

# PEBB Initial Notice of COBRA and Continuation Coverage Rights

You are receiving this booklet because you recently enrolled in Public Employees Benefits Board (PEBB) insurance coverage. It explains your rights to continue PEBB coverage after it ends.

This booklet also explains how and when to notify us if these events occur:

- Death (retiree)
- Divorce
- Termination of a state-registered domestic partnership
- A child loses eligibility

To continue PEBB coverage, you must follow the notice procedures and timeframes for reporting these events. The forms and instructions you need are available at [www.hca.wa.gov/erb](http://www.hca.wa.gov/erb) or by calling the PEBB Program at 1-800-200-1004 (TRS: 711) and selecting menu option 5.

***Please keep this booklet for future use.***

## Contact information

If you have questions about PEBB eligibility or your rights to continuation coverage, contact:

### PEBB Program

Monday through Friday, 8 a.m. to 4:30 p.m.

1-800-200-1004 (toll-free) or 360-725-0440 (Olympia area) (TRS: 711)

[www.hca.wa.gov/erb](http://www.hca.wa.gov/erb)

#### Mailing address

Health Care Authority

PEBB Program

PO Box 42684

Olympia, WA 98504-2684

#### Street address

Health Care Authority

626 8th Avenue SE

Olympia, WA 98501

**Note:** The Health Care Authority (HCA) is open between 8 a.m. and 5 p.m. Monday through Friday. Visitors are seen on a first-come, first-served basis. The last visitor will be accepted at 4:30 p.m.

If you have questions about your rights to continue your **Medical Flexible Spending Arrangement (FSA)**, contact:

### Navia Benefit Solutions, Inc.

1-800-669-3539 or [customerservice@naviabenefits.com](mailto:customerservice@naviabenefits.com)

## Notify your employer or the PEBB Program of address changes

To protect your rights and the rights of your dependents, you must keep your employer (if an employee) or the PEBB Program informed of address changes for yourself and all covered dependents. Employees should notify their employer's personnel, payroll, or benefits office. All other subscribers should notify the PEBB Program at 1-800-200-1004 (TRS: 711) (select menu option 5), or send a written request with the change of address to the mailing address noted above. You should also keep a copy of any notices you send to your employer or the PEBB Program for your records.

## Where to find PEBB Program laws and rules

You can find the Public Employees Benefits Board's existing laws in chapter 41.05 of the Revised Code of Washington (RCW), and rules in chapters 182-08, 182-12, and 182-16 of the Washington Administrative Code (WAC). These are available at [www.leg.wa.gov](http://www.leg.wa.gov).

## Federal resources

For more information about your Consolidated Omnibus Budget Reconciliation Act (COBRA) rights, the Health Insurance Portability and Accountability Act (HIPAA), and other laws affecting group health plans, visit the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) website at [www.dol.gov/agencies/ebsa/key-topics/health-and-other-employee-benefits](http://www.dol.gov/agencies/ebsa/key-topics/health-and-other-employee-benefits) or call 1-866-444-3272.

For information about health insurance options through the Health Insurance Marketplace, visit:

### In Washington State:

Washington Health Benefit Exchange

[www.wahbexchange.org](http://www.wahbexchange.org) or 1-855-923-4633 (TTY 1-855-627-9604)

### Outside Washington State:

Health Insurance Marketplace

[www.healthcare.gov](http://www.healthcare.gov) or 1-800-318-2596 (TTY 1-855-889-4325)

HCA is committed to providing equal access to our services. If you need an accommodation or require documents in another format or language, please call 1-800-200-1004 (TRS: 711).

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# Introduction

You are receiving this booklet because you have recently enrolled in Public Employees Benefits Board (PEBB) insurance coverage. The PEBB Program administers insurance and other benefits within the Washington State Health Care Authority (HCA).

This booklet contains important information about your and your covered dependents' right to continue PEBB coverage if you were to lose coverage, as well as other health plan coverage options that may be available to you (such as through the Health Insurance Marketplace).

**Continuation coverage options allow you and your covered dependents to enroll in the same medical and dental plans you had at the time you lost eligibility, but only temporarily and with no employer contribution. You must meet procedural requirements and pay the premium (and any applicable premium surcharges) each month from the date you lose PEBB coverage.**

This booklet explains:

- PEBB Continuation Coverage options.
- When these options may become available to you or your covered dependents.
- What you or your covered dependents will need to do to protect your rights to continue PEBB coverage.

