



COBRA CONTINUATION COVERAGE ELECTION NOTICE

Date: _____

This notice contains important information about your right to continue your health care coverage in the Michigan Technological University group health plan. Please read the information contained in this notice very carefully.

To elect COBRA continuation coverage, follow the instructions on the next page to complete the enclosed Election Form and submit it to us.

If you do not elect COBRA continuation coverage, your coverage under the Plan will end on the last day of the month following your termination date due to:

- End of Employment
- Reduction in hours of employment
- Death of Employee
- Divorce or legal separation
- Entitlement to Medicare
- Loss of dependent child status

Each person (“qualified beneficiary”) covered under the Plan at time of termination or loss of eligibility is entitled to elect COBRA continuation coverage which will continue group health care coverage under the Plan.

If you wish to continue the coverage, you must notify the Benefits Office within 60 days from the receipt of this election notice. You will receive an invoice at the end of each month from the accounting office. Please send your check or money order payable to Michigan Technological University. Do not send any payment with the election form. Your first billing may include more than one-month charge in order to avoid any lapse in your coverage. Rates for COBRA continuation are included in this packet. Rates are subject to change if there is a change in our health care coverage.

If you have any questions, please call the Benefits Office at 906-487-2517.

Sincerely,

Renee Hiller
Director of Benefits



COBRA COVERAGE ELECTION FORM

INSTRUCTIONS: To elect COBRA, complete this Election Form and return to us. Under federal law, you have 60 days after the date of this notice to decide whether you want to elect COBRA under the Plan.

Send completed form to: Human Resources - Benefits
Michigan Technological University
1400 Townsend Dr
Houghton, MI 49931

This election form must be postmarked no later than 60 days from the date of notice. If you do not submit a completed Election form by 60 days, you will lose your right to elect COBRA coverage.

I (We) elect COBRA coverage as indicated below

Name	DOB	Relationship to Employee	SSN* Required for Primary Insured
			N/A
			N/A
			N/A
			N/A

Place an X in the box corresponding to the coverage you're enrolling in

<input checked="" type="checkbox"/>	Medical Coverage	Monthly Premium	<input checked="" type="checkbox"/>	Dental/Vision Coverage	Monthly Premium
	HuskyCare PPO			Dental/Vision 1	
	HuskyCare HSA			Dental/Vision 2	

Signature _____ Date _____

Print Name _____

Address _____ Phone _____

Benefits Use Only: Start Date _____ End Date _____



INFORMATION ABOUT COBRA CONTINUATION COVERAGE

What is COBRA? It is a continuation of your health insurance triggered by the loss of insurance (including health, dental and vision) insurance after separation from the University or loss of eligibility

Who is eligible for COBRA? Depending on the type of qualifying event, "qualified beneficiaries" can include the employee, the covered employee's spouse, and the dependent children of the covered employee

How do you become eligible for COBRA? Eligibility begins with a loss of your regular insurance coverage under certain qualifying events (employment ends, divorce, etc).

What are the qualifying events and how long does the coverage last?

For Employees – 18 months of continued coverage

1. Termination of employment for reasons other than gross misconduct. Includes retirement, unless paid coverage becomes available at retirement.
2. Reduction of hours which results in the loss of insurance plan eligibility.
3. If you are disabled at the time of termination and give notice of disability before the end of 18 months, coverage will be extended to 29 months.

For Dependents (including Spouse)

1. If employee becomes eligible for COBRA, dependents coverage lasts up to 18 months.
2. If no longer a "dependent child", dependents coverage lasts up to 36 months.
3. Dependent loss of coverage due to employee death, dependent coverage lasts up to 36 months.
4. Spouse loss of coverage due to a divorce or legal separation, dependent coverage lasts up to 36 months.

What does it cost? The monthly premium is the same as the Michigan Tech monthly group rate plus an additional 2% administrative fee. Please see attached sheet for costs.

How are premiums paid? You have 60 days to elect the COBRA coverage. If elected, a statement will be sent from the accounting office and payments must be made before the 27th of each month.



COBRA CANCELLATION

Continuation coverage will be terminated before the end of the maximum period if:

1. Failure to pay required premiums in full or if payments are in arrears for 30 days.
2. Termination of employer provided group health plan.
3. Qualified beneficiary becomes covered under another group health plan that does not impose any pre-existing condition exclusion for a pre-existing condition of the qualified beneficiary.
4. Entitlement of Medicare benefits after electing COBRA.
5. If the University is not notified within 60 days after date of qualifying event.

COBRA HEALTH/DENTAL INSURANCE RATE PER MONTH FOR 2012 (Includes a 2% administration charge)

INSURANCE COVERAGE	HUSKYCARE PPO	HUSKYCARE HSA	HSKY D/V 1	HSKY D/V 2
Per Adult	\$464	\$371	\$41	\$34
Per Child (age 19 and younger)	\$232	\$186	\$41	\$34