



General COBRA Notices

Dear Reader:

The following document was created from the MTAS website ([mtas.tennessee.edu](https://www.mtas.tennessee.edu)). This website is maintained daily by MTAS staff and seeks to represent the most current information regarding issues relative to Tennessee municipal government.

We hope this information will be useful to you; reference to it will assist you with many of the questions that will arise in your tenure with municipal government. However, the *Tennessee Code Annotated* and other relevant laws or regulations should always be consulted before any action is taken based upon the contents of this document.

Please feel free to contact us if you have questions or comments regarding this information or any other MTAS website material.

Sincerely,

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General COBRA Notices

Reference Number: MTAS-900

The COBRA notices are listed below. Click on the notice you want or if you want to view or print all notices click on the "view PDF of this section".

Initial COBRA Notice

Reference Number: MTAS-1539

The initial notice usually is the employee's and QB's first notification of COBRA under a group health plan. It typically occurs at the time coverage begins and lets a QB know that he or she loses coverage due to certain qualifying events and that COBRA will be offered.

The plan administrator must send the notice to the employee and spouse within 90 days of new coverage. This notice is commonly issued in the plan's Summary Plan Description (SPD), but the employer must ensure the plan's SPD meets timing guidelines and contains minimum requirements of the notice distribution rules. Employers may want to consider posting the SPD on their Internet/Intranet site as well.

The general notice must be addressed to both employee and spouse. If the spouse resides at a separate address, a notice should be sent separately to the spouse. If dependents reside in a different household, a separate notice also should be sent to those dependents residing separately. If a spouse's coverage becomes effective on a different date than that of the employee, a separate notice must be sent to the spouse.

Hand delivering the notice to employees is acceptable but does not meet the requirements for spousal notification procedures. If an employee or spouse experiences a qualifying event within 90 days of being covered and the general notice has not been sent, it should be sent out at the same time as the election notice. If administrators are using a generic notice they must be sure to include the name and specific contact information of the person whom the qualified beneficiary may contact with further questions and request additional plan information.

- **DOL MODEL AVAILABLE – YES** (model notices can be found here: <https://www.dol.gov/agencies/ebsa/laws-and-regulations/laws/cobra> [1])

COBRA Qualifying Event Notices

Reference Number: MTAS-1540

Employer and Plan Administrator Qualifying Event Notice

Must be sent from employer to plan administrator within 30 days after the qualifying event and must contain information about the plan, covered employee, and qualifying event, including type and date of event. Employers have 30 days following the date of the QE to notify plan administrators. Plan administrators have 14 days to then notify the QBs, and if the employer is also the plan administrator the notice must be provided within 44 days of the QE.

- **DOL MODEL AVAILABLE – NO**

Employee Qualifying Event Notices

Employees and QBs must notify plan administrators of qualifying events. In order for employees and QBs to understand their responsibility employers must ensure that employees and QBs are notified of the "reasonable procedures" for QBs to follow when furnishing the notice(s). It is advisable for employers and plan administrators to include these notice requirements in the summary plan description and general notice (if sent separately). It also is advisable to remind employees frequently of their responsibilities (i.e., notifying plan administrator when there is an address change or QE). Employees and QBs must notify the plan administrator within 60 days of the qualifying event.

- **DOL MODEL AVAILABLE – NO**

COBRA Election Notice

Reference Number: MTAS-1541

Perhaps the most important of all COBRA notices, the election notice, is sent out at the time of the qualifying event and advises employees and QBs of their right to continue coverage under COBRA.

In order for this to go smoothly, the preceding employee qualifying event notices should have been applied, and the employee should have notified the plan administrator of the qualifying event (if applicable).

The election form generally is several pages long and often broken up into different sections to help with clarity. The election notice should contain all of the information individuals need to make a COBRA election.

The regulations require that the election notice contain the following information:

- Plan name, address, contact information, etc.;
- Qualifying event and date;
- Identification of qualifying beneficiaries either by name or status (statement of independent election rights);
- Date coverage is scheduled to terminate;
- Explanation of how to elect COBRA coverage;
- Description of COBRA coverage;
- Description of circumstances under which coverage may be extended;
- Information and procedures for employees and QBs to provide notice of second QE;
- COBRA premium information;
- Information about importance of current addresses; and
- How to get more information and complete plan information.

The election notice must be sent within 14 days of the event date or loss of coverage by the plan administrator to the covered employees and QBs. In 2004, the rules solidified the long-standing practice that when the employer is also the administrator of the plan, the notice must be sent within 44 days of the event. This 44-day period, however, applies only to terminations of employment, reduction in hours (can include leave without pay or layoff), death of employee, and employer bankruptcy events. In cases of divorce, legal separation or dependent ineligibility, the notice must be sent within 14 days of the employer receiving notice.

- **DOL MODEL AVAILABLE – YES** (model notices can be found here: <https://www.dol.gov/agencies/ebsa/laws-and-regulations/laws/cobra> [1])

Notice of Unavailability

Reference Number: MTAS-901

If a plan administrator receives notice of a qualifying event, or even a second qualifying event, and determines that the individual is not entitled to COBRA or a disability extension, the plan administrator also must provide a notice to the individual explaining the reason for the denial. This notice does not apply to events in which the employer is required to notify the plan administrator such as termination of employment, reduction in work hours, death or enrollment in Medicare. This must be sent out in the same time frame as the plan would have sent the election notice.

The Department of Labor provides examples of triggering events that would require that the new notice of unavailability be sent. Examples include when the employee or QB fails to notify the employer of one of the above events or does not notify the employer/plan administrator in a timely manner. The

employer/plan administrator then would be required to send the notice describing the reason for denying continuation of coverage within 14 days.

- **DOL MODEL AVAILABLE – NO**

Notice of Early Termination

Reference Number: MTAS-1542

This notice mandates that the plan administrator send to covered employees and QBs a notice in the event their COBRA coverage terminates before the maximum COBRA coverage period.

The law states that this be sent as soon as practicable.

This notice is sent from the plan administrator to covered employees and QBs and should include the reason for and termination date of health benefits any rights the QB has to elect alternative group or individual coverage.

An example of the need for a notice of early termination is an employer terminating the health plan which means, in effect, an individual's COBRA coverage would terminate earlier than the full-time period for which COBRA was offered to that individual.

- **DOL MODEL AVAILABLE – NO**

Links:

[1] <https://www.dol.gov/agencies/ebsa/laws-and-regulations/laws/cobra>

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