The right to continuation coverage was signed into federal law as the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). It requires group health plans to provide a temporary continuation of coverage to you and your covered dependents when group health plan coverage ends due to a qualifying event.

When you become eligible for PEBB Continuation Coverage, you may also become eligible for other continuation coverage options that may cost less. For example, you may be eligible to buy an individual plan through the Health Insurance Marketplace. By enrolling in coverage through the Marketplace, you may qualify for lower costs on your monthly premiums and lower out-of-pocket costs. Additionally, you may qualify for a 30-day special enrollment

period for another group health plan for which you are eligible (such as a spouse's plan), even if that plan generally doesn't accept late enrollees.

**This notice does not fully describe PEBB Continuation Coverage or other continuation coverage options available to you.** If you have questions about this notice or your eligibility for continuation coverage, or if you would like more information about your rights and obligations under the PEBB Program and federal law, refer to the *PEBB Continuation Coverage Election Notice* booklet at [www.hca.wa.gov/erb](http://www.hca.wa.gov/erb) under *Forms & publications*, or contact the PEBB Program (see "Contact information" on the inside front cover).

## What continuation coverage options are available?

The PEBB Program offers one or more ways for you and your dependents, if eligible, to continue PEBB coverage.

- **PEBB Continuation Coverage (COBRA)**— a temporary extension of PEBB health plan coverage available to PEBB members defined as qualified beneficiaries under federal Consolidated Omnibus Budget Reconciliation Act (COBRA) rules, and for state-registered domestic partners and their children. RCW 26.60.015 and a PEBB policy resolution extends PEBB coverage for dependents not otherwise eligible for COBRA. This means an employee's state-registered domestic partner and the state-registered domestic partner's children may continue PEBB insurance coverage on the same terms and conditions as spouses and other eligible dependents under COBRA. Coverage may be temporarily extended only if the PEBB member experiences a qualifying event.
- **PEBB Continuation Coverage (Unpaid Leave)**— a temporary extension of PEBB insurance coverage as an alternative for employees who lose eligibility for the employer contribution toward insurance coverage due to specific types of leave or other qualifying events.

Life and long-term disability (LTD) insurance may also be continued if you are eligible and choose to continue these coverages under PEBB Continuation Coverage (Unpaid Leave).

- **PEBB retiree insurance coverage**—a continuation of PEBB health plan coverage available to employees and survivors who meet retiree eligibility and enrollment requirements. You can find more information at [www.hca.wa.gov/erb-retirees](http://www.hca.wa.gov/erb-retirees).

## When is continuation coverage available?

The PEBB Program will offer continuation coverage to you or your covered dependents after you, your survivors, a representative acting on your behalf, or your employer notifies the PEBB Program that you or your dependents are no longer eligible for benefits.

When a qualifying event occurs and the PEBB Program is properly notified (see pages 9–10), we will send a *PEBB Continuation Coverage Election Notice* booklet to you and/or your dependents at the address(es) we have on record. The notice provides information on how to continue PEBB coverage

## What is PEBB Continuation Coverage (COBRA)?

PEBB Continuation Coverage (COBRA) is a continuation of health plan coverage offered when PEBB health plan coverage ends because of a qualifying event. After a qualifying event occurs, the PEBB Program is required to offer PEBB Continuation Coverage (COBRA) to each person who is a qualified beneficiary, and to state-registered domestic partners

and their children (see below). An employee's state-registered domestic partner and the state-registered domestic partner's children may continue PEBB insurance coverage on the same terms and conditions as spouses and other eligible dependents under COBRA. See a list of qualifying events on pages 11–12.

You, your spouse, your dependent children, and your state-registered domestic partner and their children could become qualified beneficiaries if coverage in a PEBB health plan is lost because of a qualifying event. Each qualified beneficiary has separate election rights. Those choosing to elect PEBB Continuation Coverage (COBRA) must pay the monthly premium and applicable premium surcharges. The type of qualifying event determines how long you may continue PEBB Continuation Coverage (COBRA).

