



Steubenville Electrical Welfare Fund
PO Box 364
Troy, MI 48099
(330) 779-8889
www.ibew246benefits.org

Retiree Option for COBRA Coverage

When you retire, we must by Law offer you COBRA whether or not you qualify to participate in the Retiree Health Care Program. Retirement is considered to be a termination of employment. As an active employee, your coverage is paid by your employer, but as a retiree you pay for your coverage. This is considered a loss of coverage. The combination of termination of employment and loss of coverage makes retirement a "qualifying event".

If you do not qualify to participate in the Retiree Health Care Program, electing COBRA will allow you to continue your coverage for up to 18 months while you seek other long-term health care coverage.

If you do qualify to participate in the Retiree Health Care Program, you are offered a choice between electing COBRA for up to 18 months or participating in the Retiree Program. The reason you must be offered the choice is, the cost of the retiree health care coverage is your responsibility and comes out of your pocket. The coverage you had as an Active employee was paid by your employer. This is considered to be a loss of group health coverage because the coverage is no longer provided under the same terms and conditions as it was prior to retirement. In addition, COBRA allows the retiree 60 days to elect coverage and an additional 45 days from the election date before the first payment must be made. Once a COBRA election is made, payments are due the 1st day of the month of coverage, but there is also a 30-day grace period. Retiree self- payments are due by the 5th day of the month prior to coverage and there is no grace period.

*If you are eligible for retiree coverage and you elect COBRA instead, you will not be permitted to enroll in the retiree program at a later date.

If you are interested in electing Cobra, please contact the Benefits Office at the phone number listed above.

Sincerely,

Steubenville Electrical Welfare Fund