



COBRA Continuation Coverage 2021 Instructions and Premium Rates

Note: If you are eligible for retiree benefits and have completed the necessary forms, please disregard these materials.

Your medical, dental, and life insurance coverage will end on the last day of the month in which you actively worked or were still employed in a position eligible for benefits.

Medicare (Part A, Part B, or both) or become covered under other group health plan coverage. You must follow the notice procedures specified in this notice.

Even though you cannot continue to be covered as an eligible employee, federal and state laws permit you to continue your medical, dental, and life coverage under the Plan beyond the date your group coverage terminates. If you are a dependent of a University employee and you were covered under the Plan, you also may continue your benefits as a “qualified beneficiary.” The definition of a qualified beneficiary includes a child who is born to you (the covered employee) or adopted by or placed for adoption with you during a period of continuation coverage.

In addition, if you were already entitled to Medicare before electing COBRA, you must notify OHR of the date of your Medicare entitlement.

CONTINUATION COVERAGE Duration of Continuation Coverage

You and your dependents may continue the group medical or dental benefits until the earliest of the following: (See page 3 for life insurance continuation.)

- 18 months following loss of coverage (termination, layoff, reduced hours of employee, or retirement)
- You become covered under another group health plan that does not contain any exclusions or limitations for pre-existing conditions that apply to you or your dependents
- You or your dependent become entitled to Medicare benefits after electing continuation coverage (only for the individuals who become entitled to Medicare under Part A, Part B, or both)
- Required rate is not paid within the grace period after the due date
- The University’s group benefits plan is no longer in force for any employees
- 36 months following loss of coverage (loss of dependent child eligibility; divorce from employee; the employee’s entitlement to Medicare under Part A, Part B or both)
- Coverage would have terminated had the employee lived (death of employee)

COBRA continuation coverage is the same coverage that the Plan gives to other employees 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 employees covered under the Plan, including Open Enrollment and special enrollment rights.

Note: If both you and your legal spouse are employed by the University of Minnesota and are both eligible for benefits, it may be possible to be added as a dependent to his or her coverage. Contact The Office of Human Resources (OHR) for more information.

Medicare Entitlement

If the qualifying event is your termination of employment or reduced hours of employment, and you became entitled to Medicare benefits less than 18 months before your qualifying event, COBRA coverage under the Plan’s medical and dental components for qualified beneficiaries (other than you) can last until up to 36 months after the date of Medicare entitlement. This COBRA coverage period is available only if you became entitled to Medicare within 18 months before your termination or reduced hours.

Disability extension of the 18-month period of continuation coverage

If you or anyone in your family who is currently covered under the Plan is determined by the Social Security Administration (SSA) to be disabled at any time during the first 60 days of COBRA continuation coverage, 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 notify OHR in writing within 30 days if, after electing COBRA, you or a family member become entitled to



You must make sure OHR is notified of the SSA's determination within 60 days of the latest of:

- a) the date of the SSA determination,
- b) the date of the qualifying event,
- c) the date of the loss of coverage, or
- d) the date you are informed of your obligation and the procedure to provide this information; and before the end of the 18-month period of COBRA continuation coverage.

This notice should be sent to the University COBRA Administrator. (See page 8 for more information.)

If you fail to notify OHR in writing and postmarked within the time limit, you will lose your right to extend coverage due to disability. Under this provision, you must also notify OHR within 30 days if the SSA determination is revoked.

Second qualifying event: Extension of 18-month period of continuation coverage

If another qualifying event occurs during COBRA continuation coverage, your spouse and dependent children in your family may be eligible for additional months of COBRA continuation coverage, up to a maximum of 36 months. The second qualifying event must be one that would have caused a loss of coverage if your spouse and dependent children in your family were not currently receiving COBRA continuation coverage.

This extension is available to the spouse and dependent children if the former employee (1) dies; (2) enrolls in Medicare – Part A, Part B, or both; or (3) is divorced.

The extension is also available to a dependent child who is no longer eligible under the Plan as a dependent child. In all of these cases, you must make sure that OHR is notified in writing within 60 days of the second qualifying event. This notice must be sent to the University COBRA Administrator. (See page 7 for more information.)

