



*The University of Oklahoma*  
Office of Human Resources

**Notice of Right to Elect COBRA Continuation Coverage**

On April 7, 1986, a federal law known as COBRA was enacted requiring that most employers sponsoring group health plans offer employees and their families the opportunity for a temporary extension of benefits (called COBRA Continuation Coverage) at group rates in certain instances where coverage under the plan would otherwise end. This notice is intended to provide a summary of rights and obligations under the continuation of coverage provisions of the law. Both employee and spouse should take the time to read this notice.

**Employees of the University** - Employees of the University of Oklahoma covered by the university's health, dental, vision or healthcare reimbursement account have the right to choose COBRA Continuation Coverage if the employee loses coverage because of a reduction in hours of employment or the termination of employment for reasons other than gross misconduct.

**Spouses of University Employee** - Spouses of an employee covered by the university's health, dental or vision plan have the right to choose COBRA Continuation Coverage if they lose group health, dental, or vision coverage under the university's plan for any of the following four reasons: 1) The death of the employee; 2) A termination of the employee's employment for reasons other than gross misconduct or reduction in their hours of employment with the university; 3) Divorce or legal separation from the employee; or 4) The employee becomes entitled to Medicare.

**Dependent Children of the Employees**- A dependent of an employee covered by the university's health, dental, or vision plan, has the right to COBRA Continuation Coverage if group health, dental, or vision coverage under the university's plan is lost for any of the following five qualifying events: 1) The death of the employee; 2) A termination of the employee's employment for reasons other than gross misconduct or reduction in the employee's hours of employment with the university; 3) The employee's divorce or legal separation; 4) The employee becomes entitled to Medicare; or 5) The dependent child ceases to be a "dependent child" under any of the COBRA qualified group plans.

**Responsibility For Notification** - The employee or a family member has the responsibility to inform The University of Oklahoma Office of Human Resources in writing of a divorce, legal separation, or a child losing dependent status under the university's health, dental, vision or healthcare reimbursement account within thirty (30) days of the date of the event. The University of Oklahoma has the responsibility to notify the appropriate plan administrator of the employee's death, termination, reduction in hours of employment or Medicare entitlement. Similar rights may apply to certain retirees, spouses, and dependent children if your employer commences a bankruptcy proceeding and these individuals lose coverage. When the Office of Human Resources has been notified of a COBRA qualifying event, all appropriate individuals will be formally notified in writing of their right to choose COBRA Continuation Coverage. COBRA qualified individuals will have sixty (60) days from the date the notice is sent to elect COBRA Continuation Coverage. If COBRA Continuation Coverage is not elected within the sixty (60) day election period, all COBRA qualified coverage will end.

**Up To 36 Months of Coverage Available If Elected** - If COBRA Continuation Coverage is elected, The University of Oklahoma is required to provide coverage which, at the time coverage is being provided, is identical to the coverage provided under the plan to similarly situated employees or family members. The law requires that qualified individuals be given the opportunity to maintain qualified health, dental, or vision coverage for thirty-six (36) months unless you lost group health coverage because of a termination of employment or reduction in hours. In that case, the required continuation of coverage period for health, dental, or vision is eighteen (18) months. The initial eighteen (18) month coverage period may be extended for affected individuals to a total of thirty-six (36) months if other qualifying events occur during the initial eighteen (18) month coverage period. Qualifying events that could extend coverage would be a death, divorce, legal separation, or Medicare entitlement. In all cases, healthcare reimbursement account participation will only be extended to the end of the current plan year.

In no event will COBRA Continuation Coverage extend beyond thirty-six (36) months from the date of the original COBRA qualifying event. The eighteen (18) months of extended coverage may be increased to twenty-nine (29) months if an individual eligible for COBRA coverage becomes disabled (as defined by the Social Security

Administration) during the first sixty (60) days of COBRA Continuation Coverage. This eleven (11) month extension is available to all individuals who qualify for COBRA because of a termination of employment or reduction in hours of employment. To benefit from this extension, the qualified individual must notify the Office of Human Resources before the end of the original eighteen (18) month period within sixty (60) days of the qualifying event. The affected individual must also notify the Office of Human Resources within thirty (30) days of any final determination declaring that the individual is no longer disabled.

**Adopted or Placed Child Can Be Covered** - A child who is born to or placed for adoption with a covered individual during a period of COBRA coverage will be eligible for COBRA Continuation Coverage. These qualified individuals can be provided coverage if the Office of Human Resources is notified within thirty-one (31) days of the qualifying event.

**COBRA Coverage May Be Terminated Early** - COBRA Continuation Coverage may be terminated for any of the following six reasons: 1) The University of Oklahoma no longer provides the plan benefit to any of its employees; 2) The premium for COBRA Continuation Coverage is not paid on time; 3) The covered individual becomes covered under another group health plan that does not contain any exclusion or limitation of any pre-existing condition the participant may have; 4) The covered individual becomes entitled to Medicare after electing COBRA coverage; 5) The individual is covered under COBRA's disability criteria but is no longer classified as disabled; 6) The covered individual files a fraudulent claim.

**HIPAA Restrictions On Pre-existing Conditions Limitations** - The Health Insurance Portability and Accountability Act of 1996 (HIPAA) restricts the extent to which group health plans may impose pre-existing condition limitations. These rules are generally effective for plan years beginning after June 30, 1997. HIPAA coordinates COBRA's other coverage cut-off rule with these new limits as follows. If a COBRA qualified individual becomes covered by another group health plan and that plan contains a pre-existing condition limitation that affects the individual, their COBRA coverage cannot be terminated. However, if the other plan's pre-existing condition rule does not apply by reason of HIPAA's restrictions on pre-existing condition clauses, The University of Oklahoma may terminate your COBRA coverage.

**Proof Not Required** - Proof of insurability is not required to choose continuation of coverage. However, continuation of coverage under COBRA is provided subject to eligibility for coverage. The University of Oklahoma reserves the right to terminate COBRA coverage retroactively if the individual is determined to be ineligible.

**COBRA Payment Required** - Under the law, a COBRA qualified individual may have to pay all or part of the premium of the continuation of coverage. There is a grace period of at least 30 days for payment of the regularly scheduled premium.

Questions about COBRA can be answered by contacting The University of Oklahoma Office of Human Resources. Change of marital status and address changes should also be reported to the Office of Human Resources.

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