



Courtesy of Meridian Benefits Consulting

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How long are Qualified Beneficiaries entitled to COBRA?

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The length of time that a Qualified Beneficiary will remain entitled to COBRA varies based on the situation.

Where a loss of coverage is a result of an employee’s termination of employment (other than by reason of gross misconduct), or reduction in hours, Qualified Beneficiaries are entitled to continue coverage for a maximum of 18 months.

Where a loss of coverage is a result of any of the following, Qualified Beneficiaries are entitled to continue coverage for a maximum of 36 months:

- Death of a covered employee
- Divorce or legal separation of a covered employee from his or her spouse
- A covered employee becoming entitled to Medicare benefits
- A dependent child ceasing to be a dependent child under the terms of the health plan

Where a loss of coverage is a result of an employee’s termination of employment (other than by reason of gross misconduct), or reduction in hours and a Qualified Beneficiary is determined by the Social Security Administration to be disabled (for Social Security disability purposes) before, at, or within 60 days of the date of the qualifying event, all Qualified Beneficiaries within that family are entitled to COBRA for a maximum period of 29 months. To benefit from this extension, any Qualified Beneficiary within the family must notify the Plan Administrator as required by the reasonable procedures established by the Plan Administrator.

Where a Qualified Beneficiary was determined disabled by the Social Security Administration prior to the qualifying event, the Qualified Beneficiary is considered to meet the statutory requirement of being disabled “within the first 60 days of COBRA coverage.”

Where a loss of coverage is a result of an employee’s filing for bankruptcy under Chapter 11, covered employees who retired on or before the date of substantial elimination of group health plan coverage, the spouse, surviving spouse or dependent child of such covered employee covered under the plan on the day before the bankruptcy qualifying event are entitled to continue COBRA coverage

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for life. Where an employer has filed for Chapter 11 bankruptcy, but no longer sponsors a health plan, Qualified Beneficiaries are not entitled to continue coverage since no health plan exists.