



Washington State Health Care Authority
School Employees Benefits Board
PO Box 42720 • Olympia, Washington 98504-2720
hca.wa.gov/sebb

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SEBB Initial Notice of COBRA and Continuation Coverage Rights

You are receiving this notice because you have recently enrolled in School Employees Benefits Board (SEBB) insurance coverage. The SEBB Program administers insurance and other benefits within the Washington State Health Care Authority (HCA). This notice contains important information about your right (and your covered dependents' rights) to continue SEBB coverage if one of you were to lose eligibility.

The right to continuation coverage was signed into federal law as the Consolidated Omnibus Budget Reconciliation Act (COBRA) of 1985. 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 or a covered dependent become eligible for SEBB Continuation Coverage, you or your dependent 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 (defined below). 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 SEBB 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 SEBB Program and federal law, see the *SEBB Continuation Coverage Election Notice*, which is available on HCA's website at hca.wa.gov/sebb-continuation under *Forms & publications*, or by contacting the SEBB Program. You can also contact the Centers for Medicare & Medicaid Services (CMS). Contact information is included at the end of this notice.

What SEBB Continuation Coverage options are available?

The SEBB Program offers two ways for you and your dependents, if eligible, to continue SEBB coverage.

SEBB Continuation Coverage (COBRA): This is a temporary extension of SEBB health plan coverage available to SEBB members defined as qualified beneficiaries under federal COBRA rules, and for state-registered domestic partners (SRDPs) and their children under RCW 26.60.015. An SRDP and their children may continue SEBB health plan coverage on the same terms and conditions as spouses and other eligible dependents under COBRA. Coverage may be temporarily extended only if the SEBB member experiences a qualifying event. For the purposes of this notice, SEBB Continuation Coverage (COBRA) will be referred to as COBRA.

SEBB Continuation Coverage (Unpaid Leave): This is a temporary extension of SEBB health plan coverage for employees who lose eligibility for the employer contribution toward SEBB benefits due to specific types of leave or other qualifying events. Life and accidental death and dismemberment insurance may also be continued if you are eligible and choose to continue these coverages.

Who is eligible for COBRA?

Qualified beneficiaries (employees, spouses, former spouses, or dependent children) under federal COBRA rules or current or former SRDPs and their dependent children who are not qualified beneficiaries under federal COBRA rules are eligible to elect COBRA if they lose SEBB health plan coverage due to the following qualifying events.

Employee

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

Spouse or SRDP

- Your spouse or SRDP (the employee) dies. You may elect COBRA, or in some cases you may qualify for retiree insurance coverage through the Public Employees Benefits Board (PEBB) Program as a surviving spouse or surviving dependent.
- Your spouse's or SRDP's (the employee's) hours of employment are reduced.
- Your spouse's or SRDP's (the employee's) employment ends for any reason other than gross misconduct.
- You and your spouse (the employee) get a divorce, annulment, or dissolution of marriage, or your state-registered domestic partnership with the employee is terminated.

Dependent child or spouse's/SRDP's child

- Your parent or your parent's SRDP (the employee) dies. You may elect COBRA, or in some cases you may qualify for PEBB retiree insurance coverage as a surviving dependent.
- Your parent's or your parent's SRDP's (the employee's) hours of employment are reduced.
- Your parent's or your parent's SRDP's (the employee's) employment ends for any reason other than gross misconduct.
- Your eligibility for SEBB health plan coverage as a dependent child ends as described in WAC 182-31-140(3).

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

Alternate recipients under NMSN or court order: A child of the covered employee who is receiving benefits due to a National Medical Support Notice (NMSN) or court order, received by the employer or the SEBB Program during the covered employee's period of employment, is eligible to the same rights to COBRA coverage as an eligible dependent child of the covered employee.

Who is eligible for SEBB Continuation Coverage (Unpaid Leave)?

If you lose SEBB coverage due to an event not listed under COBRA, you may be eligible for Unpaid Leave. Visit hca.wa.gov/sebb-continuation for more information on the types of leave available and who is eligible.

Who must provide notice when eligibility for SEBB coverage ends?

Your employer must notify the SEBB Program when:

- Your employment ends.
- Your hours of employment are reduced below the number of hours required to be eligible for the employer contribution toward SEBB benefits.
- You go on approved leave without pay.
- You die.

You, your dependent, or a representative acting on your behalf must provide written notice to your payroll or benefits office when:

- You experience a divorce, annulment, dissolution, or terminate a state-registered domestic partnership.
- Your child loses eligibility (dependent status) under SEBB Program rules.
- Your dependent dies.

Deadline to provide written notice

You, your dependent, or your representative must provide written notice to your payroll or benefits office or the SEBB Program **no later than 60 days** after the later of:

- The date of the qualifying event; or
- The date you or a covered dependent loses (or would lose) eligibility for SEBB coverage due to a qualifying event.

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

If you, your dependent, or your representative does not notify your payroll or benefits office or the SEBB Program in writing within the timelines allowed by law, you and your covered dependents will lose the right to elect SEBB 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 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, including an SRDP and their dependent children, who lost coverage because of the qualifying event.
4. The qualifying event and the date it happened.

If providing written notice of a divorce, annulment, dissolution, or termination of a state-registered domestic partnership

In addition to items 1 through 4 above, include proof of the divorce, annulment, dissolution, or termination of a state-registered domestic partnership.

