Policy Title: COBRA

The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) gives employees and their qualified beneficiaries the opportunity to continue health insurance coverage under MGS health plan when a "qualifying event" would normally result in the loss of eligibility. You and your covered dependents will have the opportunity to continue medical, dental and vision benefits for a period of 18 – 36 months under the provision of COBRA when group medical, dental and vision coverage for you and your dependents would otherwise end because:

- Your employment terminated, for a reason other than gross misconduct (18 months.)
- Your employment status changes due to a reduction in hours (18 months)
- Your child ceases to be a "dependent child' under the terms of the medical, dental and vision plan (36 months)
- You become divorced or legally separated (36 months)
- You become entitled to Medicare (36 months)
- Your death (36 months)

In the event of death, divorce, legal separation, or a child's loss of dependent status, you or a family member must notify Human Resources within 60 days of the occurrence of the event.

Under COBRA, the employee or beneficiary pays the full cost of coverage at MGS's group rates plus an administration fee. MGS provides each eligible employee with a written notice describing rights granted under COBRA when the employee becomes eligible for coverage under MGS health insurance plan. The notice contains important information about the employee's rights and obligations.

Because the law may change and our health insurance benefits change periodically, the COBRA benefits described above may change. The plan administrator will notify the individuals eligible for continuation coverage of their right to elect COBRA continuation coverage and plan details.