



Dakota County United Educators  
Dental Reimbursement Fund

## **COBRA Information**

“Continuation of Coverage”

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Suite 114  
Apple Valley MN 55124  
952-432-4033  
[dental@dcue.org](mailto:dental@dcue.org)

## **What is COBRA or Continuation of Coverage?**

You are considered a COBRA member with DCUE Dental when you are paying your own premium and are under the status of Retiree, Resignation, Termination, Reduction of Hours, Dependent of Employee entitled to Medicare, Divorce/Separation, Death of Employee or Dependent Age 26 (ineligible).

Those individuals who are on a Leave of Absence, LOA following FMLA or Disability are considered COBRA members to DCUE Dental because to be on the plan you are paying the monthly premium yourself.

If the District is paying your premium on your behalf as part of your contracted benefit you are considered an Active member with DCUE Dental. If you are part-time/job share status where the District is paying ½ of your premium and you are paying the other ½ then you are considered an Active member with DCUE Dental.

The COBRA or Continuation of Coverage status is an extension of coverage offered to you when your status has changed to anything other than an Active Member covered under the Collective Bargaining Agreement between ISD 196 and DCUE. It is offered to your dependents when they reach age 26 and can no longer be covered under your plan as well as offered to your ex/spouse in the case of a legal divorce or legal separation. There are several scenarios in which an extension of coverage may be offered to you and or your dependents.

If you had a change in status and have not received a COBRA Election Notice from DCUE Dental then contact us at 952-432-4033 to discuss your situation.

If you have received a COBRA Election Notice there is more information below to help answer questions. There is a Model General Notice of COBRA Continuation Rights at the end of this information packet.

As always feel free to contact our office with questions.

## **Enroll**

- 1) Send your completed COBRA Election Notice and COBRA Enrollment form to our office.  
*Do not send any premium payment at this time unless you have discussed paying in full for the year with DCUE Dental Admin first.*
- 2) Once your forms have been received you will be emailed a confirmation letter.
- 3) You will be emailed a link to create an account to setup your automatic payment.

**Claims cannot be processed until completed documents have been received and automatic payment of premium has been setup.**

## **Coverage**

- Coverage under the DCUE Dental plan operates the exact same for a COBRA Member and an Active Member. The same claim forms are used to submit claims for reimbursement and the same amount of reimbursement is given.
- Different COBRA titles include; Retiree w/ Dependents, Single Retiree, Leave of Absence (LOA), Reduction of Hours, Termination, Resignation, Dependent Ineligible (Age 26), Divorce/Legal Separation, Death of Employee, Dep of Emp entitled to Medicare.
- Once you elect coverage you may discontinue coverage at anytime. You cannot be added back to the plan once coverage has been discontinued or ended.
- Monthly premium is not prorated, you may discontinue mid-month, but you will be covered until the end of the month in which you have paid.

**Retirees:** you can continue on DCUE Dental through the last day of the month prior to your 65<sup>th</sup> birthday. If you are already age 65 at Retirement you can continue for 18 months.

You have the option to continue as Single Retiree or Retiree with Dependent(s), your Election Notice is generated based on your current status. If you would like to change your status please contact our office.

Retiree status selected at the beginning has to remain the same through the entire plan year. There are a few times in which you can switch from Retiree w/ Dep to Single Retiree or vice versus.

- 1) A Qualifying event occurs such as Spouse entitled to Medicare, Spouse newly eligible for coverage through their employer, Spouse passes away.
- 2) You are newly married and want to add your Spouse to your account, DCUE Dental needs to be made aware within 30 days from the date of marriage to add spouse mid-year.
- 2) A new plan year begins. There cannot be a discontinuation in payment between current plan year and new. Notification to make a change should be given before the start of a new plan year (September 1).

**Leave of Absence:** you can elect to continue coverage prior to the start of a new plan year even if you initially declined.

A Leave of Absence member does need to be approved to rejoin the Fund. If approved by the Board the member may rejoin at the start of a new plan year (September 1) if they have completed their enrollment, continuation of coverage election notice and are working with the Fund Administrator on collection of premium.

A Leave of Absence member must be in good standing with the Fund to be considered for offering coverage with a change in status, other than returning to work. If you discontinue early/stop paying before the end of a plan year you may not be considered for an additional offering of coverage later on.

*For more details see Continuation of Dental Coverage Model included.*

### **Premium Payments**

- Premium payments are due on the 1<sup>st</sup> of the month.
- Monthly premium is not prorated, you may discontinue mid-month, but you will be covered until the end of the month in which you have paid. Once you discontinue you may not pick up coverage later on.
- The starting month you are responsible for can be found on your Election Notice.
- We only accept monthly payment through our auto-pay system. A link will be emailed to you annually to set up your auto-pay.
- Your payment will be automatically deducted on the 1<sup>st</sup> of each month.
- Late Premium Letters will be mailed to you if your payment is not received by the 15<sup>th</sup> of the month.
- You will be contacted in a timely manner if there is an issue with your automatic withdrawal.
- Premium amounts change based on contract negotiations. You will be notified as soon as amounts are finalized. *During negotiation years there may be a delay in the annual auto-pay authorization process. This will not affect your coverage, only the collection of premiums.*
- You can pay in full, by check, for the entire plan year. Contact DCUE Dental for an invoice and more information about this payment option.

