

**NetCare Life & Health Insurance Co
COBRA ENROLLMENT FORM**

The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) requires your employer to provide you and/or your enrolled Spouse/Dependents with the opportunity to elect health care continuation coverage under the employer's group health plan. If you would like to elect continuation coverage, please complete and sign this form and return it to the Plan Administrator as soon as possible. If you do not return this election form within 60 days of the date of your qualifying event, you will lose your right to elect coverage. If you do return this form, within 45 days of your election, you must pay a premium for the period from the date your coverage would otherwise terminate to the date of this election, in addition to any future monthly premium that becomes due during the 45-day period. If you fail to pay this premium, as well as any other monthly premium upon the due date, your coverage will terminate.

A. EMPLOYEE INFORMATION

Employee Name: _____ Social Security No.: _____ Date of Birth: _____

Mailing Address: _____

B. COBRA QUALIFYING EVENT

- 18 months
 - Termination of your employment (for reasons other than gross misconduct)
 - Reduction in hours that resulted in loss of benefits
- 36 months
 - Death of Employee
 - Divorce or legal separation from employee
 - Loss of a dependent child status
 - Retirement
 - Employee or spouse entitlement to Medicare

C. DATE OF ELECTION _____

The election date is the day a positive election is made within the 60-day election period.

D. QUALIFIED BENEFICIARIES TO BE ENROLLED

Qualified beneficiaries are defined as the employee, employee spouse or dependent children who were covered on the day before the qualifying event.

	Gender	Beneficiary Name	SSN	Date of Birth	Are you disabled under the Social Security Act?		Does your over age child have a Disability?		What coverage do you want to elect?		
					<input type="checkbox"/> Yes*	<input type="checkbox"/> No	<input type="checkbox"/> Yes*	<input type="checkbox"/> No	MED	DEN	VIS
Employee					<input type="checkbox"/> Yes*	<input type="checkbox"/> No					
Spouse					<input type="checkbox"/> Yes*	<input type="checkbox"/> No					
Child							<input type="checkbox"/> Yes*	<input type="checkbox"/> No			
Child							<input type="checkbox"/> Yes*	<input type="checkbox"/> No			

*If you answered 'yes' to disability, additional information is needed.

E. MONTHLY RATES

	<u>Medical</u>	<u>Dental</u>	<u>Vision</u>	<u>Total</u>
Single Coverage	- <input type="checkbox"/> \$ _____	<input type="checkbox"/> \$ _____	<input type="checkbox"/> \$ _____	= \$ _____
2Party Coverage	- <input type="checkbox"/> \$ _____	<input type="checkbox"/> \$ _____	<input type="checkbox"/> \$ _____	= \$ _____
Family Coverage	- <input type="checkbox"/> \$ _____	<input type="checkbox"/> \$ _____	<input type="checkbox"/> \$ _____	= \$ _____

NetCare charges 2% administrative fee. Premium amounts may change during your group's renewal period.

F. COMPLETE AND SIGN TO ACKNOWLEDGE YOU HAVE READ AND UNDERSTAND YOUR RIGHTS TO ELECT CONTINUATION COVERAGE UNDER COBRA.

Signature

Date

Received by Plan Administrator

Date

NetCare Life & Health Insurance Co

COBRA Policy & Procedures

INTRODUCTION

The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) requires that taxable and non-taxable employers with 20 or more employees must provide continuation coverage to qualified employees and dependents.

ELIGIBILITY

The qualifying event must occur after the Employer implements the COBRA program. COBRA continuation coverage must be offered if the qualified beneficiary (covered employee and covered dependents) would otherwise lose coverage due to a qualifying event. The following qualifying events are:

- 1) Termination (other than by reason of the employee's gross misconduct);
- 2) Reduction of hours;
- 3) Death of the covered employee;
- 4) Divorce or legal separation of the covered employee;
- 5) A dependent child who is no longer eligible as defined under the plan.

PERIOD OF CONTINUATION COVERAGE

COBRA continuation coverage must extend for a least the period beginning on the day of the qualifying event and ending not earlier than the earliest of the following:

Maximum Period

- 18 Months - Loss of coverage due to end of employment or reduction of hours.

The 1989 amendments provide that the 18-months of COBRA continuation coverage will be extended to 29-months if the qualified beneficiary is disabled for Social Security purposes (Title II or Title XVI) at some time on or before the 60th day of COBRA coverage.

- 36 Months - Loss of coverage due to an employee's death, divorce or legal separation, employee becoming entitled to Medicare benefits or a dependent child ceasing to be a dependent under the terms of the plan.

ELECTION

- COBRA continuation coverage is not automatic. Continuation coverage must be elected by the qualified beneficiary. The election period begins from the later of the qualifying date or the date the COBRA election notice is provided to you. The election period is 60-days in duration. If the COBRA election is not made within 60-days of the qualifying event, you and/or your dependents will lose the right to continuation coverage.
- To elect COBRA continuation coverage, qualified beneficiaries must complete the NetCare COBRA Enrollment Form and submit to NetCare's office. Qualified beneficiaries are defined as the employee, employee spouse or dependent children who were covered on the day before the qualifying event. Non-qualified beneficiaries are not eligible for COBRA continuation coverage.
- COBRA coverage must be the same as coverage and plan provided at the time of the qualifying event.
- If a negative election is made, and a qualified beneficiary 'changes his/her mind' within the 60-day election period and decides to elect coverage, COBRA coverage begins on the date of the positive election. COBRA coverage is not provided retroactively to the date of the employee termination.
- If coverage is terminated for any reason, a qualified beneficiary may not re-enroll.

TERMINATION OF COVERAGE BEFORE THE MAXIMUM COVERAGE PERIOD

- End of Plan - The date on which the employer ceases to provide any group health plan to any employee;
- Payment - Failure to make full or timely payments;
- Other Coverage - The date on which the qualified beneficiary is, after the date of the election, covered under any other group health plan (as an employee or otherwise) which does not contain any exclusion or limitation with respect to any preexisting condition of such beneficiary; or
- Medicare Entitlement - The date on which the qualified beneficiary is entitled to benefits under Medicare.

PAYMENT REQUIREMENTS

- Qualified beneficiaries are required to pay the full cost of the applicable premium (plus up to 2% administrative fee) no later than 45 days after the date of your election in addition to any future monthly premium that becomes during the 45-day period.
- Monthly premium payments are prepaid and are due on the 20th day of the prior month of coverage.
- COBRA continuation coverage will cease if payment is not made by the 1st day of the covered month.
- Unpaid premium payments will cease adjudication of claims until premium payments are current.
- NetCare does not issue monthly COBRA billings, payment reminders or termination notices.
- Coverage will be terminated due to non-payment of premiums without notice.