

Connecticut Continuation Coverage Election Notice

Date of Notice: _____

Dear: _____
(Name of Qualified Beneficiary(ies))

This notice contains important information about your right to continue your health care coverage in the _____ (the Plan).
(Name of Group Health Plan)

Please read the information contained in this notice very carefully.

To elect continuation coverage, follow the instructions on the following pages to complete the enclosed Election Form and submit it to us.

If you do not elect continuation coverage, your coverage under the Plan will end on _____ due to:

- | | |
|---|--|
| <input type="checkbox"/> End of employment
<input type="checkbox"/> Involuntary <input type="checkbox"/> Voluntary
<input type="checkbox"/> Divorce or legal separation
<input type="checkbox"/> Death of employee | <input type="checkbox"/> Entitlement to Medicare
<input type="checkbox"/> Reduction in hours of employment
<input type="checkbox"/> Loss of dependent child status |
|---|--|

Each person in the category(ies) checked below is entitled to elect continuation coverage, which will continue group health care coverage under the Plan for up to the Maximum Period shown below.

Check One	Qualifying Event	Qualified Beneficiaries	Maximum Period of Continuation Coverage
<input type="checkbox"/>	Layoff, reduction of hours, leave of absence or termination of employment (for reasons other than gross misconduct)	<input type="checkbox"/> Employee <input type="checkbox"/> Spouse <input type="checkbox"/> Dependent Child	30 months
<input type="checkbox"/>	Employee enrollment in Medicare	<input type="checkbox"/> Spouse <input type="checkbox"/> Dependent Child	36 months
<input type="checkbox"/>	Divorce or legal separation	<input type="checkbox"/> Spouse <input type="checkbox"/> Dependent Child	36 months
<input type="checkbox"/>	Death of employee	<input type="checkbox"/> Spouse <input type="checkbox"/> Dependent Child	36 months
<input type="checkbox"/>	Loss of "dependent child" status under the plan	<input type="checkbox"/> Dependent Child	36 months
<input type="checkbox"/>	<u>Pursuant to CT Public Act 03-77:</u> Layoff, reduction of hours, leave of absence or termination of employment (for reasons other than gross misconduct) due to employee's eligibility for Social Security Income (typically age 62 or older)	<input type="checkbox"/> Employee <input type="checkbox"/> Spouse <input type="checkbox"/> Dependent Child	Employee's eligibility for benefits under Medicare (Age 65)

If elected, continuation coverage will begin on _____ and can last until _____.

You may elect any of the following options for medical coverage under Connecticut Continuation coverage:

Medical - \$ _____ per month

Employee

Employee + Spouse

Employee + 1

Employee + Child(ren)

Family

You do not have to send any payment with the Election Form. Important additional information about payment for continuation coverage is included in the pages following the Election Form.

If you have any questions about this notice or your rights to continuation coverage, you should contact

Name of Continuation Coverage Administrator: _____

Address: _____

Telephone #: _____

Important Information about Your Continuation Coverage Rights

What is continuation coverage?

State law requires that most group health insurance coverage (including this coverage) give employees and their families the opportunity to continue their coverage when there is a “qualifying event” that would result in a loss of coverage under an employer’s plan. Depending on the type of qualifying event, “qualified beneficiaries” can include the employee (or retired employee) covered under the group health plan, the covered employee’s spouse, and the dependent children of the covered employee.

Continuation coverage is the same coverage that the Plan gives to other participants or beneficiaries under the Plan who are not receiving continuation coverage. Each qualified beneficiary who elects continuation coverage will have the same rights under the Plan as other participants or beneficiaries covered under the Plan, including open enrollment and special enrollment rights.

How long will continuation coverage last?

In the case of a loss of coverage due to layoff, reduction of hours, leave of absence or termination of employment (for reasons other than gross misconduct), coverage generally may be continued for up to a total of 30 months. In the case of losses of coverage due to an employee’s death, divorce or legal separation, the employee’s becoming entitled to Medicare benefits or a dependent child ceasing to be a dependent under the terms of the plan, coverage may be continued for up to a total of 36 months.

When the qualifying event is the layoff, reduction of hours, leave of absence or termination of employment (for reasons other than gross misconduct), and the employee became entitled to Medicare benefits less than 18 months before the qualifying event, Connecticut continuation coverage for qualified beneficiaries other than the employee lasts until 36 months after the date of Medicare entitlement. This notice shows the maximum period of continuation coverage available to the qualified beneficiaries.

Pursuant to Connecticut Public Act 03-77, when the qualifying event is the layoff, reduction of hours, leave of absence or termination of employment (for reasons other than gross misconduct) due to an employee’s eligibility for Social Security income, continuation of coverage for such employee and such employee’s covered dependents lasts until the employee becomes entitled to Medicare benefits. This notice shows the maximum period of continuation coverage available to the qualified beneficiaries.

Continuation coverage will be terminated before the end of the maximum period if:

- any required premium is not paid in full on time,
- a qualified beneficiary first becomes covered, after electing continuation coverage, under another group health plan that does not impose any preexisting condition exclusion for a preexisting condition of the qualified beneficiary,
- a qualified beneficiary first becomes entitled to Medicare benefits (under Part A, Part B, or both) after electing continuation coverage, or
- the employer ceases to provide any group health plan for its employees.

Continuation coverage may also be terminated for any reason the Plan would terminate coverage of a participant or beneficiary not receiving continuation coverage (such as fraud).

How can you extend the length of continuation coverage?

If you elect continuation coverage, an extension of the maximum period of coverage may be available if a second qualifying event occurs. You must notify the Plan Administrator of a second qualifying event in order to extend the period of continuation coverage. Failure to provide notice of a second qualifying event may affect the right to extend the period of continuation coverage.

