), or an individual plan directly from an insurance carrier. You may be able to enroll in one of these programs during a special enrollment period following a qualifying event (such as losing your coverage through an employer). Some of these options may cost less than COBRA continuation coverage. There is more information below on the Massachusetts Health Connector and the coverage options available to you there.

You should compare your other coverage options with COBRA continuation coverage and choose the coverage that is best 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, though it may require a lower monthly premium. However, there are many types of health and dental plans to choose from at the Health Connector, and you can select the plan that’s right for you and your family.

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 it last?

If elected, COBRA continuation coverage will begin on:  
and can last until:

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 any of the following options for COBRA continuation coverage:**

*(list available coverage options or N/A if not applicable)*

## **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. A qualifying event, such as adding a dependent through marriage or the birth of a child, or loss of other health insurance coverage, generally allows for a special enrollment period outside of open enrollment.

You must notify the following contact of a disability or a second qualifying event within a certain time period to extend the period of 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 continuation coverage.

For more information about extending the length of COBRA continuation coverage visit:  
[www.dol.gov/ebsa/publications/cobraemployee](http://www.dol.gov/ebsa/publications/cobraemployee)

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

**COBRA continuation coverage will cost: \$**

*(enter amount each qualified beneficiary will be required to pay for each option per month of coverage and any other permitted coverage periods.)*

Other coverage options may cost less. If you choose to elect continuation coverage, you don't have to 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 Massachusetts Health Connector that costs less than COBRA continuation coverage.** You can learn more about the Health Connector below.

## **What is the Massachusetts Health Connector?**

The Massachusetts Health Connector is a Marketplace offering "one-stop shopping" to find and compare private health insurance options. When you shop for a plan through [MAhealthconnector.org](http://MAhealthconnector.org), you can see what your premium and out-of-pocket costs (such as co-pays, deductible, co-insurance) will be before you make a decision to enroll.

When you apply through the Massachusetts Health Connector, you could qualify for help paying for your health insurance, through a tax credit that lowers your monthly premiums, or a ConnectorCare plan, with a lower monthly premium and lower out-of-pocket costs. If you apply through [MAhealthconnector.org](http://MAhealthconnector.org), you can also learn if you qualify for free or low-cost coverage from MassHealth (Massachusetts' Medicaid program) or the Children's Health Insurance Program (CHIP). If you live outside of Massachusetts, you can access the Marketplace for your state at [www.HealthCare.gov](http://www.HealthCare.gov).

If you live outside of Massachusetts, you can access the Marketplace for your state at [www.HealthCare.gov](http://www.HealthCare.gov).

Coverage through the Massachusetts Health Connector may cost less than COBRA continuation coverage. Being offered COBRA continuation coverage won't limit your eligibility for coverage or for a tax credit, however, if you enroll in COBRA coverage, it will affect your eligibility through the Health Connector.

Visit [MAhealthconnector.org](http://MAhealthconnector.org) or call 1-877 MA ENROLL (1-877-623-6765) or TTY 1-877-623-7773 for more information.

You can also check out the Health Connector's website for information on their plans and the types of savings opportunities that might be available to you. Your employer can also help provide you with materials and brochures that describe coverage options through the Health Connector.

For in-person help, you can work with a Navigator or a Certified Application Counselor at a local hospital or community health center. They have been trained to help you with the application process. For a list of people in your area, visit [MAhealthconnector.org](http://MAhealthconnector.org) or call Customer Service at the number above.

## **When can I enroll in Health Connector coverage?**

You have 60 days from the time you lose your job-based coverage to enroll in the Health Connector. That is because losing your job-based health coverage is a qualifying event, which allows you a special enrollment period. 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 Health Connector coverage.

To find out more about enrolling through the Health Connector, such as when the next open enrollment period will be and what you need to know about qualifying events and special enrollment periods, visit [MAhealthconnector.org](http://MAhealthconnector.org).

