

Furniture and Industrial Carpenters Frequently Asked Questions

1. What is COBRA?

COBRA is a law that requires employers to let employees and their dependents keep their group health coverage for a time after their coverage terminates. This is called continuation coverage. A member has COBRA rights if he loses his job or his work hours are reduced. A dependent has COBRA rights for a member's loss of coverage, divorce, death or loss of dependent status. Below is a chart which explains the different COBRA qualifying events and the maximum amount of months a qualified beneficiary would be entitled to receive COBRA benefits.

Maximum Period	Qualifying Event
18 Months	Termination of Employment, Reduction in Hours, or Retirement
29 Months	Total and Permanent Disability, as determined under the Social Security Act
36 Months (Dependents only)	Divorce or Legal Separation, Death of Employee, Child Ceases to be Dependent (i.e., Over-Age), or Employee Becomes Entitled to Medicare

2. How do I elect COBRA when I lose coverage?

When your health care coverage terminates, the Benefit Office will automatically send you a packet with all of the COBRA application/s and information that you will need to elect COBRA coverage.

3. When should I expect to receive a COBRA packet?

This Plan has a "forecasted" eligibility month which means if you had coverage the prior month, your coverage will be extended for the current month even though contributions haven't been submitted by your employer yet. If contributions aren't received on your behalf by the end of the month, your coverage will terminate retro to the 1st of the month.

For Example: If contributions are received for June, then you would automatically be covered for July and August (June contributions = July coverage & August is the "forecasted" month). If July contributions aren't received on your behalf, coverage would terminate retro to July 1st. COBRA information would be sent out at the end of July.

If you get laid-off or terminated from your job and would like your COBRA information sent out earlier, your employer will need to mail or fax in a letter to the Benefit Office stating the last day of your employment and when your health care coverage should terminate. This will allow us to terminate your "forecasted" coverage and generate your COBRA packet.

4. How long do I have to elect COBRA after my coverage is terminated?

- You must elect COBRA by submitting the COBRA Continuation Election Form within **60** days of the date of your COBRA notice.

5. When do I have to make my first COBRA payment?

- Your initial payment must be made within 45 days of your election date. Your election date is the date you mail your COBRA application (post mark date).

6. After making my initial first payment, when are my monthly payments due?

- Payments are due on the last day of the current eligibility month.

(Ex: August eligibility is due by August 31st)

7. Can I choose what months I want coverage and pay for those months only?

- No, you must pay consecutive months from the time you lost coverage. Even if you choose to make your first payment 45 days after your COBRA election date, you are still required to pay retro to your loss of coverage date.

8. Will my health care coverage change while paying COBRA?

- You will still have the same coverage that you had while you were working, but you will be given the choice to choose between FULL COBRA coverage and CORE COBRA coverage:

FULL Coverage = Medical, Dental, Vision & Prescriptions

CORE Coverage = Medical and Prescriptions Only

9. Can my spouse or I have COBRA coverage if we are eligible for Medicare?

- If you or your dependent were covered under Medicare while you were still working as an active employee, then you may elect COBRA and have coverage under both COBRA and Medicare. However, if you elect COBRA coverage and then become entitled to Medicare (enroll in Medicare), the COBRA coverage must be terminated.

- If you or your dependent only has Medicare Part A on the date of the COBRA qualifying event, you can enroll in Medicare Part B during a Special Enrollment Period without having to pay a Part B premium penalty. If you wait until your COBRA coverage ends to enroll in Medicare Part B, you will have to pay a Part B premium penalty. You do not get a Part B special enrollment period when COBRA coverage ends.

10. Who pays first, Medicare or COBRA continuation coverage?

- If you or your dependent are age 65 or over and have COBRA continuation coverage, Medicare is the primary payer. If you have Medicare based on a disability and COBRA continuation coverage, Medicare is the primary payer. However, if you have Medicare based on ESRD, COBRA continuation coverage is the primary payer for a 30-month period and Medicare is the secondary payer.