## What benefits are available to continue under PEBB Continuation Coverage (COBRA)?

### Medical and dental benefits

You may continue only the health plan coverage you are enrolled in (medical, dental, or both) the day before the qualifying event occurs by self-paying the premiums. If you elect to cover your eligible dependents, they will be enrolled in the same health plans you elect, unless they make independent elections and elect to enroll separately.

### What is a qualified beneficiary?

A qualified beneficiary is an employee, spouse, or their child who lost PEBB health plan coverage due to a qualifying event and is entitled to continue their PEBB Continuation Coverage under federal law (COBRA). State-registered domestic partners and their children who lost PEBB health plan coverage due to the same qualifying events are also entitled to elect PEBB Continuation Coverage (COBRA) under Washington State law (RCW 26.60.015 and PEBB policy resolution), under the same terms and conditions as spouses and other eligible dependents under COBRA federal law.

**Exception:** You must be an employee, spouse, or qualified tax dependent to be eligible to continue a Medical Flexible Spending Arrangement (FSA). Contact Navia Benefit Solutions at 1-800-669-3539 or [customerservice@naviabenefits.com](mailto:customerservice@naviabenefits.com) for details.

## Medical Flexible Spending Arrangement (FSA)

If you are enrolled in a PEBB Medical Flexible Spending Arrangement (FSA) and your employment ends, you may be eligible to continue contributing to your Medical FSA through Navia Benefit Solutions until the end of the plan year by electing COBRA.

If you are eligible for this option, Navia Benefit Solutions will mail a COBRA election notice to you. Navia Benefit Solutions must receive your election **no later than 60 days** from the date your health plan coverage ends or from the postmark date on Navia's COBRA election notice, whichever is later. You can find more information in the *2019 PEBB Medical Flexible Spending Arrangement Enrollment Guide* at [pebb.naviabenefits.com](http://pebb.naviabenefits.com). You may also contact Navia Benefit Solutions at 1-800-669-3539 or [customerservice@naviabenefits.com](mailto:customerservice@naviabenefits.com).

## Who is entitled to PEBB Continuation Coverage (COBRA)?

Qualified beneficiaries (employees, spouses or former spouses, or dependent children) under federal COBRA rules, or current or former state-registered domestic partners and their dependent children who are not qualified beneficiaries under federal COBRA rules, are entitled to elect PEBB Continuation Coverage (COBRA) if they lost PEBB health plan coverage due to a qualifying event (see below).

### Qualifying events for PEBB Continuation Coverage (COBRA)

#### Employee

- Your hours of employment are reduced below the number of hours required to be eligible for the employer contribution toward health plan coverage.
- Your employment ends for any reason other than gross misconduct.

#### Retiree

- Your employer group ends participation in PEBB health plan coverage. (Retirees of school districts, educational service districts, and charter schools can continue their PEBB retiree coverage, even if their district or school discontinues participation.)
- The Department of Retirement Systems determines you are no longer disabled, so your pension stops.

#### Spouse

- Your spouse (the employee or retiree) dies, and you don't qualify for PEBB retiree insurance coverage as a surviving spouse.
- Your spouse's (the employee's) hours of employment are reduced.
- Your spouse's (the employee's) employment ends for any reason other than for gross misconduct.
- You and your spouse divorce. If your spouse (the employee or retiree) reduces or terminates your PEBB health plan coverage in anticipation of a divorce, the divorce may be considered a qualifying event even though you lost coverage before the divorce was final.

#### State-registered domestic partner

- Your state-registered domestic partner (the employee or retiree) dies, and you don't qualify for PEBB retiree insurance coverage as a surviving dependent.
- Your state-registered domestic partner's (the employee's) hours of employment are reduced.
- Your state-registered domestic partner's (the employee's) employment ends for any reason other than gross misconduct.
- Your state-registered domestic partnership (with the employee or retiree) is terminated. If your state-registered domestic partner (the employee or retiree) reduces or terminates your PEBB health plan coverage in anticipation of the termination, the termination may be considered a qualifying event even though you lost coverage before the legal termination of the state-registered domestic partnership was final.

#### Dependent child

- Your parent (the employee or retiree) dies, and you don't qualify for PEBB retiree insurance coverage as a surviving dependent.
- Your parent (the employee's) hours of employment are reduced.
- Your parent (the employee's) employment ends for any reason other than gross misconduct.
- Your eligibility for PEBB health plan coverage as a dependent child ends.

