

# Continuation of coverage

## COBRA administration (groups with 20 or more employees)

Employers with 20 or more employees are required under the Consolidated Omnibus Budget Reconciliation Act (COBRA) to offer employees and/or their dependents continuation of medical and dental coverage in certain instances where there is a loss of group insurance coverage.

- The employee or dependent must elect continuation coverage within 60 days.
- The employee or dependent must be allowed to elect the same coverage that was in place prior to the loss of coverage provided under the employer's plan.
- The individual continuing coverage is responsible for making the full monthly premium payment to the employer each month. This includes the employee's share and any portion previously paid by the employer.
- The initial premium payment for continuation coverage is due by the 45th day after the coverage is elected.

Providence Health Plan will terminate COBRA continuation coverage under your group contract at the end of the period outlined by federal COBRA regulations.

## State continuation of coverage (groups with 19 or fewer employees and groups not subject to COBRA)

State-mandated continuation of coverage is available to the employee, eligible spouse and dependents if he or she has been covered continuously under your group contract, or a similar predecessor group health plan, during the three-month period prior to the date of termination of employment or membership.

**Important:** In Oregon, benefits-eligible individuals must request state continuation coverage in writing to their employer within 10 days after the date on which their coverage under your group contract would otherwise end. In Washington state, benefits-eligible individuals must request state continuation coverage in writing to us within 31 days after the date on which their coverage under your group contract would otherwise end. The eligible employee, spouse or dependent must also make the full monthly payment in advance to you each month.

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Maximum length of coverage

State continuation of group coverage terminates the earlier of:

1. Six months for Washington state and nine months for Oregon, after the date on which the subscriber's coverage under your group contract otherwise would have ended because of termination of employment or membership.
2. Six months for Washington state and nine months for Oregon, after the start of a leave of absence from which the subscriber does not return to work.
3. Nonpayment: The end of the month for which the employee last made timely payment (30 days from the date the premium is due).
4. The first of the month in which the employee becomes entitled to Medicare benefits.
5. The date the employee becomes covered under another group health plan. If the new plan has a pre-existing condition clause, we will cover denied services until the end of the pre-existing waiting period – after which time all coverage under Providence Health Plan will terminate.
6. The date a former spouse of an employee remarries and, because of remarriage, becomes covered under another group health plan.

## **Portability plans for members of fully insured groups**

After an employee loses eligibility for coverage under your group contract, he or she may apply for a portability plan from Providence Health Plan. Because portability coverage is a new contract with the employee and not a continuation of coverage under your group contract, benefits and premiums will be different from those that your employee had under your group plan.

Employees should contact the customer service team at Providence Health Plan, Monday through Friday, 8 a.m. to 5 p.m., PST, 503-574-7500 or 800-878-4445, for more information on costs and benefits. Employees may apply for such coverage any time during or at the end of COBRA or state continuation coverage, but they must enroll and pay the premium for their portability plan within 63 days of the termination of their coverage.

## **Certificate of creditable coverage**

We send a Notice of Creditable Coverage to every member upon termination or disenrollment of Providence Health Plan coverage. Members also may receive these notices when they enroll or disenroll in COBRA coverage, or upon request.