

What Is COBRA And Who Is Covered?

The Consolidated Omnibus Budget Reconciliation Act (**COBRA**) of 1986 requires employers (over 20 employees) to offer group insurance to employees that experience a qualifying event. Qualifying events often mean that an individual, spouse and family may be without coverage otherwise. This is often the result of termination of employment, reduction in hours, or retirement.

COBRA is often referred to as a “continuation of benefits” where you can elect the same coverage that was held as an active employee.

When you opt into COBRA program, you are subject to full premium rates, increases, open enrollment rights, etc.

Coverage is effective from the Qualifying Event date and premiums due start at the same time.

Who is covered?

- Employee
- Spouse
- Dependents
- Child born to or adopted by qualified beneficiary
- Domestic partners (**if allowable by plan***)

Independent Election Rights

Beneficiaries have “election rights”; meaning an eligible spouse and eligible dependent children can elect payments/coverage even if the covered individual declines.

Getting Married

If a single covered employee elects and marries after the first day under COBRA, a spouse can be added. Most plans require changes be done within 30 days of the marriage.

A spouse added while a person is enrolled in COBRA (not previously on the plan) will only be covered for as long as the Qualified Beneficiary is covered.

Births and Adoptions

A child that is born to or adopted will be eligible for coverage if born or adopted with the covered employee during a period of COBRA coverage. Most plans require notification and verification within 30 days.

A child added while a person is enrolled in COBRA (not previously on the plan) will only be covered for as long as the Qualified Beneficiary is covered.

*COBRA is a federal program and is not required to cover domestic partners
