

**CONTINUATION OF COVERAGE**

**A. Statutory Continuation of Coverage**

**COBRA CONTINUATION OF COVERAGE**

The right to COBRA continuation coverage was created by a federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). COBRA continuation can become available to you and to other members of your family who are covered under the Fund when you would otherwise lose your group health coverage.

COBRA continuation coverage for the Fund is administered by the Fund’s Third-Party Administrator, T.W. Newman Company, Inc. located at 925 Hempstead Turnpike, Suite 340 Franklin Square, New York 11010, telephone 516-488-1100.

COBRA continuation coverage is a continuation of Fund coverage when coverage would otherwise end because of a life event known as a “qualifying event.” Specific qualifying events are listed later in this notice. COBRA continuation coverage must be offered to each person who is a “qualified beneficiary.” A qualified beneficiary is someone who will lose coverage under the Fund because of a qualifying event. Depending on the type of qualifying event, employees, spouses of employees, and dependent children of employees may be qualified beneficiaries. Under the Fund, qualified beneficiaries who elect COBRA continuation coverage must pay for COBRA continuation coverage. You or your dependents will be required to pay the necessary premium for the following benefits:

- Dental Benefit Plan
- Vision Care Benefit Plan
- Excess Major Medical Benefit Plan

If you are an employee, you will become a qualified beneficiary if you will lose your coverage under the Fund because either one of the following qualifying events happens:

1. Your hours of employment are reduced, or
2. Your employment ends for any reason other than your gross misconduct

If you are the spouse of an employee, you will become a qualified beneficiary if you will lose your coverage under the Fund because any of the following qualifying events happens:

1. Your spouse dies;
2. Your spouse’s hours of employment are reduced;  
Your spouse’s employment ends for any reason other than his or her gross misconduct; or
4. You become divorced or legally separated from your spouse.

Your dependent children will become qualified beneficiaries if they will lose coverage under the Fund because any of the following qualifying events happens:

1. The parent/ employee dies;
2. The parent/ employee’s hours of employment are reduced;

The parent/ employee's employment ends for any reason other than his or her gross misconduct; or

4. The parents become divorced or legally separated; or

The child stops being eligible for coverage under the Fund as a "dependent child."

The Fund will offer COBRA continuation coverage to qualified beneficiaries only after the Fund has been notified that a qualifying event has occurred. When the qualifying event is the end of employment or reduction of hours of employment or death of employee, the employer must notify the Fund of the qualifying event within 30 days of any of these events.

For the other qualifying events (divorce or legal separation of the employee and spouse or a dependent child's losing eligibility for coverage as a dependent child), YOU must notify the Fund. The Fund requires you to notify the Fund within 60 days after the qualifying event occurs. You must send this notice to the Fund's Third-Party Administrator. In the event of death, a copy of the death certificate must be provided. In the event of divorce, you must send a copy of the divorce judgment. In the event of legal separation, you must send a copy of the Court Order of Separation.

Once the Fund's Third-Party Administrator receives notice that a qualifying event has occurred, COBRA continuation coverage will be offered to each of the qualified beneficiaries. For each qualified beneficiary who elects COBRA continuation coverage, COBRA continuation coverage will begin on the date of the qualifying event or on the date that Fund coverage would otherwise have been lost, if later.

COBRA continuation coverage is a temporary continuation of coverage. When the qualifying event is the death of the employee, the employee's divorce or legal separation, or a dependent child losing eligibility as a dependent child, COBRA continuation coverage lasts for up to 36 months.

When the qualifying event is the end of employment or reduction of the employment or reduction of the employee's hours of employment, COBRA continuation coverage lasts for up to 18 months. There are two ways in which this 18-month period of COBRA continuation coverage can be extended:

1. Disability Extension of 18 month Period of Continuation Coverage:

If you or anyone in your family covered under the Fund is determined by the Social Security Administration to be disabled at any time during the first 60 days of COBRA continuation coverage, and you notify the Fund's Third-Party Administrator in a timely fashion, you and your entire family can receive up to an additional 11 months of COBRA continuation coverage, for a total maximum of 29 months. You must make sure that the Fund is notified of the Social Security Administrator's determination by sending a copy of the Determination letter within 60 days of the date of the determination and before the end of the 18-month period of COBRA continuation coverage. This notice should be sent to the Fund's Third-Party Administrator.

