



Understanding Special COBRA Considerations

Thank you for joining us.





Today we will cover:



Medical FSA through COBRA



Medicare and COBRA




State Continuation vs. COBRA



Social Security Disability
Extension (SSDE)

Cafeteria plans and COBRA

	Provides Medical Coverage	Sponsored By an Employer	COBRA Eligible
Medical Flexible Spending Account (FSA)	X	X	X
Health Reimbursement Arrangement (HRA)	X	X	X
Health Savings Account (HSA)	X		
Commuter Benefits		X	
Dependent Care FSA		X	
Qualified Education Assistance Program		X	

FSA Through COBRA



underspent: (v) when a member contributed more to the plan than he or she used at the time of the COBRA qualifying event.



DOLLARS IN
(CONTRIBUTIONS)



DOLLARS OUT
(PAID CLAIMS)

How to determine if an FSA is underspent:



Positive balance =
COBRA eligible

Negative balance =
not COBRA eligible

MEET SARAH

\$900



Dollars in

– \$200



Dollars out

\$700



COBRA eligible





MEET TAYLOR

\$1,500



Dollars in

– \$1,700



Dollars out

Not COBRA eligible → **-\$200**

MEET JESSE

October 1

\$750



- \$500



\$250



October 7

\$250



- \$300



-\$50

MEET MIKE

$$\text{💰 } \$1,800 - \text{💵 } \$500 = \text{💰 } \$1,300$$

Plan Start

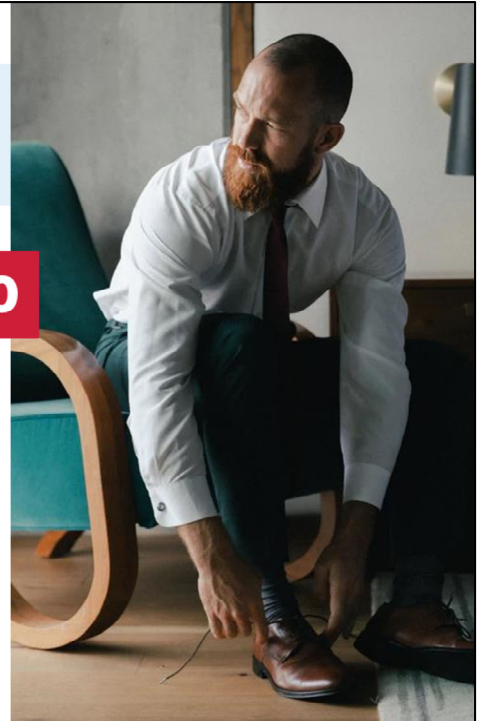
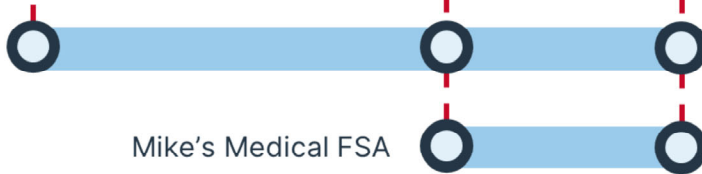
Jan 1