Second Qualifying Event

An extension of coverage will be available to spouses and dependent children who elect continuation coverage if a second qualifying event occurs during the initial period of continuation coverage. The maximum amount of continuation coverage available when a second qualifying event occurs is 36 months. Such second qualifying events may include the death of a covered employee, divorce or legal separation from the covered employee, the covered employee's becoming entitled to Medicare benefits (under Part A, Part B, or both), or a dependent child's ceasing to be eligible for coverage as a dependent under the Plan. These events can be a second qualifying event only if they would have caused the qualified beneficiary to lose coverage under the Plan if the first qualifying event had not occurred. You must notify the Plan within 60 days after a second qualifying event occurs if you want to extend your continuation coverage.

How can you elect continuation coverage?

To elect continuation coverage, you must complete the Election Form and furnish it according to the directions on the form. Each qualified beneficiary has a separate right to elect continuation coverage. For example, the employee's spouse may elect continuation coverage even if the employee does not. Continuation coverage may be elected for only one, several, or for all dependent children who are qualified beneficiaries. A parent may elect to continue coverage on behalf of any dependent children. The employee or the employee's spouse can elect continuation coverage on behalf of all of the qualified beneficiaries.

In considering whether to elect continuation coverage, you should take into account that a failure to continue your group health coverage will affect your future rights under state and federal law. First, you can lose the right to avoid having preexisting condition exclusions applied to you by other group health plans if you have a 120 day gap in health coverage, (or a 150 day gap when coverage is terminated due to involuntary loss of employment), and election of continuation coverage may help prevent such a gap. Second, you will lose the guaranteed right to purchase individual health coverage that does not impose a preexisting condition exclusion if you do not elect continuation coverage for the maximum time available to you. Finally, you should take into account that you have special enrollment rights under federal law. You have the right to request special enrollment in another group health plan for which you are otherwise eligible (such as a plan sponsored by your spouse's employer) within 30 days after your group health coverage ends because of the qualifying event listed above. You will also have the same special enrollment right at the end of continuation coverage if you get continuation coverage for the maximum time available to you.

How much does continuation coverage cost?

Generally, each qualified beneficiary may be required to pay the entire cost of continuation coverage. The amount a qualified beneficiary may be required to pay may not exceed 102 percent of the cost to the group health plan (including both employer and employee contributions) for coverage of a similarly situated plan participant or beneficiary who is not receiving continuation coverage. The required payment for each continuation coverage period for each option is described in this notice.

For employees who might be eligible for trade adjustment assistance, the following information is being added. The Trade Act of 2002 created a tax credit for certain individuals who become eligible for trade adjustment assistance and for certain retired employees who are receiving pension payments from the Pension Benefit Guaranty Corporation (PBGC). Under the tax provisions, eligible individuals can either take a tax credit or get advance payment of 65% of premiums paid for qualified health insurance, including continuation coverage. The American Recovery and Reinvestment Act of 2009 (ARRA) made several amendments to these provisions, including an increase in the amount of the credit to 80% of premiums for coverage before January 1, 2011 and temporary extensions of the maximum period of COBRA continuation coverage for PBGC recipients (covered employees who have a nonforfeitable right to a benefit any portion of which is to be paid by the PBGC) and TAA-eligible individuals.

If you have questions about these provisions, you may call the Health Coverage Tax Credit Customer Contact Center toll-free at 1-866-628-4282. TTD/TTY callers may call toll-free at 1-866-626-4282. More information about the Trade Act is also available at www.doleta.gov/tradeact.

When and how must payment for continuation coverage be made?

First payment for continuation coverage

If you elect continuation coverage, you do not have to send any payment with the Election Form. However, you must make your first payment for continuation coverage not later than 45 days after the date of your election. (This is the date the Election Notice is post-marked, if mailed.) If you do not make your first payment for continuation coverage in full not later than 45 days after the date of your election, you will lose all continuation coverage rights under the Plan. You are responsible for making sure that the amount of your first payment is correct. You may contact the Plan Administrator or the issuer to confirm the correct amount of your first payment.

Periodic payments for continuation coverage

After you make your first payment for continuation coverage, you will be required to make periodic payments for each subsequent coverage period. The amount due for each coverage period for each qualified beneficiary is shown in this notice. The periodic payments can be made on a monthly basis. Under the Plan, each of these periodic payments for continuation coverage is due on the first day of the month for that coverage period. 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** or **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 will be given a grace period of 30 days after the first day of the coverage period to make each periodic payment. Your continuation coverage will be provided for each coverage period as long as payment for that coverage period is made before the end of the grace period for that payment. However, 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 under the Plan may 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 the periodic payment is received. This means that 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 fail to make a periodic payment before the end of the grace period for that coverage period, you will lose all rights to continuation coverage under the Plan.

You may contact the Plan Administrator or the issuer to confirm the correct amount of your first payment.

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

For more information

This notice does not fully describe continuation coverage or other rights with respect to your coverage. More information about continuation coverage or other rights under the Plan is available in your group health insurance certificate or from the Plan Administrator.

If you have any questions concerning the information in this notice or your rights to coverage you should contact:

Continuation Coverage Administrator: _____

Address: _____

Telephone Number: _____

For more information about your rights under ERISA, including COBRA, the Health Insurance Portability and Accountability Act (HIPAA), and other laws affecting group health plans, contact the U.S. Department of Labor’s Employee Benefits Security Administration (EBSA) at 1-866-444-3272 or visit the EBSA website at www.dol.gov/ebsa. For more information about your rights under state law, contact the Connecticut Insurance Department, Division of Consumer Affairs at 1-800-203-3447.

Keep Your Plan Informed of Address Changes

In order to protect your and your family’s rights, you should keep the Plan Administrator and the issuer informed of any changes in your address and the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Plan Administrator or the issuer.