2. Second Qualifying Event Extension of 18-month Period Continuation Coverage

If your family experiences another qualifying event while receiving COBRA continuation coverage, the spouse and dependent children in your family can get additional months of COBRA continuation coverage, up to a maximum of 36 months. This extension is available to the spouse and dependent children if the former employee dies or gets divorced or legally separated. The extension is also available to a dependent child when that child stops being eligible under the Fund as a dependent child. In all of these cases, you must make sure that the Fund is notified of the second qualifying event within 60 days of the second qualifying event. This notice must be sent to the Fund's Third-Party Administrator. In the event of death, a copy of the death certificate must be provided. In the event of divorce, you must send a copy of the divorce judgment. In the event of legal separation, you must send a copy of the Court Order of Separation.

## If You Have Any Questions

If you have any questions about your COBRA continuation coverage, you should contact the Fund's Third-Party Administrator or you may contact the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA). Addresses and phone numbers of Regional and District EBSA Offices are available through EBSA's website at [www.dol.gov/ebsa](http://www.dol.gov/ebsa).

## Keep the Fund Informed of Address Changes

In order to protect your family's rights, you should keep the Fund's Third Party Administrator informed of any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Fund.

## **CONTINUATION OF COVERAGE DURING LEAVE UNDER THE FAMILY MEDICAL LEAVE ACT (FMLA)**

The Family and Medical Leave Act of 1993 (FMLA) entitles eligible employees of the District with up to twelve (12) weeks of family leave in a twelve (12) month period to care for a dependent child, covered family members or for the serious illness of the employee. If you take a FMLA leave, the District must continue to contribute to the Fund on your behalf and certain health-related benefits (i.e. Dental, Vision and Excess Major Medical) through the Fund must continue. If you do not return to work after the end of your FMLA leave, you may be eligible for COBRA continuation of coverage. Upon submission by the District to the Fund of documentation verifying your FMLA status, the Fund will provide benefits during the FMLA period. **Continuation of Fund coverage during this period is conditioned upon the member paying his/her applicable monthly member contribution directly to the Fund's Third-Party Administrator, T.W. Newman Company, Inc. on a timely basis.**

### **B. Non-Statutory Continuation of Coverage**

#### **1. CONTINUATION OF COVERAGE WHILE ON LEAVE**

You may continue your dental and life insurance coverage for a period of up to two (2) years while on childcare leave or other type of leave approved by the District, provided you pay the entire applicable premium directly to the Fund's Third-Party Administrator, T.W. Newman Company. If you do not continue coverage while out on leave, limitations to coverage will apply when you return to work and re-enroll in the dental plan (see page 7 for late entrant limitations). This two-year period runs concurrent with, and extends the member's 18-month COBRA continuation coverage period for dental benefits.

#### **2. CONTINUATION OF DEPENDENT DENTAL COVERAGE AFTER THE DEATH OF A MEMBER**

If you are covered for Dental benefits when you die, any of your dependents who are then covered, except a dependent who is eligible for Medicare, will remain so covered without further payment for them. However, the coverage on any of those dependents will cease on the earliest date below:

- the last day of the twenty-four months after your death;
- the date of remarriage or the entrance into a domestic partnership of a surviving spouse/domestic partner, if any;
- the date that dependent qualifies for Medicare; or
- the date that dependent ceases to qualify as a Dependent for a reason other than lack of primary support by you.

The dependent benefits payable after you die will be those in effect for your dependents on the day prior to your death.

### **3. CONTINUATION COVERAGE FOR RETIREES**

Eligible members who retire may elect to continue coverage of the following benefits for as long as the applicable premiums set by the Fund are paid.

- **Dental Benefits** – Retirees and their eligible dependents may continue their coverage for Fund dental benefits upon retirement.
- **Excess Major Medical Benefits** – Retirees may continue their Excess Major Medical coverage, provided they have been insured persons for 30 days prior to retirement and have made application for coverage within 60 days of termination of active service.
- **Life Insurance** – Retirees may continue their contributory Life Insurance benefits upon retirement.