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### **State-registered domestic partner's child**

- Your parent's state-registered domestic partner (the employee or retiree) dies, and you don't qualify for PEBB retiree insurance coverage as a surviving dependent.
- Your parent's state-registered domestic partner's (the employee's) hours of employment are reduced.
- Your parent's state-registered domestic partner's (the employee's) employment ends for any reason other than gross misconduct.
- Your eligibility for PEBB health plan coverage as a dependent child ends.

### **Children born to or placed for adoption with the covered employee during the PEBB Continuation Coverage (COBRA) coverage period**

A child born to, adopted by, or placed for adoption with a covered employee during a period of PEBB Continuation Coverage (COBRA) is considered a qualified beneficiary under federal COBRA rules. The child may be enrolled in PEBB Continuation Coverage (COBRA) due to a special open enrollment event or during the PEBB Program's annual open enrollment period. Coverage can last for the duration of the PEBB Continuation Coverage (COBRA) coverage period, measured from the original qualifying event date. To be enrolled in PEBB health plan coverage, the child must otherwise satisfy PEBB eligibility requirements.

### **Alternate recipients under NMSN or court order**

A child of the covered employee who is receiving benefits pursuant to a National Medical Support Notice (NMSN) or court order, received by the employer or the PEBB Program during the covered employee's period of employment, is entitled to the same rights to PEBB Continuation Coverage (COBRA) as an eligible dependent child of the covered employee.

## **What benefits are available to continue under PEBB Continuation Coverage (Unpaid Leave)?**

You may continue only the health plan coverage you are enrolled in (medical, dental, or both) the day before the qualifying event occurs by self-paying the premiums. You may also continue your Medical Flexible Spending Arrangement (FSA), life insurance, and in some cases,

long-term disability insurance. Refer to Appendix B in the PEBB Continuation Coverage Election Notice (available at [www.hca.wa.gov/erb](http://www.hca.wa.gov/erb) under *Forms & publications*) for more information.

If you elect to cover your eligible dependents, they will be enrolled in the same health plans you elect. Your eligible dependents do not have independent election rights.

## **Who is entitled to PEBB Continuation Coverage (Unpaid Leave)?**

If you lose PEBB health plan coverage due to one of the events listed below, you are entitled to PEBB Continuation Coverage (Unpaid Leave).

### **Qualifying events for PEBB Continuation Coverage (Unpaid Leave)**

#### **Employee**

- You are on authorized leave without pay from your agency.
- You are on approved educational leave.\*
- You are receiving time-loss benefits under workers' compensation.
- You are called to active duty in the uniformed services, as defined under the Uniformed Services Employment and Reemployment Rights Act (USERRA).\*
- Your employment ends due to a layoff.
- You are applying for disability retirement.
- You are reverting (for reasons other than a layoff) to a position that is not eligible for the employer contribution toward insurance coverage.
- You are a faculty member who is between periods of eligibility.
- You are a seasonal employee who is between periods of eligibility.
- You are appealing a dismissal action.

*\*You may also be entitled to continue long-term disability insurance.*



## Who is entitled to PEBB retiree insurance coverage?

PEBB retiree insurance coverage is available to:

- Retiring employees.
- Elected or full-time appointed officials as described in WAC 182-12-180.
- Surviving dependents of emergency service personnel killed in the line of duty.
- Surviving dependents of employees and retirees.

To be eligible to enroll in PEBB retiree insurance coverage, you must meet both the procedural and eligibility requirements of WAC 182-12-171, 182-12-180, 182-12-211, 182-12-250, or 182-12-265.

For detailed information on retiree eligibility, enrollment, premiums, and available plan options, refer to the *Retiree Enrollment Guide*. You can find this at [www.hca.wa.gov/pebb-retirees](http://www.hca.wa.gov/pebb-retirees) or get a copy by calling the PEBB Program at 1-800-200-1004 (TRS: 711) and selecting menu option 5.

## Who must provide notice when I lose eligibility for PEBB coverage?

Your employer must notify the PEBB Program when:

- Your (the employee's) employment ends.
- Your (the employee's) hours of employment are reduced.
- You (the employee) die.
- You (the retiree) lose eligibility for PEBB retiree insurance because your employer group ceases participation in PEBB health plan coverage. Retirees of school districts, educational service districts, and charter schools can continue PEBB retiree insurance coverage, even if their district or school discontinues participation.