If providing written notice of a disability (or that a disability has ended)

Your notice must include items 1 through 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 SEBB 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 through 4 above and:

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

Who can elect SEBB Continuation Coverage?

Once the SEBB Program receives timely notice that a qualifying event has occurred, each qualified beneficiary who loses SEBB health plan coverage will have an independent right to elect COBRA coverage. Employees may elect COBRA coverage on behalf of their spouse or SRDP, and parents may elect COBRA coverage on behalf of their children.

Employees may elect SEBB Continuation Coverage (Unpaid Leave) under some circumstances. Dependents do not have independent election rights to SEBB Continuation Coverage (Unpaid Leave) and can only be enrolled if the employee enrolls.

Any qualified beneficiary for whom SEBB Continuation Coverage is not elected within the 60-day period specified in the *SEBB Continuation Coverage Election Notice* **will lose their right to elect SEBB Continuation Coverage.**

When can SEBB Continuation Coverage be extended?

If you or your qualified beneficiaries are enrolled in COBRA coverage for 18 months due to the employee's termination of employment or reduction of hours, there are two ways to extend this 18-month period of COBRA coverage:

- When you or a qualified beneficiary becomes disabled or reports an existing disability.
- When a second qualifying event occurs.

A flexible spending arrangement (FSA) or Limited Purpose FSA may only be continued through the year in which the original qualifying event occurred. The extension of coverage rule does not apply to 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 eligible to receive up to 11 months of additional COBRA coverage (for a total of 29 months). This extension is available only to those individuals who are receiving COBRA coverage because of the covered employee's termination of employment or reduction of hours.

The disability must have started during the first 60 days of COBRA coverage. You may also be eligible to extend coverage if you or your qualified beneficiary has an existing disability. The disability must last at least until the end of the 18-month COBRA period.

Second qualifying event extension of coverage

If your qualified beneficiary experiences a second qualifying event while receiving 18 months of COBRA (or 29 months, if the second event occurs during the disability extension), they may be eligible to receive up to another 18 months of COBRA coverage. This extension results in a maximum of 36 months of COBRA coverage.

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

- Occur during the initial COBRA period resulting from termination of employment or reduction of hours; and
- Cause a qualified beneficiary to lose coverage under SEBB Program rules if the first qualifying event had not occurred. This includes:
 - The employee's death.
 - Divorce, annulment, or dissolution of marriage.
 - Termination of a state-registered domestic partnership.
 - The dependent child loses eligibility for coverage under SEBB Program rules.

When is my first premium payment due?

If you elect SEBB Continuation Coverage, you must make your first premium payment, including applicable premium surcharges, to HCA **no later than 45 days** after your election period ends. Your election period ends **no later than 60 days** from the date SEBB health plan coverage ended or from the postmark date on the election notice sent by the SEBB Program, whichever is later. **We will not enroll you until we receive your election form requesting to continue your PEBB coverage and you make the first premium payment, including applicable premium surcharges, within the timelines provided.** You can find monthly premiums on HCA's website at hca.wa.gov/sebb-continuation under *Explore costs*.

Are there other coverage options besides SEBB Continuation Coverage?

Yes. There may be other coverage options through the Health Insurance Marketplace, Medicaid, or other group health plan coverage (such as a spouse's plan). You may be able to apply for these during a special enrollment period. Some of these options may cost less.

Health Insurance Marketplace

You can learn more about the Health Insurance Marketplace and Medicaid (called Apple Health in Washington State) on the federal healthcare website at healthcare.gov. Washington State residents can find this information on the Washington Health Benefit Exchange website at healthplanfinder.org.

PEBB retiree insurance coverage

The PEBB Program also offers PEBB retiree insurance coverage, which is available to retiring school employees and surviving dependents of school employees. For details on retiree eligibility, enrollment, premiums, and available plan options, refer to the *PEBB Retiree Enrollment Guide*. You can find it on HCA's website at hca.wa.gov/pebb-retirees or get a copy by calling the PEBB Program.

Notify your employer of address changes

To protect your rights and the rights of your dependents, you must keep your employer informed of address changes for yourself and all covered dependents. You should also keep a copy of any notices you send to your employer for your records.

Who can I contact with questions?

SEBB or PEBB Program: For questions about eligibility, your rights to SEBB Continuation Coverage, or PEBB retiree insurance coverage:

- Call 1-800-200-1004 (TRS: 711) or 360-725-0440 (Olympia area), Monday through Friday, 8 a.m. to 4:30 p.m. (Pacific)
- Visit hca.wa.gov/erb
- Mail: Health Care Authority, SEBB Program, PO Box 42720, Olympia, WA 98504-2720

Federal resources

Centers for Medicare & Medicaid Services (CMS): For more information about your COBRA rights and other laws affecting group health plans:

- Visit cms.gov/CCIIO/Programs-and-Initiatives/Other-Insurance-Protections/cobra_fact_sheet
- Call 1-877-267-2323 (toll-free) and select option 6, extension 61565
- Email phig@cms.hhs.gov

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

Washington: Washington Health Benefit Exchange
1-855-923-4633 (TTY 1-855-627-9604)
wahealthplanfinder.org

Other states: Health Insurance Marketplace
1-800-318-2596 (TTY 1-855-889-4325)
healthcare.gov