If you fail to notify OHR in writing and postmarked within the time limit, you will lose your right to extend coverage.

Other Coverage Continuation Options

Instead of enrolling in COBRA continuation coverage, there may be other more affordable coverage options for you and your family through the Health Insurance Marketplace, Medicaid, or other group health plan coverage options (such as a spouse's plan) through what is called a "special

enrollment period." Some of these options may cost less than COBRA continuation coverage.

You should compare your other coverage options with COBRA continuation coverage and choose the coverage that is best for you. For example, if you move to other coverage you may pay more out of pocket than you would under COBRA because the new coverage may impose a new deductible.

It is important that you choose carefully between COBRA continuation coverage and other coverage options, because once you've made your choice, it can be difficult or impossible to switch to another coverage option.

Medical and Dental

You and your dependents who are covered under the medical or dental plan on your last day of eligibility are each eligible to elect continuation of coverage. Continuation coverage must be with the same plan option you had as of the date of coverage termination. You do not need to prove that you are insurable to obtain continuation coverage. Continuation coverage is identical to the coverage provided under the plan to similarly situated, active employees and their eligible dependents. You and your dependents who elect continuation coverage may change coverage options during any Open Enrollment period that the plan may have while you are covered by continuation coverage.

If you are moving out of the plan's service area, contact OHR at 612-624-8647 or 1-800-756-2363, select option 1, or at benefits@umn.edu for more information about plan options.

Life Insurance

You, the employee, have the option under Minnesota state law to continue group life insurance benefits for yourself and your dependents including: (1) basic employee life; (2) additional employee life; (3) spouse life; and (4) child life. For both basic life and the optional life insurance, you may elect to continue all or a portion of your current benefit for 18 months.

The maximum period for continuation is 18 months or until covered by other group coverage, whichever occurs first. At that time, coverage may be converted to an individual whole life policy or a term life portability policy without evidence of good health if application is made



within 31 days. Policy details and rates for both options are available from the University's COBRA administration vendor or Total Compensation.

Health Care Flexible Spending Account

If you are enrolled in a Health Care Flexible Spending Account, your pre-tax contributions to the account end with the pay period in which you terminate employment. Only expenses incurred while you are participating in the Health Care Flexible Spending Account are eligible for reimbursement. An expense is incurred when you receive the service or when you order or purchase the supply, not when you receive the bill or make payment. Participation means that you continue to make contributions to the account.

If you have an account balance as of the date you terminate employment or lose eligibility for participation in this plan and you wish to continue to submit claims for eligible health care expenses incurred after that date, you may elect to continue participation in the account through COBRA by making contributions on an after-tax basis for the remainder of the current calendar year. If you have an account balance and are unable to incur eligible health care expenses while making deposits to the account, the balance will be forfeited.

Claims for expenses incurred while making deposits to the account must be submitted to OHR no later than March 31 of the following year. Any balance remaining in your account after that date will be forfeited under IRS guidelines.

Note: Coverage will terminate if the required contribution is not made within the grace period after the due date, or if the University's group benefits plan is no longer in force for any employees. Once continuation coverage is terminated for failure to make a timely payment, it cannot be reinstated.

ELECTION PERIOD FOR CONTINUATION COVERAGE

You and your dependents may elect COBRA continuation of coverage no later than 60 days from the date of loss of coverage or date of the COBRA notice, whichever is later. You must make your first payment for coverage within 45 days from the date you elect coverage to the University COBRA administrator. After the first payment there is a 30-day grace period for all further payments. For example, all regular COBRA continuation payments are due on the first day of the month. If your payment is due on January 1, your

payment must be postmarked within 30 days of January 31. Payments made after the 30-day grace period will be returned to you and all coverage will be cancelled as of the end of the month in which the last regular payment was made.

When considering whether to elect continuation coverage, you should take into account that a failure to continue your group health coverage may affect your future rights under federal law. 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 60 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 elect and maintain continuation coverage for the maximum time available to you.

