



Alaska Department of Administration DIVISION OF RETIREMENT AND BENEFITS

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COBRA EMPLOYEE HEALTH COVERAGE CONTINUATION

Find information and resources for continuing your medical health coverage after you leave employment.

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Overview

If you and/or your dependents lose coverage due to a qualifying event, you and/or your dependents may continue coverage under the plan by electing [COBRA coverage](#) and paying the required premium as described in this section. You may elect coverage under the plan that is the same or less than the level of coverage that you or your dependents had at the time your coverage terminates under the plan. For example, if you are covered under the medical plan and have elected the standard plan, you may elect COBRA continuation coverage under either the standard plan or the economy plan. Additionally, you may elect COBRA continuation coverage:

- under the medical plan only; or
- under the medical plan and under the dental plan and/or the vision plan

You may not elect COBRA continuation coverage under the dental plan or the vision plan without also electing COBRA continuation coverage under the medical plan.




For additional information, please read the [Employee Health Coverage Continuation \(COBRA\) brochure](#) .

Right to Continuation

If you are a qualified [beneficiary](#), you may elect to continue coverage under the plan after a qualifying event. Only those persons who are covered under the plan on the day before the event which triggered termination of coverage are eligible to elect COBRA continuation coverage, except that [dependent children](#) born to or placed for adoption with you while you are on continuation coverage may be added to your coverage if the child is otherwise eligible under the plan. A qualified beneficiary is a person who is covered under the plan on the day before a qualifying event (but also including dependent children born to or placed for adoption with you during the continuation coverage) who is:

- an eligible employee;
- a spouse; or
- a dependent child

The right to continued coverage is triggered by a qualifying event, which, but for the continued coverage, would result in a loss of coverage under the plan. A "loss of coverage" includes ceasing to be covered under the same terms and conditions as in effect immediately before the qualifying event or an increase in the premium or contribution that must be paid by a covered person. Qualifying events include:

- Your death.
- The termination (other than by reason of gross misconduct) of your employment or reduction of your hours that would result in a termination of coverage under the plan.
- Your divorce or legal separation from your spouse.
- Your becoming entitled to Medicare benefits under Title XVIII of the Social Security Act ([42 USC § 1395 et seq.](#) .
- Your child ceasing to be a dependent child under the eligibility requirements of the plan.

If a qualifying event occurs to a qualified beneficiary, then that qualified beneficiary may elect to continue coverage under the medical plan, dental plan and/or vision plan.

Election of Continuation

Continuation coverage does not begin unless it is elected by a qualified [beneficiary](#). Each qualified beneficiary who loses coverage as a result of a qualifying event has an independent right to elect continuation coverage, regardless of whether any other qualified beneficiary with respect to the same qualifying event elects continuation coverage.

The election period begins on or before the date the qualified beneficiary would lose coverage under the plan due to the qualifying event, and ends on or before the date that is 60 days after the later of:

- the date the qualified beneficiary would lose coverage due to the qualifying event; or
- the date on which notice of the right to continued coverage is sent by Inspira Financial.

The election of continuation coverage must be made on a form provided by Inspira Financial and payment for coverage, as described in the notice, must be made when due. An election is considered to be made on the date it is sent to Inspira Financial.

Period of Continuation Coverage

Termination of Employment or Reduction in Hours

In the case of a qualifying event caused by termination of employment or reduction in hours, the qualified [beneficiary](#) may elect to extend coverage for a period of up to 18 months from the date of the qualifying event.

Second Qualifying Event

If a second or additional qualifying event occurs during the initial 18 month continuation coverage period (or during a 29 month maximum coverage period in the case of a disability), the qualified beneficiary may elect to extend the continuation coverage period for a period of up to 36 months from the date of the earlier qualifying event.

If you became entitled to Medicare within 18 months prior to a qualifying event caused by termination of employment or reduction in hours, qualified beneficiaries (other than you) may elect to extend coverage for a period of 36 months from the date of your entitlement to Medicare benefits.

Disability

If a qualified beneficiary is determined under Title II or XVI of the Social Security Act to be [disabled](#) within 60 days of the initial continuation coverage period due to termination of employment or reduction of hours (even if the disability commenced or was determined to be a disability before the first 60 days of the initial 18 month continuation coverage period), coverage may be continued for all qualified beneficiaries for a period of up to 29 months from the date of the qualifying event.

You must provide notice of a disability determination to Inspira Financial within 18 months of the qualifying event and within 60 days after the latest of:

- the date of the disability determination by the Social Security Administration;
- the date the qualifying event occurs;
- the date you lose or would lose coverage due to the qualifying event; or
- the date on which you are informed, via the plan or the general COBRA notice, of your obligation to provide such notice and procedures for providing such notice.

You are also responsible for notifying the Division within 30 days of the later of:

- the date of the final determination by the Social Security Administration that you are no longer disabled; or
- on the date which you are informed, via the plan or the general COBRA notice, of your obligation to provide such notice and procedures for providing such notice.

| Other Qualifying Events

In the case of any qualifying event not otherwise described above, the qualified beneficiary may elect to extend coverage for a period of up to 36 months from the date of the qualifying event.

| Health Flexible Spending Account (HFSA)

Notwithstanding the above, continuation coverage under the health flexible spending account (HFSA) will extend only until the end of the benefit year in which the qualifying event occurs.