You, your dependent, or a representative acting on your behalf must provide written notice to your employer's personnel, payroll, or benefits office (if you're an employee), or the PEBB Program (if you're a retiree) when:

- You divorce or terminate a state-registered domestic partnership.
- Your child loses eligibility (dependent status) under PEBB rules.

- You lose eligibility for PEBB retiree insurance coverage because the Department of Retirement Systems determines you are no longer disabled and stops your pension.

Your dependent or a representative acting on your behalf must notify the PEBB Program either in writing or by phone when you (the retiree) die.

### Deadline to provide written notice

You, your dependent, or your representative must provide **written notice** to your employer's personnel, payroll, or benefits office (if you're an employee), or the PEBB Program (if you're a retiree) **no later than 60 days** after:

- The date of the qualifying event, or
- The date you or a covered dependent loses (or would lose) eligibility for PEBB coverage due to a qualifying event, whichever occurs later.

**Example 1:** If you and your spouse divorce on June 15, the qualifying event date is June 15. Your former spouse loses eligibility for PEBB benefits on the last day of the month (June 30) in which the divorce occurred. The PEBB Program must receive written notice of the qualifying event **no later than 60 days** after the qualifying event date or the date eligibility ends, whichever occurs later. In this case, eligibility for PEBB coverage ends on June 30, after the qualifying event date (June 15). Therefore, your employer or the PEBB Program must receive written notice **no later than 60 days** after June 30.

**Example 2:** You terminate coverage for your spouse on December 31 in anticipation of a divorce, but your divorce is not final until June 15. The PEBB Program must receive written notice of the qualifying event **no later than 60 days** after the qualifying event date (June 15) or the date PEBB coverage ends (December 31). In this case, the qualifying event date occurs June 15, after PEBB coverage ends. Therefore, your employer or the PEBB Program must receive written notice **no later than 60 days** after June 15.

Once your employer or the PEBB Program is notified of the qualifying event, a *PEBB Continuation Coverage Election Notice* will be mailed to the address you provide.

If you, your dependent, or your representative does not notify your employer or the PEBB Program in writing within the timelines allowed by law, you and your covered dependents will lose the right to elect PEBB Continuation Coverage.

## What information is needed to provide notice of a qualifying event?

Any written notice you, your dependent, or your representative provides must include:

1. The name and address of the employee or retiree who is (or was) covered.
2. The name, address, telephone number, and signature of the person providing the notice.
3. The names and addresses of all qualified beneficiaries who lost coverage as a result of the qualifying event.
4. The qualifying event and the date it happened.

AND

### If providing written notice of a divorce or termination of state-registered domestic partnership:

In addition to items 1–4 above, include proof of the divorce or termination of state-registered domestic partnership. If you notify the PEBB Program that your coverage was reduced or terminated in anticipation of a divorce or termination of a state-registered domestic partnership, your notice must include proof that your coverage was reduced or terminated.

AND

If providing written notice of a disability (or that a disability has ended), your notice must include items 1–4 above and:

- The name and address of the disabled qualified beneficiary.
- The date that the qualified beneficiary became disabled.
- The names and addresses of all qualified beneficiaries who are receiving continuation coverage.
- A copy of the Social Security Administration's letter showing the disability determination date or a statement from the Social Security Administration

that the qualified beneficiary is no longer disabled.

If providing written notice of a second qualifying event, your notice must include items 1–4 above and:

- The second qualifying event and the date it happened.
- The names and addresses of all qualified beneficiaries who are receiving continuation coverage.
- Proof of the second qualifying event.

See pages 13–14 for more information on disability and second qualifying event extensions of coverage.

## Who can elect continuation coverage?

Once the PEBB Program receives timely notice that a qualifying event has occurred, continuation coverage will be offered to each qualified beneficiary. Each covered dependent who loses PEBB health plan coverage will have an independent right to elect PEBB Continuation Coverage (COBRA). Dependents do not have independent election rights to PEBB Continuation Coverage (Unpaid Leave) and can only be enrolled if the employee enrolls.

