BENEFIT FACT SHEET
FOR LAID OFF STATE EMPLOYEE

Group Health and Dental Plan Benefits

Following an employee's last day of work, a letter will be sent to the employee's home address on file, advising them of the health and dental group insurance continuation provisions under COBRA. Coverage under COBRA continuation is available for 18 months. Employees are responsible for paying fees in full, which will be at a higher rate.

General Information:

Your medical plan (including pharmacy) and dental plan coverage will terminate at the end of the month in which you are laid off. Approximately two weeks after your termination has been processed in the payroll system, you will receive a COBRA packet which reflects the medical and dental plan coverage you had as an active employee**. If you want to continue these benefits under COBRA, you will be responsible for completing the COBRA continuation election forms as well as making the necessary payments to the COBRA administrator as directed by the deadlines specified in the COBRA notification. If elected, your medical plan and dental plan coverage will be extended, as long as you continue to make timely payments and meet COBRA eligibility guidelines, for a maximum of 18 months.

***Please note: there are certain benefits that are not continued under the HMO or POS medical plans under the COBRA policy (health club reimbursement, fitness equipment reimbursement, health education reimbursement) because these are fringe benefits and are considered taxable income.*

The 2018 COBRA rates can be found on the following website:

http://das.nh.gov/hr/cobrarates.asp

Other Benefits:

Life Insurance (Anthem Life):

Terminated employees have 31 days from their date of termination to complete the forms to continue any life insurance coverage on an individual basis either through a Conversion application or a Portability application. Information on eligibility and the differences between the Conversion option and Portability option are available, along with the applicable application forms, by going to the following webpage:

https://das.nh.gov/hr/life_insurance.html

HRA - HAT (Health Assessment Debit Card) and HRW (Health Rewards):

The HRA is only available to terminated employees who elect COBRA to continue their medical plan benefits.

Please note: once you leave employment, your HRA debit card is automatically inactivated. If you elect COBRA continuation, you will need to submit manual claims for any reimbursement.

Flexible Spending Accounts (FSA):

1. ***Medical Flexible Spending Accounts:***

COBRA is offered to terminated employees only if they have funds available as of the date of termination; otherwise, COBRA is not an option.

- If there are funds available as of the date of termination, the COBRA paperwork and payment schedule will be sent automatically to the employee's home address on file. The COBRA payment amount will reflect the election amount, plus a 2% administration fee, but it will be invoiced on a monthly basis.

  Example: If an employee elected $1,200.00 for 2018 but were terminated as of 3/25/18, they would have contributed $276.92 to their medical flex spending account as of their term date. If they had not incurred any expenses from 1/1/18 to 3/25/18, they may want to elect COBRA so that they can spend down that amount. If they choose to do this, they will be responsible for paying their monthly COBRA premium of $100.00 plus the 2% admin fee for the remainder of the calendar year (April – December).

- Terminated employees will have 60 days to elect COBRA for flex spending. Their first payment will be due 45 days from the election date.

- Claims may be submitted only for claims that are incurred during the months that they have flex spending coverage (as an active employee or under COBRA). In the example used above, that means if they do NOT elect COBRA, they may only submit for claims that were incurred from 1/1/18 to 3/31/18 (end of month following termination date). Similarly, if they choose to elect COBRA, but only pay through the month of June, then they may only submit for claims that were incurred from 1/1/18 to 6/30/18 (last day of COBRA coverage).

  Claims for reimbursement may be submitted until April 30th of the year following the date the flex spending account has been closed.

Please note: once an employee leaves employment, their flexible spending debit card is automatically inactivated, even if they elect COBRA. They will need to submit manual claims for reimbursement after their termination.

2. ***Dependent Care Flexible Spending Accounts:***

COBRA is not an option, but terminated employees may continue to submit claims (after date of termination) for the remainder of the calendar year to spend down any funds that were available at date of termination.