### **Receipts**

If you would like a Fiscal Year End receipt please indicate that on your COBRA Election Notice.

You can also retrieve receipts from your auto-pay account.

A Verification Letter can be generated if needed for your Health Care Savings Account. Please let us know if/when you may need one.

## **Continuation of Dental Coverage (COBRA)**

### **MODEL GENERAL NOTICE OF COBRA CONTINUATION COVERAGE RIGHTS**

Federal law requires that most employers sponsoring group health and dental plans offer employees and their families the opportunity for a temporary extension of health and/or dental coverage (called **“Continuation of Coverage” or COBRA**) at group rates in certain instances where coverage under the Fund would otherwise end. This notice is intended to inform you, in a summary fashion, of your rights and obligations under the continuation of coverage provisions in the law.

The right to COBRA continuation coverage was created by a federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). COBRA continuation coverage can become available to you when you would otherwise lose your group health coverage. It can also become available to other members of your family who are covered under the Plan when they would otherwise lose their group health coverage.

#### **COBRA Qualifying Events**

COBRA continuation coverage is a continuation of Plan coverage when coverage would otherwise end because of a life event known as a “qualifying event.” Specific qualifying events are listed later in this notice. The Plan will offer COBRA continuation coverage to qualified beneficiaries only after the Plan Administrator has been notified that a qualifying event has occurred. You, your spouse, and your dependent children could become qualified beneficiaries if coverage under the Plan is lost because of the qualifying event. Under the Plan, qualified beneficiaries who elect COBRA continuation coverage must pay for COBRA continuation coverage.

If you are an employee, you will become a qualified beneficiary if you lose your coverage under the Plan because either one of the following qualifying events happens:

- Your hours of employment are reduced, or
- Your employment ends for any reason other than your gross misconduct.

If you are the spouse of an employee, you will become a qualified beneficiary if you lose your coverage under the Plan because any of the following qualifying events happens:

- Your spouse dies;
- Your spouse’s hours of employment are reduced;
- Your spouse’s employment ends for any reason other than his or her gross misconduct;
- Your spouse becomes entitled to Medicare benefits (under Part A, Part B, or both); or
- You become divorced or legally separated from your spouse.

Your dependent children will become qualified beneficiaries if they lose coverage under the Plan because any of the following qualifying events happens:

- The parent-employee dies;
- The parent-employee’s hours of employment are reduced;
- The parent-employee’s employment ends for any reason other than his or her gross misconduct;
- The parent-employee becomes entitled to Medicare benefits (Part A, Part B, or both);
- The parents become divorced or legally separated; or

- The child stops being eligible for coverage under the plan as a “dependent child.”

End of employment qualifying events are Termination, Resignation or Retirement.

Retirees can remain on the Plan until they become entitled to Medicare (qualifying event); if already on Medicare at the time of retirement the employee can elect COBRA coverage for up to 18 months.

### **COBRA Continuation Coverage**

COBRA continuation coverage is a temporary continuation of coverage. When the qualifying event is the death of the employee, the employee's becoming entitled to Medicare benefits (under Part A, Part B, or both), your divorce or legal separation, or a dependent child's losing eligibility as a dependent child, COBRA continuation coverage lasts for up to a total of 36 months. When the qualifying event is the end of employment or reduction of the employee's hours of employment, and the employee became entitled to Medicare benefits less than 18 months before the qualifying event, COBRA continuation coverage for qualified beneficiaries other than the employee lasts until 36 months after the date of Medicare entitlement. For example, if a covered employee becomes entitled to Medicare 8 months before the date on which his employment terminates, COBRA continuation coverage for his spouse and children can last up to 36 months after the date of Medicare entitlement, which is equal to 28 months after the date of the qualifying event (36 months minus 8 months). Otherwise, when the qualifying event is the end of employment or reduction of the employee's hours of employment, COBRA continuation coverage generally lasts for only up to a total of 18 months. There are two ways in which this 18-month period of COBRA continuation coverage can be extended.

#### ***Disability extension of 18-month period of continuation coverage***

If you or anyone in your family covered under the Plan is determined by the Social Security Administration to be disabled and you notify the Fund Administrator in a timely fashion, you and your entire family may be entitled to receive up to an additional 11 months of COBRA continuation coverage, for a total maximum of 29 months. The disability would have to have started at some time before the 60th day of COBRA continuation coverage and must last at least until the end of the 18-month period of continuation coverage. You must provide notice to the Fund Administrator within 60 days of the Social Security Disability Administration Determination of Disability. Additionally, you must provide a copy of the Social Security Administration determination of disability to receive the disability coverage extension.

