



Cal-Cobra Employee Notification

What you need to know:

- California Continuation Benefits Replacement Act (Cal-COBRA) requires that health, dental & vision plans offer a continuation of benefits to former employees and dependents of small employers with 2-19 eligible employees. This continuation is similar to the continuation already required for employers with 20 or more employees by a federal law known as COBRA (Consolidated Omnibus Budget Reconciliation Act of 1985). Cal-COBRA is effective for covered employees and dependents that lose coverage on or after January 1, 1998.
- Under Cal-COBRA, employers are required to notify the carrier within 31 days of an employee's termination or reduction of hours, except if the termination is for gross misconduct. For other events (dependent changes) you the employee need to notify the carrier of the qualifying event. The carrier will then send eligible beneficiaries information on benefits, rates and enrollment within 14 days of the notification of termination.
- **The rate for the Cal-COBRA continuation will be 110% of the applicable active employee rate. The maximum period of extended coverage will be 36 months.**
- Under Cal-COBRA, you or your dependents are required, as a condition of receiving benefits, to notify the carrier of the following qualifying events within 31 days:
 1. The death of the employee.
 2. The divorce or legal separation of the employee from the dependent spouse.
 3. The dependent child's loss of dependent status under the health plan.
 4. The employee's entitlement for benefits under the title XVIII of the United States Social Security Act (Medicare).
- If notification is not sent to the plan within 31 days of a qualifying event you may be prevented from receiving continuation coverage.

