



## General COBRA Directives

Under federal law, The University of Akron is required to offer covered employees and covered family members the opportunity for a temporary extension of health coverage (called "Continuation Coverage") at group rates plus a 2% administrative charge when coverage under the plan would otherwise end due to certain qualifying events. This notice is simply intended to inform you (and your covered dependents if any), in a summary fashion, of your potential future options and obligations under the continuation coverage provisions of the COBRA law. Should an actual qualifying event occur in the future, the plan administrator will send you the appropriate notification at that time. Please take special note, however, of your notification obligations which are listed later in this document.

**Qualifying Events for Covered Employee** – If you are the employee of The University of Akron, covered by UA Choice Benefits, you may have the right to elect this continuation coverage if you lose your group health coverage because of termination of your employment or a reduction in your hours of employment.

**Qualifying Events For Covered Spouse** – If you are the covered spouse of an employee of The University of Akron, covered by UA Choice Benefits, you may have the right to elect continuation coverage for yourself if you lose group health coverage under UA Choice Benefits because of any of the following reasons:

1. A termination of the employee's employment or reduction in your spouse's hours of employment with The University of Akron;
2. The death of your spouse;
3. Divorce or legal separation from your spouse; or
4. Your spouse becomes entitled to Medicare.

**Qualifying Events For Covered Dependent Children** – If you are the covered dependent child of an employee of The University of Akron, covered by UA Choice Benefits, you may have the right to elect continuation coverage for yourself if you lose group health coverage under UA Choice Benefits because of any of the following reasons:

1. A termination of the employee's employment or reduction in your spouse's hours of employment with The University of Akron;
2. The death of the employee of The University of Akron;
3. Parent's divorce or legal separation\*;
4. The employee of The University of Akron becomes entitled to Medicare; or

5. You cease to be a “dependent child” under the terms of the plan.

\* Should a Qualified Medical Support Order be filed in a divorce or legal separation, The University of Akron agrees to follow the terms and conditions of the order.

### **Important Employee, Spouse, and Dependent Notifications Required**

Under the law, the employee, spouse, or other family member has the responsibility to inform the Benefits Administration office of a divorce, legal separation, or a child losing dependent status under UA Choice Benefits. This notification must be made within 60 days from whichever date is later, the date of the event or the date on which coverage would be lost because of the event. Carefully read the rules concerning The University of Akron *Family Status Change Policy* and the *General Plan Provisions* on the Benefits website: [www.uakron.edu/hr/BenftsAdmin.php](http://www.uakron.edu/hr/BenftsAdmin.php). Please check with Benefits Administration for procedures to follow in making this notification. If this notification is not completed in a timely manner, then rights to continuation coverage may be forfeited. Human Resources Information Services has the responsibility to notify Benefits Administration of the employee's termination of employment, reduction in hours, or death.

**Election Period And Coverage** - Once Benefits Administration is notified that a qualifying event has occurred, Benefits Administration will in turn notify covered individuals (also known as qualified beneficiaries) of their right to elect continuation coverage. Each qualified beneficiary has independent election rights and will have 60 days from the later of the date coverage is lost under UA Choice Benefits, or from the date of notification, to inform Benefits Administration that the qualified beneficiary wants to elect continuation coverage. **This is the maximum period allowed to elect COBRA as the plan does not provide an extension of the election period beyond what is required by law.** If a qualified beneficiary does not elect continuation coverage within this election period, then, in accordance with the Group Contract, rights to continue health insurance will end.

If a qualified beneficiary elects continuation coverage and pays the applicable premium, The University of Akron is required to provide the qualified beneficiary with coverage that is identical to the coverage provided under the plan to similarly situated employees and/or covered dependents. Should coverage change or be modified for similarly situated active employees, then the change and/or modification will be made to your coverage as well.

