STANFORD BENEFITS

COBRA FAQ

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FREQUENTLY ASKED QUESTIONS

These questions and answers summarize some of the plan’s highlights. For a complete description of your benefits, please refer to the appropriate Plan Summary document in the Resource Library. If there are any differences between this information and the plan documents, the plan documents will govern.

What is COBRA and why does it matter to me?

COBRA (Consolidated Omnibus Budget Reconciliation Act) is a federal law that temporarily allows you and your covered dependents to continue health care coverage through Stanford if you lose benefits for a variety of reasons. For example, when you terminate employment or start working less than 50 percent time.

How much does COBRA cost?

The amount charged will be 102 percent of the total premium for your coverage. For individuals on an 11-month disability extension, the premium will be increased to 150 percent of the plan’s total cost of coverage.

How do I pay my COBRA premium?

Stanford’s COBRA administrator, Vita Administration Company (Vita), sends you a package of information describing COBRA and how it works. You send your COBRA payments to them. If you have questions, please call Vita Administration Company at 800-424-3052.

When does my COBRA coverage start?

Your Stanford medical, dental and vision benefits stop at the end of the month in which you either terminate employment or start working less than 50 percent time and are no longer benefits eligible. COBRA coverage begins the first day of the month following the month in which your Stanford benefits end. Until you actually elect COBRA and make any required premium payments you will not appear as being eligible for services in the insurance carrier’s computer database.

If I get divorced, how long can my spouse/registered domestic partner continue medical coverage through COBRA?

Your spouse can continue coverage under COBRA for up to 36 months. Stanford Benefits provides the same amount of continued coverage to registered domestic partners or same-sex spouses.

If I’m in an HMO and move out of my HMO’s service area, will this impact my COBRA coverage?

You can immediately switch to another plan that is available in your new area and continue your COBRA coverage at the new rate. Contact Vita 800-424-3052 to report your new address and make the change.

Do I get COBRA coverage if I am laid off?

http://benefits.stanford.edu/resources/cobra-faq
Yes. You are eligible for 18 months of COBRA coverage. In most cases, Stanford will pay a portion of your medical coverage for the first three months, as long as you enroll for COBRA and pay your share. At the end of three months, you are responsible for the full COBRA cost. There is no subsidy for dental or vision, so you will pay the full cost for these plans. Contact Vita 650-424-3052 if you have any questions.

Do I get to keep my Medical Contribution Assistance Program (MCAP) subsidy for 3 months if I am laid off?
If you are laid off, your MCAP subsidy ends the last day of the month in which your employment ends. MCAP is not considered part of Stanford’s contribution towards any layoff COBRA subsidy you might receive.

Can I have access to my Health Care Flexible Spending Account and Carryover funds if I leave Stanford or am I no longer eligible to participate in the Health Care Flexible Spending Account (HCFSAs)?
If you terminate employment, termination rules will be applied to the Health Care Flexible Spending Account (HCFSAs). If applicable, you will be offered COBRA to continue your HCFSAs.

Whether or not you enroll in COBRA you can submit claims for eligible expenses through the April 30th following the end of the plan year as long as the service date(s) of the expense is on or before the end of the month in which you terminate.

- If carryover funds have already been credited to your Available Funds before you terminate, then the Available Funds is the amount that would be reimbursable against eligible expenses.
- If carryover funds have not been credited before your termination date, then the carryover funds will only be available if you are eligible to enroll in and pay for COBRA.

Is Cal-COBRA available after the federal COBRA coverage ends?
Cal-COBRA is only available to HMO plan participants in California. It becomes available after your federal COBRA coverage ends. Contact Vita or your HMO plan if you have any questions.

If I am age 65 and enrolled in Medicare Part A when my active coverage is terminated can I still enroll in COBRA?
COBRA rules stipulate that if you are enrolled in either Medicare Part A or B at the time you become eligible for COBRA you can elect COBRA and pay for it at Medicare rates. However, if you are already enrolled in COBRA and you subsequently enroll in Medicare Part A or B, your COBRA coverage be terminated effective the date you are enrolled in Part A or B.

Are there alternatives for health coverage other than COBRA?
Under the Health Insurance Portability and Accountability Act (HIPAA), if you or your dependents lose eligibility for coverage through Stanford, including eligibility for continuation coverage, you may have a right to special enrollment (enroll without waiting until the next open season for enrollment) in other group health coverage. For example, if you lose eligibility for group health coverage you may be able to special enroll in a spouse’s plan. A dependent losing eligibility for group health coverage may be able to enroll in a different parent’s group health plan. To have a special enrollment opportunity, you or your dependent must have had other health coverage when you previously declined coverage in the plan in which you now want to enroll. You should check the timeline the other coverage requires you to act if you are going to special enroll after losing your Stanford coverage.

Losing your Stanford coverage is also a special enrollment event in the Health Insurance Marketplace (Marketplace). The Marketplace offers "one-stop shopping" to find and compare private health insurance options. In the Marketplace, you could be eligible for a tax credit that lowers your monthly premiums and cost-sharing reductions (amounts that lower your out-of-pocket costs for deductibles, coinsurance and copayments), and you can see what your premium, deductibles, and out-of-pocket costs will be before you make a decision to enroll.

Eligibility for COBRA continuation coverage won't limit your eligibility for Marketplace coverage or for a tax credit. You can apply for Marketplace coverage at HealthCare.gov or by calling 1-800-318-2596 (TTY 1-855-889-4325). To qualify for special enrollment in a Marketplace plan, you must select a plan within 60 days before or 60 days after losing your Stanford coverage. In addition, during an open enrollment period, anyone can enroll in Marketplace coverage. If you need health coverage in the time between losing your Stanford coverage and beginning coverage through the Marketplace (for example, if you or a family member needs medical care), you may wish to elect COBRA coverage. COBRA continuation coverage will ensure you have health coverage until the coverage through your Marketplace plan begins.

Through the Marketplace you can also learn if you qualify for free or low-cost coverage from Medicaid or the Children's Health Insurance Program (CHIP). You can apply for and enroll in Medicaid or CHIP any time of year.
If you qualify, your coverage begins immediately. Visit HealthCare.gov or call 1-800-318-2596 (TTY 1-855-889-4325) for more information or to apply for these programs. You can also apply for Medicaid by contacting your state Medicaid office and learn more about the CHIP program in your state by calling 1-877-KIDS-NOW (543-7669) or visiting insurkidsnow.gov.

If you or your dependent elects COBRA continuation coverage, you will have another opportunity to request special enrollment in a group health plan or a Marketplace plan if you have a new special enrollment event, such as marriage, the birth of a child, or if you exhaust your continuation coverage. To exhaust COBRA...
continuation coverage, you or your dependent must receive the maximum period of continuation coverage available without early termination. Keep in mind if you choose to terminate your COBRA continuation coverage early with no special enrollment opportunity at that time, you generally will have to wait to enroll in other coverage until the next open enrollment period for the new group health plan or the Marketplace.