Employees may elect continuation coverage on behalf of their spouses or state-registered domestic partners, and parents may elect continuation coverage on behalf of their children. **Any qualified beneficiary for whom continuation coverage is not elected within the 60-day period specified in the *PEBB Continuation Coverage Election Notice* will lose their right to elect continuation coverage.**

## How long does continuation coverage last?

COBRA and PEBB Continuation Coverage provide temporary health plan coverage. Maximum coverage periods are described on pages 11–12. Coverage can end earlier, as described in the *PEBB Continuation Coverage Election Notice*.

Qualifying event (reason that you or your covered dependent lost PEBB coverage)	Eligible member	Maximum continuation coverage period
Termination of employment (other than for gross misconduct) or reduction of hours	<ul style="list-style-type: none"> <li>Employee</li> <li>Spouse</li> <li>State-registered domestic partner</li> <li>Children</li> </ul>	<b>18 months<sup>1</sup></b> Additional months of coverage may be available under PEBB Continuation Coverage (Leave Without Pay [Unpaid Leave]).
Entitled to Medicare within 18 months before termination of employment or reduction of hours	<ul style="list-style-type: none"> <li>Spouse</li> <li>State-registered domestic partner</li> <li>Children</li> </ul>	<b>Up to 36 months</b> , measured from the date of the employee's Medicare entitlement.
<ul style="list-style-type: none"> <li>Authorized leave without pay</li> <li>Employment ends due to a layoff</li> <li>Receiving time-loss benefits under workers' compensation</li> <li>Applying for disability retirement</li> <li>Called to active military duty, as defined by the Uniformed Services Employment and Reemployment Rights Act (USERRA)</li> <li>Approved educational leave</li> </ul>	Employee <i>Employee must enroll to cover dependents. Dependents do not have independent election rights under PEBB Continuation Coverage (Unpaid Leave).</i>	<b>29 months</b> An employee who is no longer eligible for PEBB Continuation Coverage (Unpaid Leave), but who has not used the maximum number of months allowed under COBRA, may continue medical, dental, or both for the remaining difference in months allowed under COBRA (see WAC 182-12-133(2)).
Reverting (for reasons other than a layoff) to a position that is not eligible for the employer contribution toward PEBB insurance coverage	Employee <i>Employee must enroll to cover dependents. Dependents do not have independent election rights under PEBB Continuation Coverage (Unpaid Leave).</i>	<b>18 months<sup>1</sup></b> An employee who is no longer eligible for PEBB Continuation Coverage (Unpaid Leave), but who has not used the maximum number of months allowed under COBRA, may continue medical, dental, or both for the remaining difference in months allowed under COBRA (see WAC 182-12-141).
Faculty member or seasonal employee who is between periods of eligibility	Employee <i>Employee must enroll to cover dependents. Dependents do not have independent election rights under PEBB Continuation Coverage (Unpaid Leave).</i>	<b>12 months</b> Faculty and seasonal employees who use up the 12 months of PEBB Continuation Coverage (Unpaid Leave) may continue coverage for the remaining difference in months allowed under COBRA (see WAC 182-12-142).
Appealing a dismissal action	Employee <i>Employee must enroll to cover dependents. Dependents do not have independent election rights under PEBB Continuation Coverage (Unpaid Leave).</i>	<b>29 months</b> If the dismissal is upheld and the employee has not used the maximum number of months allowed under COBRA, they may continue medical, dental, or both for the remaining difference in months allowed under COBRA (see WAC 182-12-148).

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Qualifying event (reason that you or your covered dependent lost PEBB coverage)	Eligible member	Maximum continuation coverage period
Death of employee or retiree <sup>2</sup>	<ul style="list-style-type: none"> <li>• Spouse</li> <li>• State-registered domestic partner</li> <li>• Children</li> </ul>	<b>36 months</b> (from the date employer-based coverage ended) PEBB retiree insurance coverage may also be available in certain cases. See WAC 182-12-180, 182-12-250, and 182-12-265.
Divorce or termination of a state-registered domestic partnership	<ul style="list-style-type: none"> <li>• Spouse</li> <li>• State-registered domestic partner</li> <li>• Step-children</li> </ul>	<b>36 months</b> (from the date coverage ended)
Child loses eligibility under PEBB rules	Children	<b>36 months</b>
An employer group terminates participation with the PEBB Program (with the exception of school districts, educational service districts, and charter schools)	<ul style="list-style-type: none"> <li>• A retired* or disabled employee</li> <li>• Spouse</li> <li>• State-registered domestic partner</li> <li>• Children</li> </ul> <p><i>* Retiree must have enrolled in PEBB retiree insurance coverage after September 15, 1991.</i></p>	<b>18 months<sup>1</sup></b> See WAC 182-12-146(4) and 182-08-245(7).
A retired or disabled employee (or their dependent) loses eligibility for PEBB retiree insurance coverage under WAC 182-12-171	<ul style="list-style-type: none"> <li>• A retired or disabled employee</li> <li>• Spouse</li> <li>• State-registered domestic partner</li> <li>• Children</li> </ul>	<b>18 months<sup>1</sup></b> See WAC 182-12-146(5).