**Length of Continuation Coverage - 18 Months.** If the event causing the loss of coverage is a termination of employment or a reduction in work hours, then each qualified beneficiary will have the opportunity to continue coverage for 18 months from the date of the qualifying event.

*Social Security Disability* - The 18 months of continuation coverage can be extended to 29 months if the Social Security Administration determines that a qualified beneficiary was disabled on the date of the qualifying event according to Title II or XVI of the Social Security Act. It is the qualified beneficiaries responsibility to obtain this disability determination from the Social Security Administration and notify Benefits Administration within 60 days of the date of determination and before the original 18 months expire. It is also the qualified beneficiaries responsibility to notify Benefits Administration within 30 days that a final determination has been made that they are no longer disabled.

*Secondary Events* - Another extension of the 18 month continuation period can occur, if during the 18 months of continuation coverage, a second event takes place (divorce, legal separation, death, Medicare entitlement, or a dependent child ceasing to be a dependent). If a second event does take place, then the 18 months of continuation coverage can be extended to 36 months from the date of the original qualifying event date. If a second event occurs, it is the qualified beneficiaries responsibility to notify Benefits Administration within 60 days of the event and within the original 18 months COBRA timeline. In no event, however, will continuation coverage last beyond three years from the date of the event that originally made the qualified beneficiary eligible for continuation coverage.

**Length Of Continuation Coverage - 36 Months.** If the original event causing the loss of coverage was the death of the employee, divorce, legal separation, Medicare entitlement, or a dependent child ceasing to be a dependent child under UA Benefits, then each qualified beneficiary will have the opportunity to continue coverage for 36 months from the date of the qualifying event.

**Eligibility, Premiums, and Potential Conversion Rights** - A qualified beneficiary does not have to show that they are insurable to elect continuation coverage, however, they must have been actually covered by the plan to be eligible for COBRA. A covered individual entitled to Medicare at the time of the qualifying event is not eligible to receive COBRA continuation coverage. Benefits Administration reserves the right to verify eligibility status and terminate continuation coverage retroactively if you are determined to be ineligible or if there has been a material misrepresentation of the facts. A qualified beneficiary may have to pay all of the applicable premium plus a 2% administration charge for continuation coverage. These premiums may be adjusted in the future if the applicable premium amount changes. In addition, if continuation coverage is extended from 18 months to 29 months due to a Social Security disability, The University of Akron can charge up to 150% of the applicable premium during the extended coverage period. There is a grace period of (30) days for the regularly scheduled monthly premiums. **This is the maximum grace period allowed as the plan does not provide for an extension of the grace period beyond what is required by law.** At the end of the 18 months or three years of continuation coverage, a qualified beneficiary must be allowed to enroll in an individual conversion health plan provided under UA Choice if such conversion plan is available.

**Cancellation of Continuation Coverage** - The law provides that if elected and paid for, continuation coverage may end prior to the maximum continuation period for any of the following reasons:

1. The University of Akron ceases to provide any group health plan to any of its employees;
2. Any required premium for continuation coverage is not paid in a timely manner;
3. A qualified beneficiary becomes covered under another group health plan that does not contain any exclusion or limitation with respect to any preexisting condition of such beneficiary;
4. A qualified beneficiary becomes entitled to Medicare;
5. A qualified beneficiary extended continuation coverage to 29 months due to a Social Security disability and a final determination has been made that the qualified beneficiary is no longer disabled;
6. A qualified beneficiary notifies Benefits Administration that they wish to cancel continuation coverage.

**Notification Of Address Change** - To ensure that all covered individuals receive information properly and efficiently, it is important that you notify Benefits Administration at the address listed below of any address change as soon as possible. Failure on your part to do so may result in delayed notification or a loss of continuation coverage options.

**Any Questions?** - If any covered individual does not understand any part of this summary notice or has questions regarding the information or your obligations, please contact:

The University of Akron  
Benefits Administration  
Akron, Ohio 44325-0602  
(330) 972-7092