



The following is a COBRA FAQ created by CPI. The FAQ is not intended to address COBRA rules and regulations in their entirety. In addition to the FAQ, please ensure that you review your COBRA election notice, provided separately, for a full understanding of COBRA rights, responsibilities and obligations.

Frequently Asked Questions (FAQ'S) about COBRA

What is COBRA? COBRA is the federal program that allows you to continue your group health coverage, such as medical, dental, or vision coverage, that you previously had through the employer at your own expense. Most employers pay a portion of the group insurance costs for their active full-time employees. COBRA premium cost will seem higher than what you were paying while employed as you are now responsible for total premium. By law, the maximum premium for most COBRA enrollees can only be 102% of the actual premium cost. COBRA is not a new insurance plan and CPI is not an insurance company handling a new policy.

What can trigger COBRA? COBRA may be triggered by certain qualifying events that cause a loss of group health coverage. Common examples include: termination of employment, reduction in hours, death of the employee, divorce, a child aging out of coverage, such as turning 26. These are only examples. Your COBRA election notice will provide more specific information about your eligibility and coverage rights.

Will I get a new insurance card? No. COBRA coverage is a continuation of the coverage you had while still employed full time. You will be insured by the same insurance carrier under the same company policy and use the same insurance card. The same copays, limits, and deductibles will apply. **CPI is not an insurance company. We cannot assist you with claims, deductibles, co-pays, etc. These concerns need to be directed to your carrier.**

How long does COBRA coverage last? In most circumstances, COBRA coverage can last up to 18 months. Individuals who have been determined by the *Social Security Administration* to be disabled may be eligible for an extension of 11 months (for a total of 29 months). If you think you may be eligible for a disability extension, you must notify CPI immediately! Under some circumstances and special conditions, certain dependents can receive COBRA coverage for up to 36 months but the employee can never remain enrolled beyond 18 (or 29) months.

How long do I have to decide if I want COBRA? By law, you have 60 days from the day you lost insurance coverage from your former employer or the date of the notice, whichever is later. This is called your election period. You can find this information on the COBRA Continuation Election Form.

Do I have to pay when I send in the form? By law, you have 45 days from the date that you return the election form to make your first payment; however, most insurance carriers will refuse to reinstate COBRA coverage until the initial premium payment is received. We strongly encourage you to make the initial payment as soon as possible so that your coverage is reinstated promptly.

Are you going to send me a monthly bill? **No.** After your first payment is received, CPI will send a set of payment coupons. According to Federal Law, it is *your responsibility* to pay your COBRA premiums on time even if you do not receive a monthly bill, invoice, statement, or coupon book.

How soon will my COBRA coverage be active? To be reinstated under COBRA, CPI must receive your election with your initial premium payment (**payment due from the date of COBRA Eligibility**), process it, and then notify the carriers. Once you have made your initial payment, CPI will notify the carrier of your election within 1 business day. ****Please Note**** Insurance companies can take 7-10 business days or longer to update their records to reflect that your COBRA coverage is now active. This process takes time, so you should be prepared to experience a temporary pending of coverage where claims will not be processed until premiums are paid for the date care is received. This could mean paying full price for prescription drugs and later asking the pharmacy to reprocess the claim once the carrier shows premiums are paid for that date.

Does that mean I will have a lapse in coverage? No. Once the records are updated, the effective date will reflect that there was no break in coverage. Any medical expenditure that you make during this processing period can be submitted to the carrier for reimbursement when their records are updated. Check the insurance carrier's website or call the toll-free customer service number on your insurance card for reimbursement instructions.

Where do I send my forms and payment? Forms and Payments should be mailed to P.O. Box 2419, Omaha, NE 68103. Enrollments and payments can also be completed by logging into your portal at www.mycpitem.com.

What kind of payments do you accept? CPI accepts payments by check or money order. Payments should be made payable to CPI and mailed to the address above. **We do not accept payments via cash, or payments made in person at our office.** Payments in the form of debit/credit cards can be made at <https://cobra.mycpitem.com/>. If your bank offers an auto bill payment service that mails a physical check, you may use that service to pay as well. Make checks or money orders payable to CPI.

When are payments due? Payments are due monthly on the first day of the month. If payment is not received, coverage is typically pended for that month when payment is not received on the first of that month (making it more difficult to fill prescriptions or attend doctor appointments).

What about late payments? LATE PAYMENTS ARE NOT ACCEPTED. Payments postmarked after the grace period ends will **NOT** be processed and your COBRA coverage will terminate. **Once terminated for nonpayment of premium, coverage cannot be reinstated.**

What can I do if I did not make the payment on time and my coverage was canceled? If you are not eligible to enroll in a new employer's plan or a spouse's plan, you may contact your State Department of Insurance to get information about obtaining an individual policy. You can also contact the <https://www.healthcare.gov/> to receive assistance with finding health insurance plans. Please note losing coverage for a failure to pay premium does not create a special enrollment right for other employer plans or individual market coverage.

I was enrolled in medical, dental and vision coverage for my entire family. Can I change this? In most situations, you may choose to continue only one or more of these plans. Check the box by the plan/s that you wish to continue the election form. **However**, some employers do not allow this. If your employer has established an "all or nothing" COBRA policy, we will notify you. Also, if you currently have family coverage, you may choose to cover only yourself, and your spouse, or yourself and your children. However, marriage or birth can allow adding if the event is communicated to the plan within 30 days.

I was enrolled in family coverage. I do not want to elect coverage for myself, but my spouse wants COBRA. Can we do that? How can I find out what these changes in coverage would cost? Yes. Your covered dependents (spouse and/or children) each have the right under the law to elect COBRA coverage independently from what you decide. Please review your initial continuation letter for pricing.

I sent in my election form and my payment two weeks ago, but my physician's office states that I have no coverage. CPI notifies the insurance company when you elect COBRA. Your coverage is reinstated by the insurance carrier, not CPI. **Regrettably, CPI has no control over how quickly the carriers process the election and update their records to restore your coverage.** We do retain proof of notification to the carrier and can occasionally assist in having them reinstate coverage if your election and payment were received and processed in our office more than 3 weeks prior. Your coverage is reinstated by the insurance carrier or TPA, not CPI, and they often require both the election and all premium payments through the current month in order for coverage to be activated for the current month.

Must I notify you when I want to terminate my COBRA coverage? You are not required to notify CPI when you want your COBRA coverage to end; however, you may send a notice by email (cpisupport@mycpitem.com) or by US mail that you intend to allow COBRA coverage to lapse. When you do not make your payment within the grace period, your coverage will be terminated.

I have more questions. How do I get answers? Send an email to cpisupport@mycpitem.com or call into our toll-free phone line **(866)241-0237**.