



COBRA Kansas



Comparison of Federal and Kansas Continuation Laws

	FEDERAL (COBRA)	KANSAS
Covered Employers and Health Plans	Group health plans maintained by private-sector, state and local government employers with 20 or more employees . However, group health plans maintained by the federal government or by churches are exempt from COBRA.	Insured group health plans that provide hospital, surgical or major medical benefits must provide continuation coverage to employees and dependents. The state continuation coverage requirements apply to group policies that are subject to federal COBRA, but only to the extent that the state law is more generous to individuals than federal COBRA. Self-insured ERISA plans are not subject to state continuation coverage requirements. Non-ERISA plans that are self-insured should consult their plan's terms.
Qualified Beneficiaries	An employee, spouse or dependent child covered by a group health plan on the day before a qualifying event. In addition, any child born to or placed for adoption with a covered employee during the period of COBRA coverage is considered a qualified beneficiary.	Employees and dependents covered by the group health plan. To be eligible for continuation coverage, the individual must have been enrolled in the health plan continuously for at least three months immediately prior to termination.

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Qualifying Events	<p>Events that trigger an obligation to offer COBRA coverage include:</p> <ul style="list-style-type: none"> • Termination of employment for reasons other than gross misconduct (all qualified beneficiaries); • Reduction in the number of hours of employment (all qualified beneficiaries); • Covered employee's becoming entitled to Medicare (spouse and dependent children); • Divorce or legal separation of the covered employee (spouse and dependent children); • Death of the covered employee (spouse and dependent children); and • Loss of dependent child status under the plan (dependent children). 	<p>Termination of coverage for any reason other than nonpayment of premium or cause (as permitted under the terms of the policy), including discontinuance of the group policy in its entirety.</p>
Maximum Continuation Period	<p>The maximum duration of COBRA coverage depends on the type of qualifying event, as follows:</p> <p>18 months - Employment termination or reduction in hours of work</p> <p>29 months - The Social Security Administration (SSA) determines the qualified beneficiary is disabled during the first 60 days of COBRA coverage. This 11-month extension applies to the qualified beneficiary with the disability and all of the qualified beneficiaries in the family.</p> <p>36 months - Divorce or legal separation, employee's death, entitlement to Medicare or loss of dependent child status</p> <p>36 months - After a qualifying event that is an employment termination or a reduction in hours of work, a second qualifying event occurs that is the death of the employee, the divorce or legal</p>	<p>18 months</p>

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	separation of the covered employee and spouse, Medicare entitlement (in certain circumstances) or loss of dependent child status under the plan.	
Early Termination of Coverage	<p>Coverage begins on the date that coverage would otherwise have been lost by reason of a qualifying event and will end at the end of the maximum period. It may end earlier if:</p> <ul style="list-style-type: none"> • Premiums are not paid on a timely basis; • The employer ceases to maintain any group health plan; • After the COBRA election, coverage is obtained with another employer group health plan (including any group health plan of a governmental employer); or • After the COBRA election, a beneficiary becomes entitled to Medicare benefits. 	<p>Coverage begins on the date that coverage would otherwise have been lost by reason of a qualifying event and will terminate at the end of the maximum period. It may end earlier if:</p> <ul style="list-style-type: none"> • Premiums are not paid on a timely basis; • The individual becomes covered by (or eligible for) another group health plan with similar benefits; • The individual becomes covered by (or eligible for) Medicare; or • The discontinued policy is replaced with similar coverage within 31 days.
Notice Requirements	<p>Health plan administrators must provide an initial general notice when group health coverage begins. When a qualifying event occurs, health plan administrators must provide an election notice regarding rights to COBRA continuation benefits to each qualifying beneficiary who loses plan coverage in connection with the qualifying event.</p> <p>Qualified beneficiaries must respond to this notice and elect COBRA coverage by the 60th day after the written notice is sent or the day health care coverage would end, whichever is later.</p> <p>Additional COBRA notice requirements apply under federal law.</p>	<p>The employer must give the employee and the employee’s covered dependents reasonable notice of the right to continuation coverage.</p> <p>Individuals must apply for continuation coverage and pay their first premium within 31 days of the coverage loss.</p>
Premium Rules	<p>The maximum amount charged to qualified beneficiaries cannot exceed 102 percent of the plan’s total cost of coverage for similarly situated individuals. For qualified beneficiaries receiving the 11-month disability</p>	<p>The premium for continuation coverage must be the same as that applicable to employees remaining in the group.</p>

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	<p>extension, the premium for those additional months may be increased to 150 percent of the plan's total cost of coverage.</p> <p>Plans must provide at least 45 days after the election for making an initial premium payment. The plan sponsor may establish due dates for later payments, but it must provide a minimum 30-day grace period for each payment.</p>	
Applicable Statutes	IRC § 4980B, ERISA §601 <i>et seq.</i> , 29 CFR §§ 2590.606-1 through 2590.606-4.	K.S.A. 40-2209
Government Agency Contact	Departments of Labor and Treasury (private sector plans) and Department of Health and Human Services (public sector plans). More information on COBRA coverage is available from the Department of Labor .	Kansas Department of Insurance