

Health Connector for Business Policy: Consolidated Omnibus Budget Reconciliation Act (COBRA) /Mini-COBRA

Policy #: HCB-6	Effective date: 9/1/2019
Category: Eligibility	Date revised: 6/12/2020
Approved by: Andrew Egan	Date reviewed: 6/12/2020

Applicable to all small group health and dental products.

The administration of Consolidated Omnibus Budget Reconciliation Act (COBRA)/Mini-COBRA continuation of coverage is the responsibility of the employer group and/or any third-party administrator with which the employer group has contracted for such services.

In this policy, a “Qualified Beneficiary” is any person who is eligible under law to receive COBRA or mini-COBRA coverage, including a former employee or dependent of a former employee. The employer group and/or its contracted third party administrator is responsible for all of the following activities:

1. Validating that a Qualified Beneficiary is eligible for COBRA/Mini-COBRA coverage;
2. Notifying a Qualified Beneficiary of their eligibility;
3. Notifying the Health Connector for Business if a Qualified Beneficiary intends to purchase COBRA/Mini-COBRA coverage through the Health Connector;
4. Notifying the Health Connector for Business if an enrolled COBRA/Mini-COBRA Qualified Beneficiary terminates his/her COBRA/Mini-COBRA coverage;
5. Following established federal and state COBRA/Mini-COBRA guidelines to determine qualifying events and periods of coverage;
6. Collecting premiums from the Qualified Beneficiary each month. The Health Connector will bill the employer group each month for COBRA membership at the monthly group rate for One Plan products or the individual rate for One Level or One Carrier products as defined in *HCB-15: Rating and Re-Rating of Health and Dental Plans*;
7. Determining and collecting, at the employer group’s or third-party administrator’s discretion, any administrative or other fees, as permitted by law. The Health Connector for Business will not add any administrative fees to the premiums of COBRA Qualified Beneficiaries.

All COBRA/Mini-COBRA Qualified Beneficiaries who will be covered must be included in the employer group’s census and enrollment application.

To offer COBRA/Mini-CORBA continuation of coverage to Qualified Beneficiaries through the Health Connector, the employer group must maintain at least one (1) active employee in an active small group account with the Health Connector for Business.

Qualifying Events and Coverage Options

1. COBRA/Mini-COBRA Qualified Beneficiaries are subject to the same life events and qualifying events as all other eligible employees in Health Connector for Business small group plans.
2. Employees covered through an eligible employer who become COBRA/Mini-COBRA Qualified Beneficiaries and elect continuation coverage during the plan coverage year must remain in the plan that was in effect on the date they became Qualified Beneficiaries at the same rate and including, at the discretion of employer group or third party administrator, any administrative or other fees, as permitted by law. Enrolled COBRA/Mini-COBRA Qualified Beneficiaries may select a different plan during their employer group's next open enrollment period in the same manner as other eligible employees.
3. Every dependent in the family covered on the day of the qualifying event maintains an independent right to elect COBRA/Mini-COBRA coverage.
4. If a COBRA/Mini-COBRA Qualified Beneficiary elects coverage during their election period but after coverage has been terminated, the Qualified Beneficiary may be reinstated.
5. Dependents of an enrolled eligible employee have the right to continue to receive COBRA/Mini-COBRA coverage if the enrolled eligible employee loses eligibility or cancels their COBRA/Mini-COBRA coverage as a result of becoming eligible for Medicare.