Health Insurance Marketplace

The Marketplace offers "one-stop shopping" to find and compare private health insurance options. In the Marketplace, you could be eligible for a new kind of tax credit that lowers your monthly premiums and cost-sharing reductions (amounts that lower your out-of-pocket costs for deductibles, coinsurance, and copayments) right away, and you can see what your premium, deductibles, and out-of-pocket costs will be before you make a decision to enroll. Through the Marketplace, you'll also learn if you qualify for free or low-cost coverage from Medicaid or the Children's Health Insurance Program (CHIP). You can access the Marketplace for your state at www.HealthCare.gov.

Coverage through the Health Insurance Marketplace may cost less than COBRA continuation coverage. If you have terminated employment, being offered COBRA continuation coverage won't limit your eligibility for coverage or for a tax credit through the Marketplace. If you are an active employee, however, or if you choose to elect COBRA continuation coverage, then your eligibility for the tax credit may be affected.



Enrolling in Marketplace Coverage

You always have 60 days from the time you lose your job-based coverage to enroll in the Marketplace. Losing your job-based health coverage is a “special enrollment” event. **After 60 days your special enrollment period will end, and you may not be able to enroll, so you should take action right away.** In addition, during what is called an “open enrollment” period, anyone can enroll in Marketplace coverage.

To find out more about enrolling in the Marketplace, such as when the next open enrollment period will be and what you need to know about qualifying events and special enrollment periods, visit www.HealthCare.gov. If you sign up for COBRA continuation coverage, you can switch to a Marketplace plan during a Marketplace open enrollment period. Also, you can end your COBRA continuation coverage early and switch

to a Marketplace plan if you have another qualifying event such as marriage or birth of a child through something called a “special enrollment period.” However, if you terminate your COBRA continuation coverage early without another qualifying event, you’ll have to wait to enroll in Marketplace coverage until the next open enrollment period, and you could end up without any health coverage in the interim.

Once you’ve exhausted your COBRA continuation coverage and the coverage expires, you’ll be eligible to enroll in Marketplace coverage through a special enrollment period, even if Marketplace open enrollment has ended. **If you sign up for Marketplace coverage instead of COBRA continuation coverage, you cannot switch to COBRA continuation coverage under any circumstances.**

COST OF CONTINUATION COVERAGE — 2022 MONTHLY RATES

- Applicant-only cost applies if only one person, either you or a dependent, wishes to continue coverage.
- When two or more persons wish to continue coverage, the cost that applies depends on the relationship of persons continuing coverage. See examples below.
 - Employee and spouse: Applicant and Spouse with or without Children rates.
 - Spouse and children: Applicant and Children rates.
 - Two or more children: Applicant and Children rates. The oldest child is considered the applicant.
- Your cost is based on the plan and the geographic location you had in effect when the qualifying event occurred.
- If you, your legal spouse, or dependent child receive an extension due to a disability, the cost for that coverage is 150 percent of the cost shown below. (Contact Total Compensation for these rates.)

Medical Plans *A non-refundable administrative fee of 2% is included in the rates below.*

Applicant only coverage	Wellbeing Rates	UPlan Standard Rates
Medica Elect/Essential–Twin Cities & Duluth Base Plan	\$777.51	\$819.18
Medica Choice Regional–Greater Minnesota Base Plan		
Medica ACO Plan–Available in Crookston area, Duluth area & parts of NE Minnesota, Rochester area, Twin Cities metro area	\$735.23	\$776.90
Medica Choice National	\$964.76	\$1,006.43
Medica HSA	\$699.95	\$741.62



Applicant and Children coverage	Wellbeing Rates	UPlan Standard Rates
Medica Elect/Essential–Twin Cities & Duluth Base Plan Medica Choice Regional–Greater Minnesota Base Plan	\$1,377.68	\$1,419.35
Medica ACO Plan–Available in Crookston area, Duluth area & parts of NE Minnesota, Rochester area, Twin Cities metro area	\$1,301.53	\$1,343.20
Medica Choice National	\$1,700.60	\$1,742.27
Medica HSA	\$1,226.56	\$1,268.23

