



COBRA Ohio

Comparison of Federal and Ohio Continuation Laws

	FEDERAL (COBRA)	OHIO
Covered Employers and Health Plans	Group health plans (fully insured and self-insured) maintained by private-sector, state and local government employers with 20 or more employees . However, group health plans sponsored by the federal government or by churches are exempt from COBRA.	Group health plans that provide hospital, surgical or major medical benefits. Continuation coverage does not include dental, vision care or any other benefits except hospital, surgical or major medical benefits. In practice, state continuation applies to group health plans (hospital, surgical or major medical benefits) that are not subject to federal COBRA. This includes health plans sponsored by churches and employers that have fewer than 20 employees. Self-insured ERISA plans are not subject to state continuation coverage requirements. Non-ERISA plans that are self-insured should consult their plan's terms.
Qualified Beneficiaries	An employee, spouse or dependent child covered by a group health plan on the day before a qualifying event. In addition, any child born to or placed for adoption with a covered employee during the period of COBRA coverage is considered a qualified beneficiary.	Eligible employees may elect to continue coverage after the date that the coverage would otherwise end due to the employee's termination of employment. The eligible employee may elect continuation coverage for the employee and his or her eligible dependents. To be eligible for continuation coverage, an employee needs to: <ul style="list-style-type: none"> • Be continuously covered by the group policy during the entire three-month period prior to his or her termination of employment;

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		<ul style="list-style-type: none"> • Not have voluntarily terminated employment or been involuntarily terminated for gross misconduct; • Not be (and not become) covered by or eligible for coverage under Medicare; and • Not be (and not become) covered by or eligible for coverage under any other insured or uninsured group arrangement that provides hospital, surgical or medical coverage other than coverage that the employee had immediately prior to his or her termination.
Qualifying Events	<p>Events that trigger an obligation to offer COBRA coverage include:</p> <ul style="list-style-type: none"> • Termination of employment for reasons other than gross misconduct (all qualified beneficiaries); • Reduction in the number of hours of employment (all qualified beneficiaries); • Covered employee's becoming entitled to Medicare (spouse and dependent children); • Divorce or legal separation of the covered employee (spouse and dependent children); • Death of the covered employee (spouse and dependent children); and • Loss of dependent child status under the plan (dependent children). 	An eligible employee may elect continuation coverage following an involuntary termination of employment for reasons other than gross misconduct.
Maximum Continuation Period	<p>The maximum duration of COBRA coverage depends on the type of qualifying event, as follows:</p> <p>18 months - Employment termination or reduction in hours of work</p> <p>29 months - The Social Security Administration (SSA) determines the qualified beneficiary is disabled during the first 60 days of COBRA coverage. This 11-month extension applies to the</p>	12 months

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	<p>qualified beneficiary with the disability and all of the qualified beneficiaries in the family.</p> <p>36 months – Divorce or legal separation, employee’s death, entitlement to Medicare or loss of dependent child status</p> <p>36 months – After a qualifying event that is an employment termination or a reduction in hours of work, a second qualifying event occurs that is the death of the employee, the divorce or legal separation of the covered employee and spouse, Medicare entitlement (in certain circumstances) or loss of dependent child status under the plan.</p>	
Early Termination of Coverage	<p>Coverage begins on the date that coverage would otherwise have been lost because of a qualifying event and will end at the end of the maximum period. It may end earlier if:</p> <ul style="list-style-type: none"> • Premiums are not paid on a timely basis; • The employer ceases to maintain any group health plan; • After the COBRA election, coverage is obtained with another employer group health plan (including any group health plan of a governmental employer); or • After the COBRA election, a beneficiary becomes entitled to Medicare benefits. 	<p>Coverage may be terminated prior to the expiration of 12 months if:</p> <ul style="list-style-type: none"> • The employee ceases to be an eligible employee because he or she becomes covered by (or eligible for coverage under) Medicare or another group health plan; • The employee fails to pay premiums in a timely manner; or • The group policy is terminated or the employer terminates participation under the policy, unless the employer replaces the coverage with similar group health plan coverage.
Notice Requirements	<p>Health plan administrators must provide an initial general notice when group health coverage begins. When a qualifying event occurs, health plan administrators must provide an election notice regarding rights to COBRA continuation benefits to each qualifying beneficiary who loses plan coverage in connection with the qualifying event.</p> <p>Qualified beneficiaries must respond to this notice and elect COBRA coverage by the 60th day after the written</p>	<p>Each certificate of coverage or other notice of coverage provided to employees must include a description of employees’ continuation rights. Also, an employer must notify an employee of his or her continuation coverage rights when the employer notifies the employee of his or her employment termination. This notice must include the monthly premium amount for continuation coverage.</p>

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	<p>notice is sent or the day health care coverage would end, whichever is later. Additional COBRA notice requirements apply under federal law.</p>	<p>To elect coverage, an employee must submit a written election along with the first premium no later than the earlier of:</p> <ul style="list-style-type: none"> • 31 days after coverage would otherwise end; • 10 days after coverage would otherwise end if the employer notified the employee of his or her continuation rights before that date; or • 10 days after the employer notified the employee of his or her continuation rights, if the notice was given after the date that coverage would otherwise end.
Premium Rules	<p>The maximum amount charged to qualified beneficiaries cannot exceed 102 percent of the plan's total cost of coverage for similarly situated individuals. For qualified beneficiaries receiving the 11-month disability extension, the premium for those additional months may be increased to 150 percent of the plan's total cost of coverage.</p> <p>Plans must provide at least 45 days after the election for making an initial premium payment. The plan sponsor may establish due dates for later payments, but it must provide a minimum 30-day grace period for each payment.</p>	<p>The amount charged for continuation coverage cannot exceed the group rate for the insurance being continued under the policy. The employee must pay to the employer, on a monthly basis, in advance, the amount of contribution required by the employer.</p>
Applicable Statutes	<p>IRC § 4980B, ERISA §601 <i>et seq.</i>, 29 CFR §§ 2590.606-1 through 2590.606-4.</p>	<p>OH Revised Code § 3923.38</p>
Government Agency Contact	<p>Departments of Labor and Treasury (private sector plans) and Department of Health and Human Services (public sector plans). More information on COBRA coverage is available from the Department of Labor.</p>	<p>Ohio Department of Insurance</p>