#### ***Second qualifying event extension of 18-month period of continuation coverage***

If your family experiences another qualifying event while receiving 18 months of COBRA continuation coverage, the spouse and dependent children in your family can get up to 18 additional months of COBRA continuation coverage, for a maximum of 36 months, if notice of the second qualifying event is properly given to the Plan. This extension may be available to the spouse and any dependent children receiving continuation coverage if the employee or former employee dies, becomes entitled to Medicare benefits (under Part A, Part B, or both), or gets divorced or legally separated, or if the dependent child stops being eligible under the Plan as a dependent child, but only if the event would have caused the spouse or dependent child to lose coverage under the Plan had the first qualifying event not occurred.

Notice must be provided to the Fund Administrator within 60 days of the occurrence of one of the above noted events. In providing notice, you must provide documentation to support the occurrence of the event. For example, in case of a divorce, a copy of the divorce decree or other document supporting the occurrence of the divorce must be provided. In case of a loss of dependent status, documentation supporting the loss of dependent status must be provided to the Fund Administrator.

### **Notification Responsibilities – From Employer**

The Plan will offer COBRA continuation coverage to qualified beneficiaries only after the Fund Administrator has been notified that a qualifying event has occurred. When the qualifying event is the end of employment or reduction of hours of employment, death of the employee, or the employee becomes entitled to Medicare benefits (under Part A, Part B, or both), the employer must notify the Fund Administrator within 30 days of the qualifying event.

### **COBRA Notification Responsibilities – From Employee**

When the qualifying event is divorce or legal separation of the employee and spouse, or a dependent child's losing eligibility for coverage as a dependent child, you must notify the Fund Administrator within 60 days after the qualifying event occurs. In providing notice, you must provide documentation to support the occurrence of the qualifying event. In case of a divorce, you must provide a copy of a divorce decree or similar document evidencing the divorce is final, or in the case of loss of dependent status, documentation supporting the loss of dependent status.

In the case of a dependent age 26 who is disabled, the disabled qualified beneficiary (or another person on their behalf) also must notify the Plan of the Social Security Administration determination. Notification needs to be given to the Plan within 60 days from the qualifying event date occurs, the date SSA issues the disability determination, or the date the qualified beneficiary loses (or would lose) coverage under the plan, whichever is later.

If the disability status changes the Plan must be notified within 60 days.

### **COBRA Self-Contribution Procedures and Rules**

Once the Fund Administrator receives notice that a qualifying event has occurred, COBRA continuation coverage will be offered to each of the qualified beneficiaries. Each qualified beneficiary will have an independent right to elect COBRA continuation coverage. Covered employees may elect COBRA continuation coverage on behalf of their spouses, and parents may elect COBRA continuation coverage on behalf of their children.

An Election Notice and COBRA Enrollment Form will be sent to the qualified beneficiary. These forms are to be completed by the beneficiary and sent back to the Plan Administrator in order to elect COBRA Continuation Coverage. The qualified beneficiary has 60 days after the date of the notice or 60 days after the coverage would terminate, whichever is later, to send back the completed Election Notice and COBRA Enrollment Form.

If the Plan Administrator is not notified of the qualifying event for COBRA Continuation Coverage Election within the allowable period you and/or your dependents will be considered to have waived your right to COBRA Continuation Coverage.

COBRA Continuation Coverage Self-Contributions must be made monthly or paid ahead of time. Each monthly contribution is due on the first day of each month (due date) for which the self-contribution is being made. A self-contribution will be considered on time if it is received by the Plan Administrator within 30 days of the due date. You will receive a late premium reminder if your self-contribution is not received by the fifteenth of the month in which due.

The amount of the monthly self-contributions is determined during contract negotiations and based on Federal regulations. The contribution amount is subject to change. When a change in self-contribution amount is made, proper notice and time for payment adjustment will be communicated.

### **Other Coverage Options besides COBRA Continuation Coverage**

You may have other options to you when you lose group health coverage. Instead of enrolling in COBRA continuation coverage, there may be other coverage options for you and your family through the Health Insurance Marketplace, Medicare, Medicaid, Children's Health Insurance Program (CHIP), or other group health plan coverage options (such as a spouse's plan) through what is called "special enrollment period". Some of these options may cost less than COBRA Continuation coverage. You can learn more about many of these options at [www.healthcare.gov](http://www.healthcare.gov).

### **Additional Questions**

Questions concerning your Plan or your COBRA continuation coverage rights should be addressed to the contact identified below. For more information about your rights under ERISA, including COBRA, the Health Insurance Portability and Accountability Act (HIPAA), and other laws affecting group health plans, contact the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) in your area or visit the EBSA website at [www.dol.gov/ebsa](http://www.dol.gov/ebsa). (Addresses and phone numbers of Regional and District EBSA Offices are available through EBSA's website.)

### **Notification of Address Changes**

In order to protect your family's rights, you should keep the Fund Administrator informed of any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Fund Administrator.

### **Plan Contact Information**

If you have questions regarding the information in this notice or need to provide notification as described in this notice, contact the Fund Administrator at:

Dakota County United Educators Dental Reimbursement Fund  
6950 146<sup>th</sup> Street West Ste 114  
Apple Valley, MN 55124  
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