## **Can I switch back and forth between COBRA continuation coverage and coverage through the Health Connector?**

If you sign up for COBRA continuation coverage, you can switch to a Health Connector plan during an open enrollment period. You can also end your COBRA continuation coverage early and switch to a Health Connector plan if you have another qualifying event such as marriage or birth of a child. But be careful though—if you terminate your COBRA continuation coverage early without another qualifying event, you’ll have to wait to enroll in Health Connector coverage until the next open enrollment period, and could end up without any health coverage in the meantime.

Once you’ve exhausted your COBRA continuation coverage and the coverage expires, you’ll be eligible to enroll in Health Connector coverage through a special enrollment period, even if open enrollment has ended.

If you sign up for Health Connector 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 (such as 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:

- **Premiums.** 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.
- **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
- **Prescription drugs:** 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 may want to see if your plan has a service or coverage area, or other similar limitations.
- **Other cost sharing:** In addition to premiums or contributions for health coverage, you probably pay co-payments, deductibles, co-insurance, 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 co-payments.

## 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 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:

*(enter name of party responsible for COBRA administration for the Plan, with telephone number and address)*

For more information about your rights under the Employee Retirement Income Security Act (ERISA), including COBRA, 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 [www.dol.gov/ebsa](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 Massachusetts Health Connector, and to locate a Navigator or Certified Application Counselor in your area who you can talk to about the different options, visit [MAhealthconnector.org](http://MAhealthconnector.org).

## 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.

# COBRA Continuation Coverage Election Form

The following people elect COBRA continuation coverage in the Plan:

**Person 1:**

Name:

Date of Birth:

Relationship to Employee:

SSN (or other identifier):

*(Add if appropriate)* Coverage option elected:

---

**Person 2:**

Name:

Date of Birth:

Relationship to Employee:

SSN (or other identifier):

*(Add if appropriate)* Coverage option elected:

---

**Person 3:**

Name:

Date of Birth:

Relationship to Employee:

SSN (or other identifier):

*(Add if appropriate)* Coverage option elected:

---

**Person 4:**

Name:

Date of Birth:

Relationship to Employee:

SSN (or other identifier):

*(Add if appropriate)* Coverage option elected:

---

**Person 5:**

Name:

Date of Birth:

Relationship to Employee:

SSN (or other identifier):

*(Add if appropriate)* Coverage option elected:

---

Employee Signature

Date

Print Name:

## Important information about payment

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

### First payment for COBRA continuation coverage

You must make your first payment for COBRA coverage no later than 45 days after the date of your election (this is the date the Election Notice is postmarked). If you don't make your first payment in full within 45 days of 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.

Contact the Plan Administrator or other party responsible for COBRA administration under the Plan, listed below, to confirm the correct amount of your first payment:

### Periodic payments for continuation coverage

After you make your first payment for continuation coverage, you'll have to make periodic payments for each coverage period that follows. The amount due for each coverage period for each qualified beneficiary is shown in this notice.

*For plans with monthly payment due dates:*

The periodic payments can be made on a monthly basis. Under the Plan, each of these periodic payments for continuation coverage is due for that coverage period by the:

of each month

*For plans with other payment schedules:*

You may instead make payments for COBRA coverage for the following coverage periods, due on the following dates:

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** **will not** send periodic notices of payments due for these coverage periods.

### Grace periods for periodic payments

Although periodic payments are due on the dates shown above, you'll be given a grace period after the first day of the coverage period [or] to make each periodic payment.

Your grace period will be either: **30 days** OR (*enter longer period permitted by Plan*)

You'll get COBRA coverage for each coverage period as long as payment for that coverage period is made before the end of the grace period.

Check box if Plan suspends coverage during grace period for nonpayment:

***For Plans that suspend coverage during grace period for nonpayment:***

If you pay a periodic payment later than the first day of the coverage period to which it applies, but before the end of the grace period for the coverage period, your coverage will be suspended as of the first day of the coverage period, and then retroactively reinstated (going back to the first day of the coverage period) when your payment is received. Any claim you submit for benefits while your coverage is suspended may be denied and may have to be resubmitted once your coverage is reinstated. If you don't make a payment before the end of the grace period, you'll lose all rights to COBRA coverage under the Plan.