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## How Do I Enroll in COBRA?

Dear Employee,

It is important that all covered individuals (employees, spouses, and dependent children, if able) read this notice carefully and become familiar with its contents. If your covered dependents are not living with you, please provide PayFlex with their correct addresses so copies of this notice can be sent to them as well.

As of the last day of the month in which your employment terminates (**QUALIFICATION DATE**), you, your spouse, and/or dependents will no longer be eligible to be covered under the Employee Health Plan of the Chicago Public Schools (CPS). However, each of you has the option to continue your benefit plan under the Public Health Services Act (PHSA), formerly known as COBRA. You have 60 days from the date your Employee Group Health Plan terminates to elect continuation coverage. If you elect continuation coverage, benefits can be continued until whichever of the following events occur first:

- the expiration of 18/36 months following the qualification date
- you become a covered employee under any group health plan
- you become entitled to Medicare
- you fail to pay the monthly premium charge for coverage on time
- you submit a check which cannot be processed by the expiration of your grace period
- our Employee Health Plan is no longer in force

### QUALIFYING EVENTS

Each covered individual has the right to elect continuation coverage whether or not the employee chooses to continue coverage. The following are qualifying events which allow you to elect to continue coverage:

**Qualifying Events for Covered Employee:** If you are the employee of Chicago Public Schools, you have the right to elect this continuation coverage if you lose your group health coverage due to termination of your employment (for reasons other than gross misconduct) or a reduction in hours of employment.

**Qualifying Events for Covered Spouse:** If you are the covered spouse of an employee of Chicago Public Schools, you have the right to elect continuation coverage for yourself if you lose group health coverage for any of the following reasons:

1. a termination of your spouse's employment (for reasons other than gross misconduct) or reduction in your spouse's hours of employment
2. the death of your spouse
3. divorce from your spouse

**Qualifying Events for Covered Dependent Children:** If you are the covered dependent child of an employee of Chicago Public Schools, you have the right to elect continuation coverage for yourself if you lose group health coverage for any of the following reasons:

1. a termination of your parent's employment (for reasons other than gross misconduct) or reduction in his or her hours of employment with CPS
2. the death of your parent who works for CPS
3. your parents' divorce
4. you cease to be a dependent under the terms of the plan

**IMPORTANT: Second Qualifying Event**

Every PHSA participant must notify PayFlex in the event of a second qualification. Multiple qualifying events occur when the first qualifying event (termination or a reduction in hours) is followed by another qualifying event. If this happens, the original 18-month period may be extended to 36 months from the date of the original qualifying event. **EXAMPLE:** A married employee was terminated from employment. As a result, he and his spouse lost their coverage. Both elected PHSA continuation coverage. If another qualifying event (such as death or divorce) were to occur during the 18-month period, the 18-month period may be extended to 36 months from the date of the original qualifying event.

**Retirees:**

If you are retiring and will be receiving a pension from one of the pension funds, and if you are enrolled or will be enrolled in an annuitant health care plan, disregard the medical plan option listed in this notice. Your MEDICAL COVERAGE IS AVAILABLE TO YOU UNDER YOUR ANNUITANT MEDICAL PLAN.

Two commonly-used terms that pertain to an individual's ability to receive Medicare benefits are: 1) **eligible for** or 2) **entitled to**. An important distinction exists between these two terms. A person is generally eligible for Medicare when he or she reaches age 65 and is qualified to receive Social Security benefits. To be entitled to Medicare, a person must actually apply to commence Social Security income payments or file an application for hospital insurance benefits under Part A (hospital insurance) of Medicare. Certain individuals under age 65 and disabled are also entitled to Medicare after they have received Social Security disability payments for 24 months. For PHSA purposes, being eligible for Medicare has no meaning. Under the statutory language and the proposed regulations of the IRS, only entitlement to Medicare affects PHSA coverage. As long as an individual is entitled to benefits under Part A or Part B of Medicare at the time of the qualifying event, that person is considered entitled to Medicare for PHSA purposes. Whether an individual has applied to receive benefits under Part A and not Part B (which is a supplemental medical insurance program) has no bearing on the individual's Medicare entitlement status for PHSA purposes.

**Disabled Individuals:**

The 18-month COBRA period may be extended to 29 months if an individual is determined to be disabled according to the Social Security Act (SSA). If you qualify, you will be charged 150% of the applicable premium from the 19th through the 29th month of coverage. To qualify for the disability extension, you must get a formal disability determination from the Social Security Administration (SSA) that shows you were disabled at the time (or within 60 days) of your COBRA qualifying event. Each qualified beneficiary who has elected continuation coverage will be entitled to the 11 month disability extension if one qualifies. After receiving the SSA decision, you must give the health plan administrator written notice of the SSA's determination within 60 days of receiving the letter and within your 18 month COBRA eligibility period.