End of Continuation

Continuation coverage will end upon the dates of the following occurrences, even if earlier than the periods specified under section 8.4, Period of Continuation Coverage

- Timely payment of premiums for the continuation coverage is not made (including any grace periods).
- You first become covered under any other group health plan, after the date on which continuation coverage is elected, as an employee or otherwise, unless such other plan contains a limitation (other than a limitation which does not apply by virtue of HIPAA with respect to any pre-existing condition).
- You first become entitled to benefits under Medicare, after the date on which continuation coverage is elected.
- The State ceases to provide any group health plan to any employee
- You cease to be disabled, if continuation coverage is due to the disability.

Notwithstanding the foregoing, the plan may also terminate the continuation coverage of a qualified [beneficiary](#) for cause on the same basis that it could terminate the coverage of a similarly situated non-COBRA beneficiary for cause (e.g., in the case of submitting fraudulent claims to the Division)

Cost of Continuation

You are responsible for paying the cost of continuation coverage. The premiums are payable on a monthly basis. By law, premiums cannot exceed **102%** of the full premium cost for such coverage (or **150%** for any extended period of coverage due to disability). After a qualifying event, Inspira Financial will provide a notice with amount of the premium, to whom the premium is to be paid, and the date of each month that payment is due. Failure to pay premiums on a timely basis will result in termination of coverage as of the date the premium is due. Payment of any premium will only be considered to be timely if made within 30 days after the date due.

A premium must be paid for the cost of continuation coverage for the time period between the date of the event which triggered continuation coverage and the date continued coverage is elected. This payment must be made within 45 days after the date of election. Inspira Financial will provide you notice specifying the amount of the premium, to whom the premium is to be paid, and the date payment is due. Failure to pay this premium on the date due will result in cancellation of coverage back to the initial date coverage would have terminated

COBRA EMPLOYEE	
Plan	Rate
Medical, Standard	\$1,295.32
Medical, Economy	\$758.12
Medical, Consumer	\$656.57
Dental, Standard	\$60.34
Dental, Economy	\$28.00
Vision, Managed	\$13.52
Effective: Jan. 1 - Dec. 31, 2024	

COBRA EMPLOYEE + FAMILY	
Plan	Rate
Medical, Standard	\$3,535.78
Medical, Economy	\$2,007.17
Medical, Consumer	\$1,717.01
Dental, Standard	\$158.76
Dental, Economy	\$65.35
Vision, Managed	\$33.03
Effective: Jan. 1 - Dec. 31, 2024	

Notification Requirements

General Notice to Covered Eligible Employee and Spouse

The plan will provide, at the time of commencement of coverage, written notice to you and your spouse of your rights to continuation coverage. This general notice will be provided no later than the earlier of:

- 90 days after your coverage commencement date under the plan; or
- the date on which the Division is required to furnish a COBRA election notice.

Employer Notice to Division

Your employer will notify the Division in the event of your death, termination of employment (other than gross misconduct), reduction in hours, layoff, or entitlement to Medicare benefits within 30 days after the date of the qualifying event.

Covered Eligible Employee/Qualified Beneficiary Notice to Administrator

You must notify the Division of:

- your divorce or legal separation from your spouse;
- a child ceasing to be a [dependent child](#) under the eligibility requirements of the plan;
- a second qualifying event; or
- notice of disability entitlement or cessation of disability.

You must give notice as soon as possible, but no later than 60 days after the later of:

- the date of such qualifying event;
- the date that you lose or would lose coverage due to such qualifying event; or
- the date on which you are informed, via the plan or the general COBRA notice, of your obligation to provide such notice and the plan procedures for providing such notice.

See the [Election of Continuation Coverage](#) section above for timing of notices applicable to disability determinations.

You or another qualified [beneficiary](#), or a representative acting on behalf of you or another qualified beneficiary, may provide this notice. The provisions of notice by one individual satisfies any responsibility to provide notice on behalf of all related qualified beneficiaries with respect to the qualifying event. Failure to provide timely notice will result in your loss of any right to elect continuation coverage.

Division's Notice to Qualified Beneficiary

Upon receipt of a notice of qualifying event, Inspira Financial will provide to each qualified beneficiary notice of their right to elect continuation coverage, no later than 14 days after the date on which Inspira Financial received notice of the qualifying event. Any notification to a qualified beneficiary who is your spouse will be treated as a notification to all other qualified beneficiaries residing with such spouse at the time such notification is made.

Unavailability of Coverage

If Inspira Financial receives a notice of a qualifying event or disability determination and determines that the person is not entitled to continuation coverage, Inspira Financial will notify the person with an explanation as to why such coverage is not available.

Notice of Termination of Coverage

Inspira Financial will provide notice to each qualified beneficiary of any termination of continuation coverage which is effective earlier than the end of the maximum period of continuation coverage applicable to such qualifying event, as soon as practicable following Inspira Financial's determination that continuation coverage should terminate.

Use of a Single Notice

Required notices must be provided to each qualified beneficiary or individual; however:

- a single notice can be provided to you and your spouse if you both reside at your address; and
- a single notice can be provided to you or your spouse for a [dependent child](#), if the dependent child resides with you or your spouse.

For more information, contact the **Member Education Center** at [\(907\) 465-4460](tel:(907)465-4460) or email doa.drb.mscc@alaska.gov.



For more information, call Inspira Financial at [\(800\) 359-3921](tel:(800)359-3921).