

COBRA

What is COBRA?	The Consolidated Omnibus Budget Reconciliation Act (COBRA) is a federal law that requires certain employers to offer employees, their spouses, and their dependents a temporary period of continued health care coverage if they lose coverage under an employer's group health plan. This may include employers who participate in association health plans.
Which employers must offer COBRA?	<ul style="list-style-type: none">• Employers with 20 or more employees that sponsor group health plans• Employers with fewer than 20 employees that sponsor group plans in states with state "mini-COBRA" laws <p>Certain employee counting rules apply. Click here for more information.</p>
Who is eligible for COBRA?	Employees, their spouses, and their dependents, if they are covered under the plan and experience a COBRA-qualifying event.
How long does COBRA coverage last?	COBRA coverage generally lasts 18-36 months , depending on the COBRA-qualifying event. Longer coverage periods may apply under state mini-COBRA laws.
Who administers COBRA?	Employers are legally responsible for COBRA administration. However, many employers choose to contract administration out to a third-party administrator (TPA).
Are employers required to provide COBRA-related notices?	<p>Yes. An initial general notice must be provided when group health coverage begins. When a qualifying event occurs, an election notice regarding rights to COBRA continuation benefits must be provided to each qualified beneficiary.</p> <p>Employers must notify their plan administrators of a qualifying event within 30 days after an employee's death, termination, reduced hours of employment or entitlement to Medicare that causes an employee to lose health benefits.</p> <p>The plan administrator must provide notice to plan participants and beneficiaries of their right to elect COBRA coverage (election notice) within 14 days after the administrator has received notice from the employer. If the employer is also the plan administrator, this notice must be provided not later than 44 days after the date the qualifying event occurred or the date of loss of coverage due to the qualifying event (if the plan provides that COBRA coverage starts on the date of loss of coverage).</p>
Who pays for COBRA coverage?	In general, the qualified beneficiary.
Do states have their own COBRA coverage laws?	Yes, many states have enacted so-called "mini-COBRA" laws to allow employees who do not qualify under federal COBRA to obtain similar continuation of coverage benefits.