**18 to 36-Month Period related to Medicare eligibility (Special Rule for Dependents):**

If a covered employee becomes entitled to Medicare benefits (either Part A or Part B) and later has a termination of employment or a reduction of employment hours, the period of COBRA coverage for the employee's spouse and dependent children lasts until the later of the 36-month period that begins on the date the covered employee became entitled to Medicare, or the 18- or 29-month period that begins on the date of the covered employee's termination of employment or reduction of employment hours.

**Age or disability entitlement:**

Is Medicare generally primary? Medicare is generally primary if Medicare entitlement is for reasons other than ESRD. This is because the COBRA coverage is not in effect by reason of "current employment status." If you have Medicare because you're 65 or over or because you have a disability other than End-Stage Renal Disease (ESRD), Medicare pays first.

**ESRD entitlement:**

The employer group health plan is primary during the coordination period of 30 months.

- Medicare is secondary to the employer group health plan coverage provided through COBRA.
- Medicare is secondary during the coordination period even if the employer policy or plan contains a provision stating that its benefits are secondary to Medicare.

**Note:** The employer group health plan is secondary only after the 30-month coordination period.

**Medicare Fact checking options:**

Before you elect COBRA coverage, it's a good idea to consult the following sites for your specific needs:

1. State Health Insurance Assistance Program (SHIP) - <https://www.shiptacenter.org/>
2. Medicare Part A & Part B - <https://www.medicare.gov/sign-up-change-plans/get-parts-a-and-b/when-how-to-sign-up-for-part-a-and-part-b.html>
3. Medicare Supplemental Insurance (Medigap) - <https://www.medicare.gov/supplement-other-insurance/medigap/whats-medigap.html>

## **HOW TO ENROLL IN PHSA (COBRA)**

PayFlex is the COBRA administrator for Chicago Public Schools. CPS provides a weekly file for all qualifying events to PayFlex. PayFlex will mail the Qualifying Event Packet which includes the Continuation Coverage Enrollment Form for election within 14 days of coverage loss.

### **FAQs**

1. **How can I obtain the paper application for Cobra enrollment?** CPS will send the qualifying event to PayFlex. PayFlex will mail a COBRA Continuation Enrollment Form to the participant for election. In the notice, it provides the website address where you can elect as well as make payments. In order to access the website as a member, PayFlex must have your eligibility status from CPS.
2. **How do I sign up for COBRA if I'm planning my retirement?** You must wait until you receive the enrollment packet from PayFlex. No advance enrollment or payments will be accepted from PayFlex.
3. **What if I don't receive the enrollment form from PayFlex?** The enrollment form should be mailed to you within 14 days of your coverage loss. You should call PayFlex at 800-359-3921 if you haven't received an enrollment packet. You have 60 days from the last date of coverage for COBRA enrollment. For example, if your last day worked is October 2, 2015, your benefits are active until the end of the month (October 31, 2015). Your 60 day enrollment window begins on November 1, 2015 and ends on December 31, 2015.

PayFlex administers COBRA for Chicago Public Schools. If there are questions about coverage, its lengths or the premiums due, please call PayFlex Customer Service at 800-359-3921. Representatives are available from 8:00 am to 7:00 pm CST.

**PHSA (COBRA) RATES**  
**EFFECTIVE JANUARY 1, 2018 THROUGH DECEMBER 31, 2018**

<b>PROVIDER</b>	<b>MONTHLY COBRA RATES:</b>
<b>BlueCross BlueShield BlueAdvantage HMO</b>	
Employee Only	\$467.38
Employee + 1	\$934.77
Family	\$1,402.15
<b>BlueCross BlueShield PPO</b>	
Employee Only	\$564.43
Employee + 1	\$1,128.85
Family	\$1,693.28
<b>BlueCross BlueShield PPO with HSA</b>	
Employee Only	\$504.86
Employee + 1	\$1,009.72
Family	\$1,514.58
<b>Delta Dental PPO</b>	
Employee Only	\$17.78
Employee + 1	\$37.33
Family	\$58.14
<b>Delta Dental HMO</b>	
	\$22.99
<b>EyeMed Enhanced Vision</b>	
Employee Only	\$6.13
Employee + 1	\$8.97
Family	\$16.08