

SPOKANE COUNTY FIRE DISTRICT 8

Standard Operating Procedures

10.06.03
COBRA



Adopted: 12/20/16
Reviewed: 12/20/16
Revised: 00/00/00

Approved:

A handwritten signature in black ink, appearing to read "Tony Fisher".

Purpose: To outline provisions of the Consolidated Omnibus Budget Reconciliation Act.

References: United States Department of Labor; WFC HealthCare Plan.

Procedure:

1. COBRA.

- a) The Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA) provides that a temporary continuation of group health coverage that otherwise might be terminated.
 - i. COBRA continuation coverage generally lasts for 18 months.
 - ii. Certain qualifying events may permit a beneficiary to receive a maximum of 36 months of coverage.
- b) COBRA requires continuation coverage to be offered to covered employees, their spouses, former spouses, and dependent children when group health coverage would otherwise be lost due to certain specific qualifying events.
- c) The employee may become a qualified beneficiary if coverage is lost because of the following qualifying events:
 - i. Hours of employment are reduced; or
 - ii. Employment ends for any reason other than gross misconduct.
- d) The spouse of an employee may become a qualified beneficiary if coverage is lost because of the following qualifying events:
 - i. Your spouse dies.
 - ii. Your spouse's hours of employment are reduced.
 - iii. Your spouse's employment ends for any reason other than his/her gross misconduct.
 - iv. Your spouse becomes entitled to Medicare benefits.
 - v. You become divorced or legally separated from your spouse.
- e) The employee's dependent children will become qualified beneficiaries if they lose coverage because of the following qualifying events:
 - i. The parent/employee dies.
 - ii. The parent/employee's hours of employment are reduced.
 - iii. The parent/employee's employment ends for any reason other than his/her gross misconduct.
 - iv. The parents become divorced or legally separated.
 - v. The parent/employee becomes entitled to Medicare benefits.
 - vi. The child stops being eligible for coverage as a dependent child.

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- f) Employees who become eligible for COBRA continuation coverage may also be eligible for other coverage options that may cost less than COBRA continuation coverage.
 - i. Health Insurance Marketplace.
 - ii. Spouse's insurance plan.
- g) Upon separation from the District, the COBRA coverage becomes the responsibility of the employee.
- h) In the case of dependents of individuals who become eligible for Medicare (which may cause dependents to lose coverage under employers' plans) employers must offer to continue their group health insurance for up to 36 months.
 - i. Spokane County Fire Protection District 8 can charge up to 102% of the costs of dependent coverage.
- i) The District's healthcare plan administrator will offer individuals continuation and explain the terms of COBRA and their rights to coverage when their employment ends.