

COBRA Coverage Timeframes

Depending on the circumstances, the coverage may be kept for up to **18, 24, 29,** or **36** months (or potentially even for life for certain retirees of bankrupt companies) under federal law -- state law may expand benefits in some cases.

The following chart shows the length of coverage under federal COBRA rules depending on whether the individual is the employee or spouse or child of the employee:

Employee / Former Employee:	
QUALIFYING EVENT	DURATION OF COBRA COVERAGE
Reduction in Hours	18 months
Termination of Employment*	18 months
Loss of employment due to the negative effects of global trade (Trade Adjustment Assistance –TAA)	24 months
Bankruptcy of Former Employer (for Retiree)	For life (subject to decision of the Bankruptcy Court)
Disabled as determined by the Social Security Administration on or before 60 days after Qualifying Event Date***	Up to 29 months if still disabled

Spouse of Employee / Former Employee:	
QUALIFYING EVENT	DURATION OF COBRA COVERAGE
Death of Spouse (i.e., the employee)	36 months
Termination of Employment of Spouse (i.e., the employee)*	18 months
Divorce or Legal Separation	36 months
Spouse (i.e., the employee) Becomes Entitled to Medicare (if prior to experiencing a Qualifying Event that is the termination, or reduction in hours, of employment)	36 months from spouse's date of Medicare entitlement or, if longer, 18 months from the spouse's Qualifying Event date (29 months if there is a disability extension)
Spouse of Retiree of Bankrupt Former Employer	36 months beyond the life of the retiree (subject to decision of the Bankruptcy Court)
Second Qualifying Event**	36 months
Disabled as determined by the Social Security Administration on or before 60 days after Qualifying Event Date***	Up to 29 months if still disabled

Dependent Child of Employee / Former Employee:	
QUALIFYING EVENT	DURATION OF COBRA COVERAGE

Death of Parent (i.e., the employee)	36 months
Termination of Employment of Parent (i.e., the employee) *	18 months
Reduction in Hours of Employment of Parent (i.e., the employee)	18 months
Parent (i.e., the employee) Becomes Entitled to Medicare (if prior to experiencing a Qualifying Event that is the termination, or reduction in hours, of employment)	36 months from parent's date of Medicare entitlement or, if longer, 18 months from the parent's Qualifying Event date (29 months if there is a disability extension)
Child of Retiree of Bankrupt Former Employer	36 months beyond the life of the retiree (subject to decision of the Bankruptcy Court)
Second Qualifying Event**	36 months
Divorce or Legal Separation of Parents	36 months
Dependent Child Ceases to be Eligible Under the Group Health Plan	36 months
Disabled as determined by the Social Security Administration on or before 60 days after Qualifying Event Date***	Up to 29 months if still disabled

*** The law does not require that COBRA coverage be made available if an employee is terminated for "gross misconduct."**

** If a spouse or dependent child has already started 18 months of COBRA continuation coverage when an event that would allow 36 months occurs, the maximum duration will increase to 36 months. In no case may the total amount of continued coverage be more than 36 months. Medicare entitlement is not considered a second Qualifying Event unless it would serve as a first Qualifying Event (i.e., would result in loss of coverage under the group health plan), which is not common.

*** If a Qualified Beneficiary is eligible for the extension to 29 months due to disability, the other family members on COBRA are also eligible for the same extension. Please note that you must notify the plan administrator within 60 days of the determination of your disability status by the Social Security Administration.

Note: Many states have their own laws relating to conversion or continuation of health care plans. Contact the Benefits department if you have a specific question about any additional benefits for your state. This can be a complicated area, since a health plan based in one state (usually the home office of the employer) may extend provisions from that state's laws to employees in other states.

Employees should be aware of special state laws that might apply to fully insured medical plans and HMOs. Some states have special programs called "Health Insurance Premium Payment (HIPP)" that might pay COBRA premiums for low income individuals who have large medical bills or those with HIV/AIDS.

The above is a summary only. Complete details of the benefit plans are provided in legal plan documents and contracts that govern the operation of the benefit plans and in accompanying summary plan descriptions. In the event of any conflict with legal plan documents and contracts, the plan documents and contracts will control. Always refer to the applicable plan documents, contracts, policies or summary plan descriptions before making benefits decisions and to the applicable legislation and regulations regarding government programs. The Company reserves the right to amend, suspend, or terminate any of the benefit plans at any time.