<sup>1</sup>In certain circumstances, qualified beneficiaries entitled to 18 months of PEBB Continuation Coverage (COBRA) may become entitled to a disability extension of an additional 11 months (for a total maximum of 29 months) or an extension of an additional 18 months due to the occurrence of a second qualifying event (for a total maximum of 36 months) as described under “When can continuation coverage be extended?”

<sup>2</sup>If the qualifying event is the death of an emergency service personnel killed in the line of duty (see WAC 182-12-250), the death of an employee or retiree (WAC 182-12-265), or death of an elected or full-time appointed official (WAC 182-12-180), surviving dependents may be eligible for PEBB retiree insurance coverage. Under PEBB retiree insurance coverage, the spouse or state-registered domestic partner may continue coverage until their death, and children may continue coverage until they lose eligibility for PEBB benefits according to WAC 182-12-260.

## When can continuation coverage be extended?

If you or your qualified beneficiaries\* are enrolled in PEBB Continuation Coverage (COBRA) for 18 months due to the employee's termination of employment or reduction of hours, there are two ways in which this 18-month period of continuation coverage can be extended:

1. When you or a qualified beneficiary is determined disabled by the Social Security Administration.
2. When a second qualifying event occurs.

A Medical Flexible Spending Arrangement (FSA) may only be continued through the year in which the original qualifying event occurred. Therefore, the extension of coverage rule does not apply to Medical FSAs, and they cannot be extended under any circumstances.

### Disability extension of coverage

If the Social Security Administration determines that any qualified beneficiary\* is disabled, you and all other qualified beneficiaries you cover may be entitled to receive up to 11 months of additional continuation coverage (for a total of 29 months). This extension is available only to those individuals who are receiving PEBB Continuation Coverage (COBRA) because of the covered employee's termination of employment or reduction of hours.

The disability must have started before the 61st day after the covered employee's termination of employment or reduction in hours, and must last at least until the end of the 18-month PEBB Continuation Coverage (COBRA) period.

The disability extension is available only if you notify the PEBB Program in writing and submit a *2019 PEBB Continuation Coverage (COBRA) Election/Change* form and a copy of the disability award letter from the Social Security Administration **no later than 60 days** after the last of the following events:

- The date of the Social Security Administration's disability determination.
- The date of the covered employee's termination of employment or reduction of hours.

- The date the qualified beneficiary loses (or would lose) coverage under PEBB rules as a result of the covered employee's termination of employment or reduction of hours.
- The date the PEBB Program mails a *PEBB Continuation Coverage Election Notice* to the qualified beneficiary, informing the beneficiary of their responsibility and the procedures to notify the PEBB Program.

You must also provide this notice within 18 months after the covered employee's termination of employment or reduction of hours to be entitled to a disability extension. If the notice procedures in this booklet are not followed or if the notice is not submitted to the PEBB Program during the 60-day notice period **and** within 18 months after the covered employee's termination of employment or reduction of hours, there will be no disability extension of PEBB Continuation Coverage (COBRA).

The right to the disability extension may be terminated if the Social Security Administration determines that the disabled qualified beneficiary is no longer disabled. You or your qualified beneficiaries have 30 days after the Social Security Administration's determination to notify the PEBB Program when a qualified beneficiary is no longer disabled.

### Second qualifying event extension of coverage

If your qualified beneficiary\* experiences a second qualifying event while receiving 18 months of PEBB Continuation Coverage (COBRA) (or 29 months, if the second event occurs during the disability extension), they may be entitled to receive up to another 18 months of continuation coverage, for a maximum of 36 months of PEBB Continuation Coverage (COBRA).