Applicant and Spouse with or without Children coverage	Wellbeing Rates	UPlan Standard Rates
Medica Elect/Essential–Twin Cities & Duluth Base Plan Medica Choice Regional–Greater Minnesota Base Plan	\$2,061.71	\$2,124.21
Medica ACO Plan–Available in Crookston area, Duluth area & parts of NE Minnesota, Rochester area, Twin Cities metro area	\$1,951.90	\$2,014.40
Medica Choice National	\$2,546.14	\$2,608.64
Medica HSA	\$1,896.88	\$1,959.38



Dental Plans

Applicant only coverage	Monthly Rate
Delta Dental PPO–Twin Cities and Duluth Base Plan	\$38.36
Delta Dental Premier–Greater Minnesota Base Plan	\$47.03
Delta Dental Premier	

Applicant and Children coverage	Monthly Rate
Delta Dental PPO–Twin Cities and Duluth Base Plan	\$91.83
Delta Dental Premier–Greater Minnesota Base Plan	\$112.09
Delta Dental Premier	

Applicant and Spouse with or without Children coverage	Monthly Rate
Delta Dental PPO–Twin Cities and Duluth Base Plan	\$106.52
Delta Dental Premier–Greater Minnesota Base Plan	\$130.63
Delta Dental Premier	



Life Insurance

Employee Basic Life		Monthly Rate per \$1,000 of face amount: \$0.121
Additional Employee Life, Spouse Life		Monthly Rate per \$1,000 of face amount. Total rates are determined according to age and coverage level.
Age	Monthly Rate	
Under 35	\$0.036	
35-39	\$0.049	
40-44	\$0.053	
45-49	\$0.083	
50-54	\$0.136	
55-59	\$0.207	
60-64	\$0.332	
65-69	\$0.527	
70-74	\$0.843	
75-79	\$1.347	
80+	\$2.122	
Additional Child Life (\$10,000)		Monthly Rate for \$10,000 of coverage for each eligible child: \$0.928

Health Care Flexible Spending Account *University of Minnesota Total Compensation will bill you on a monthly basis for 1/12 of your annual election plus a 2% administrative fee.*



INSTRUCTIONS FOR COBRA CONTINUATION

Please Note: If you do not elect and pay for continuation coverage on a timely basis by following these procedures, you will permanently lose the right to continue coverage.

To elect continuation coverage: Your completed *Request for Continuation of Coverage* – COBRA form must be postmarked no later than 60 days from the date of loss of coverage or date of this notice, whichever is later.

Send forms to: **Total Compensation**

**University of Minnesota
100 Donhowe
319 15th Avenue SE
Minneapolis, MN 55455-0103**

Billing: Do not send money with this form.

- You will be billed by BRI (formerly 121 Benefits), the COBRA administrator, for the premium rate payment for the medical, dental, or life insurance coverage you elect to continue.
- Your initial bill will cover the period retroactive to the date you lost group coverage. The first payment must be received within 45 days of the date of your election or the effective date of your coverage, whichever is the later. All future payments are due on the first day of each month. Failure to make timely payment of premiums will result in termination of your coverage.
- Continuation of coverage will not become effective until payment is received.
- Under COBRA, there is a 30-day grace period in which to make up delinquent payments without permanently losing the capability to maintain continuation coverage.
- **If you fail to make the required premium rate payment within the grace period, your coverage will be terminated permanently with no opportunity for reinstatement.**

Rates are subject to change annually on January 1.

Questions	Contact	Phone/Email
For information about health coverage and COBRA or how to complete the application	OHR Contact Center	612-624-8647 1-800-756-2363, Option 1
COBRA Administrator – For billing questions	BRI COBRA, LLC (formerly 121 Benefits) PO Box 3850 Omaha, NE 68103-3850	866-996-5200 participantservices@benefitresource.com

In order to protect rights for yourself and your family, it is very important that you keep Total Compensation informed of current and correct address information for all who are or may become eligible for COBRA continuation coverage.