



## IMPORTANT INFORMATION ABOUT YOUR CONTINUATION COVERAGE

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

The Archdiocese of Los Angeles gives employees and their families the opportunity to continue their health care coverage at their own expense when there is a "qualifying event" that would otherwise result in a loss of coverage. Those individuals who are entitled to continue coverage are referred to as "qualified beneficiaries." Depending on the type of qualifying event, "qualified beneficiaries" can include the employee covered under the group health plan, a covered employee's spouse, and dependent children of the covered employee.

If you are a qualified beneficiary, you may elect continuation coverage only under the Plan or Plans that covered you immediately before the qualifying event. Each qualified beneficiary who elects continuation coverage will have the same rights under the Plan as other participants or beneficiaries covered under the Plan, such as changing coverage under the Plan during open enrollment or other special enrollment rights. The persons who have been identified by the Plan as qualified beneficiaries entitled to elect continuation coverage are listed on the cover letter sent with this Notice.

### **How long will my continuation coverage last?**

The length of time for which coverage may be continued depends on the qualifying event. In the case of a loss of coverage due to termination of employment or reduction in hours of employment, coverage may be continued for up to 18 months. In the case of a loss of coverage due to an employee's death, divorce or legal separation, the employee's entitlement to Medicare or a dependent child's ceasing to be a dependent under the terms of the Plan, coverage may be continued for up to 36 months. When the qualifying event is the termination of employment or reduction of the employee's hours of employment and the employee became entitled to Medicare benefits less than 18 months before the qualifying event, continuation coverage for qualified beneficiaries other than the employee lasts until 36 months after the date of Medicare entitlement. The cover letter sent with this Notice shows the maximum period of continuation coverage available to the qualified beneficiaries at this time.

A qualified beneficiary's continuation coverage will be terminated before the end of the maximum period if: any required premium is not paid on time, the qualified beneficiary becomes covered under another group health plan, the qualified beneficiary enrolls in Medicare, the employer ceases to provide any group health plan for its employees or, if coverage is being continued because of the special extended coverage period for disabled individuals (see, below), it is determined that the person is no longer disabled under the Social Security laws. Continuation coverage may also be terminated for any generally applicable reason the Plan would terminate coverage of a participant or beneficiary not receiving continuation coverage (such as fraud).

### **Special rules for termination of employment and reduction of hours.**

If your qualifying event would ordinarily result in a maximum continuation coverage period of 18 months, the following special rules apply:

### **How can I extend the length of continuation coverage?**

If you elect continuation coverage, an extension of the maximum period of 18 months of coverage may be available if a qualified beneficiary is disabled or a second qualifying event occurs. You must notify Cobra Control Services, LLC of a disability or a second qualifying event in order to extend the period of continuation coverage. Failure to provide notice of a disability or second qualifying event may affect the right to extend the period of continuation coverage.

#### ***Disability.***

An 11-month extension of coverage may be available if any of the qualified beneficiaries is disabled. The Social Security Administration (SSA) must determine that the qualified beneficiary was disabled at some time during the first 60 days of continuation coverage, and you must notify Cobra Control Services, LLC of that fact within 60 days of the SSA's determination and before the end of the first 18 months of continuation coverage. All of the qualified beneficiaries listed on the first page of this Notice who have elected continuation coverage will be entitled to the 11-month disability extension if one of them qualifies. If the qualified beneficiary is determined by SSA to no longer be disabled, you must notify Cobra Control Services, LLC of that fact within 30 days of the SSA's determination.

#### ***Second Qualifying Event.***

An 18-month extension of coverage will be available to spouses and dependent children who elect continuation coverage if a second qualifying event occurs during the first 18 months of continuation coverage. The maximum amount of continuation coverage available when a second qualifying event occurs is 36 months from the date continuation coverage first began. Such second qualifying events may include the death of a covered employee, divorce or separation from the covered employee, the covered employee's enrolling in Medicare, or a dependent child's ceasing to be eligible for coverage as a dependent under the Plan. Please note: Enrollment in Medicare will be a second qualifying event only if it would cause a loss of coverage for the dependent under the active plan. You must notify Cobra Control Services, LLC within 60 days after a second qualifying event occurs.

**Medicare Entitlement Followed by Qualifying Event.**

If a qualifying event occurs less than 18 months after the date you become entitled to Medicare, the period of continuation coverage for your qualified beneficiaries is 36 months from the date of your Medicare entitlement.

**How do I elect continuation coverage?**

Each qualified beneficiary has an independent right to elect continuation coverage. For example, both the employee and the employee's spouse may elect continuation coverage, or only one of them. Similarly, parents may elect to continue coverage only on behalf of their dependent children. A qualified beneficiary must elect coverage by the date specified on the cover letter sent with this Notice. Failure to do so will result in loss of the right to elect continuation coverage under the Plan. A qualified beneficiary may change a prior rejection of continuation coverage any time until the deadline for electing coverage, but the continuation of coverage will begin only as of the date the change is post-marked or otherwise received.

In considering whether to elect continuation coverage, 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 (or, in the case of an extension of continuation coverage due to a disability, 150 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 rates for continuation coverage for qualified beneficiaries are set forth on the election form accompanying this Notice.

**When and how must I pay for continuation coverage?**

*First payment for continuation coverage*

If you elect continuation coverage, you do not have to send any payment for continuation coverage with the Election Form. However, you must make your first payment for continuation coverage within 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 within that 45 days, you will lose all continuation coverage rights under the Plan.

Your first payment must cover the cost of continuation coverage from the time your coverage under the Plan would have otherwise terminated up to the time you make the first payment. You are responsible for making sure that the amount of your first payment is enough to cover this entire period. You may contact Cobra Control Services, LLC to confirm the correct amount of your first payment.

Your completed election form and first payment for continuation coverage should be sent to:

**Election Form**

Cobra Control Services, LLC  
PO Box 62407  
King of Prussia, PA 19406

**First Payment**

Cobra Control Services, LLC  
PO Box 417985  
Boston, MA 02241-7985

Your election form and payment must be sent by REGULAR U.S. MAIL to the address listed above. The postmark on your letter will document proof of mailing. Please note that the P.O. Box will not accept correspondence sent by certified mail or delivery service.

*Periodic payments for continuation coverage*

After you make your first payment for continuation coverage, you will be required to pay for continuation coverage for each subsequent month of coverage. Your payments are due in full by the first of the month for that month of coverage (Example, premiums for coverage in July are due by July 1st). If you make a periodic payment on or before its due date, your coverage under the Plan will continue for that coverage period without any break. The Plan will not send periodic notices of payments due for these coverage periods.

Periodic payments for continuation coverage should be sent to Cobra Control Services, LLC at the address set forth above.

*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 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.

If you fail to make a periodic payment before the end of the grace period for that payment, you will lose all rights to continuation coverage under the Plan.

**How do I get more information?**

More information about continuation coverage and your rights under the Plan may be available from the Plan Administrator.

For more information about health insurance options available through the Health Insurance Marketplace, visit [www.healthcare.gov](http://www.healthcare.gov) or call 1-800-318-2596. You may be able to get coverage through the Health Insurance Marketplace that costs less than continuation of coverage.

**What if I move or have children who do not live with me?**

In order to protect your family's rights, you should keep Cobra Control Services, LLC informed of any changes to the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Plan Administrator. If you have a spouse or any dependent children who are eligible to elect continuation coverage, but who do not live with you, please provide Cobra Control Services, LLC with their names and addresses.