To qualify for a second qualifying event extension of coverage, the second event must:

- Occur during the initial PEBB Continuation Coverage (COBRA) period resulting from termination of employment, reduction of hours, or the retiree's loss of PEBB retiree insurance due to termination of employer group participation with PEBB insurance coverage; and

*\*State-registered domestic partners and their children who lost coverage due to a qualifying event as described under "Who is entitled to PEBB Continuation Coverage (COBRA)?" on page 7 are allowed to extend the period of PEBB Continuation Coverage (COBRA) in the same situations as a spouse or child who is a qualified beneficiary.*

- Cause a qualified beneficiary\* to lose coverage under PEBB rules **if the first qualifying event had not occurred**. This includes:
  - The employee's or retiree's death.
  - Divorce.
  - Termination of a state-registered domestic partnership.
  - The dependent child loses eligibility for coverage under the PEBB Program rules.

**Note:** The second qualifying event extension is not available when an employee becomes entitled to Medicare after their termination of employment or reduction of hours. However, the employee and covered dependents may remain enrolled in PEBB Continuation Coverage (COBRA) for the duration of the coverage period.

Eligible dependents must have been covered under the plan on the day before the first qualifying event. Newborns or adopted children added after the first qualifying event are also eligible for the second qualifying event extension.

To request a second qualifying event extension, you or your qualified beneficiary must notify the PEBB Program in writing and provide information as noted in "What information is needed to provide notice of a qualifying event?" (see page 10) **no later than 60 days** after the last of the following events:

- The date of the second qualifying event.
- The date the qualified beneficiary would lose coverage under PEBB rules as a result of the second qualifying event.
- The date the PEBB Program provides the qualified beneficiary with a Summary Plan Document (also called a Certificate of Coverage or benefits booklet) either in print or online at [www.hca.wa.gov/erb](http://www.hca.wa.gov/erb), informing the beneficiary of their responsibility and the procedures to notify the PEBB Program.
- The date the PEBB Program mails a *PEBB Continuation Coverage Election Notice* to the qualified beneficiary, informing the beneficiary of their responsibility and the procedures to notify the PEBB Program.

*\*State-registered domestic partners and their children who lost coverage due to a qualifying event as described under "Who is entitled to PEBB Continuation Coverage (COBRA)?" on page 7 are allowed to extend the period of PEBB Continuation Coverage (COBRA) in the same situations as a spouse or child who is a qualified beneficiary.*

## When is your first premium payment due?

If you elect continuation coverage, you must make your first premium and applicable premium surcharge payment to the Health Care Authority **no later than 45 days** after your election period ends. Your election period ends no later than 60 days from the date PEBB health plan coverage ended or from the postmark date on the election notice sent by the PEBB Program, whichever is later.

Your first premium and applicable premium surcharge payment must cover the cost of continuation coverage from the time your PEBB coverage ends through the end of the previous month. If you don't elect coverage and you don't pay premiums and applicable premium surcharges within these deadlines, you will lose your right to continuation coverage (unless you regain PEBB eligibility in the future).

You may contact the PEBB Program at 1-800-200-1004 (TRS: 711) and select menu option 4 to confirm the amount due. The PEBB Program will enroll you when you elect to continue your PEBB coverage and make the first premium payment, including applicable premium surcharges.

You can find continuation coverage and retiree monthly premiums at [www.hca.wa.gov/erb](http://www.hca.wa.gov/erb) under *Plan costs*.

## Are there other coverage options besides PEBB Continuation Coverage?

Yes. Instead of enrolling in PEBB Continuation Coverage, there may be other coverage options for you and your dependents through the Health Insurance Marketplace, Medicaid, or other group health plan coverage (such as a spouse's plan) through what is called a "special enrollment period." Some of these options may cost less. You can learn more about the Health Insurance Marketplace and Medicaid (called Apple Health in Washington State) at [www.healthcare.gov](http://www.healthcare.gov). Washington State residents can find this information at [www.wahbexchange.org](http://www.wahbexchange.org).



Washington State  
Health Care Authority

PUBLIC EMPLOYEES BENEFITS BOARD

P.O. Box 42684  
Olympia, WA 98504  
HCA 50-800 (11/18)