

COMMONWEALTH OF VIRGINIA DEPARTMENT OF HUMAN RESOURCE MANAGEMENT

Group Administrator Memo #10-09

To: Group Benefits Administrators

From: State and Local Health Benefits Programs

Date: September 30, 2010

Re: COBRA/Extended Coverage

The following information is only for TLC groups with 20 or more employees that may offer COBRA/Extended Coverage:

As you are aware, the ARRA COBRA stimulus assistance for involuntarily terminated employees ended on March 31, 2010. Attached you will find new COBRA/Extended Coverage forms to replace those used since the beginning of the stimulus program. You should begin using these forms immediately.

The first attached form is a new General Notice that should be provided to all new participants in the program and their covered dependents. The General Notice outlines the benefits and requirements of Extended Coverage and should be mailed to each new participant via first class mail. Mailing is suggested in order to make sure that all covered family members have the opportunity to review and become familiar with the rights and requirements of Extended Coverage. As with all Extended Coverage communication, you should keep a log of correspondence with accurate information on what was sent, to whom and when the information was distributed. This log is your documentation of procedure and confirms your compliance should a member say that you did not provide the required information on a timely basis. If you have not been providing this information to your new participants, I would highly suggest that you mail a new copy to all your participants as soon as possible.

The second attachment is a new Extended Coverage Election Form. You should mail this form to all Qualified Beneficiaries who experience a COBRA Qualifying Event that causes a loss of health care coverage. Details and Qualifying Events are listed within the Election form.

Both forms are provided in word format so that you may fill in the blanks rather than having to retype each form. Please review these new forms carefully before you transfer them to your letterhead. There are numerous places throughout the forms that require you to enter information. These spots are marked with "*Insert*" and are in **bold red print**. After insertion on your letterhead, you will need to remove the bold and red color from the inserted sections.

As always, questions should be directed to Walter Norman, TLC Program Manager at (804) 786-6460 or by email to walter.norman@dhrm.virginia.gov.