Qualifying Event Date

Oct 15

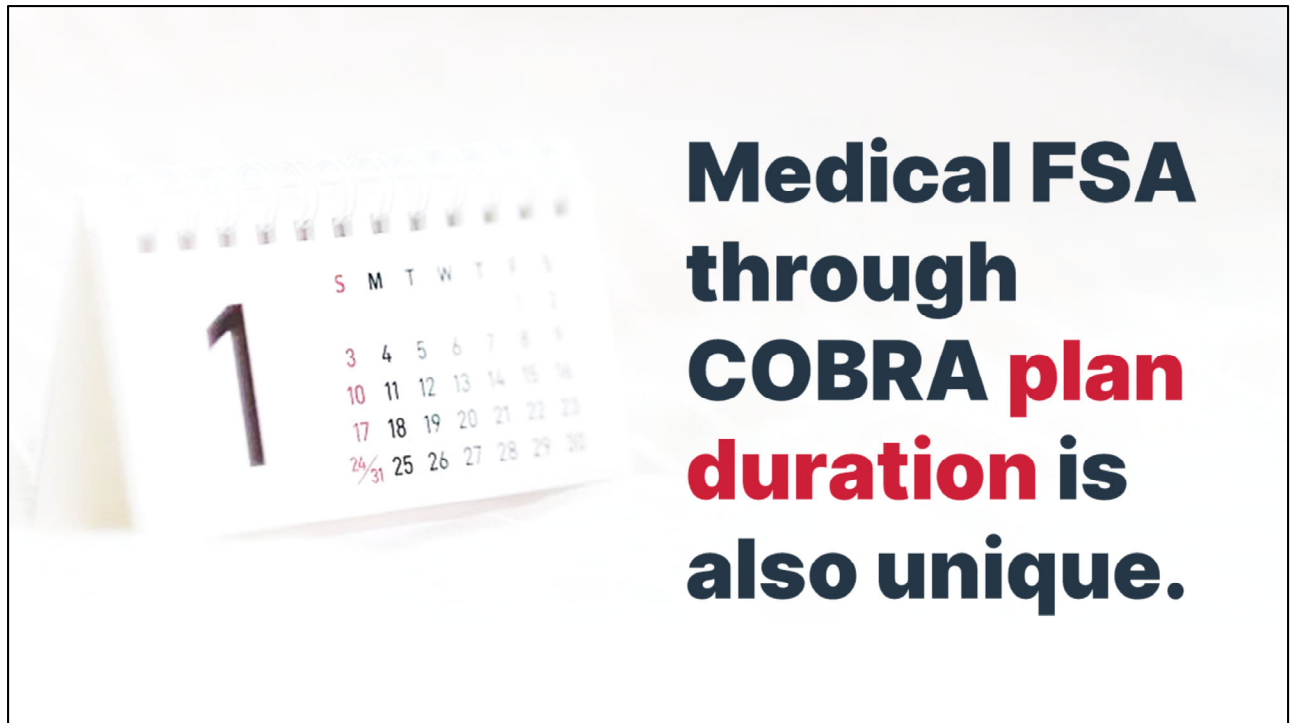
Plan End

Dec 31



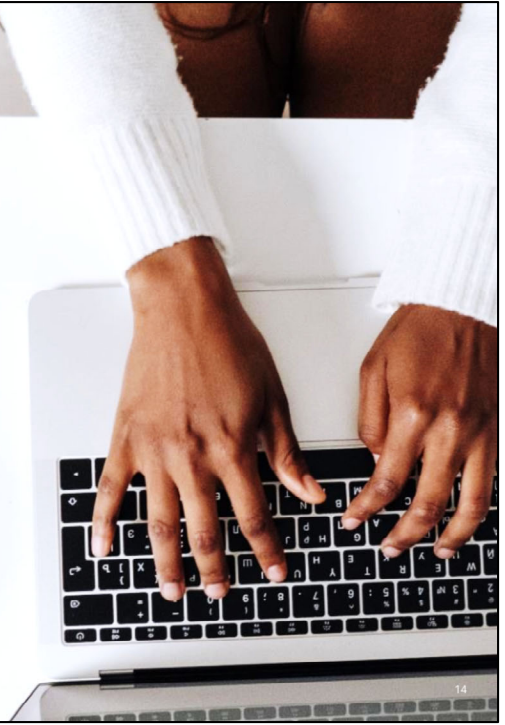
**A medical FSA
through
COBRA is **no
longer** tax
advantaged.**





**Medical FSA
through
COBRA plan
duration is
also unique.**

Grace periods and Carryovers

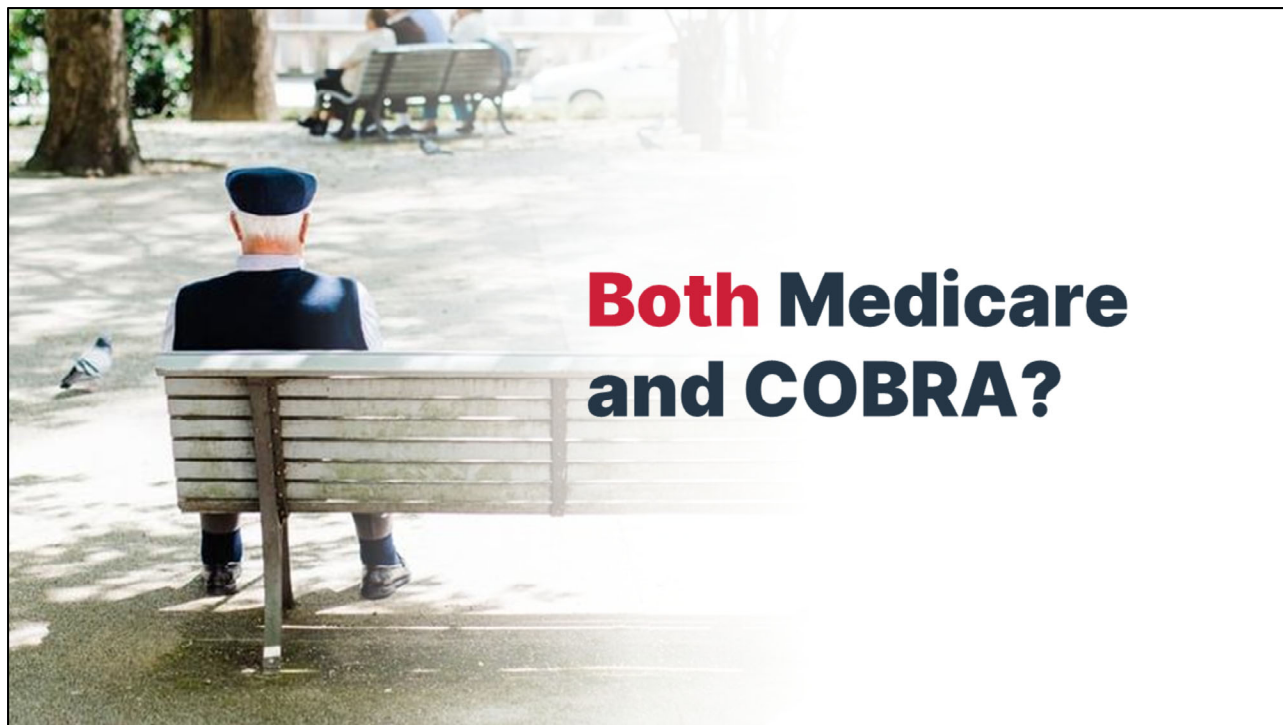


Communication
is key.





Medicare and COBRA





Can Ben have dual coverage?

Medicare Eligible	02/01/2023
Medicare Entitled	02/01/2023
Qualifying Event	02/01/2024
Enrolled in COBRA	03/01/2024
Eligible for Dual Coverage	✓

Can Amy have dual coverage?

Medicare Eligible	04/01/2023
Medicare Entitled	05/01/2023
Qualifying Event	04/10/2024
Enrolled in COBRA	06/01/2024
Eligible for Dual Coverage	✓



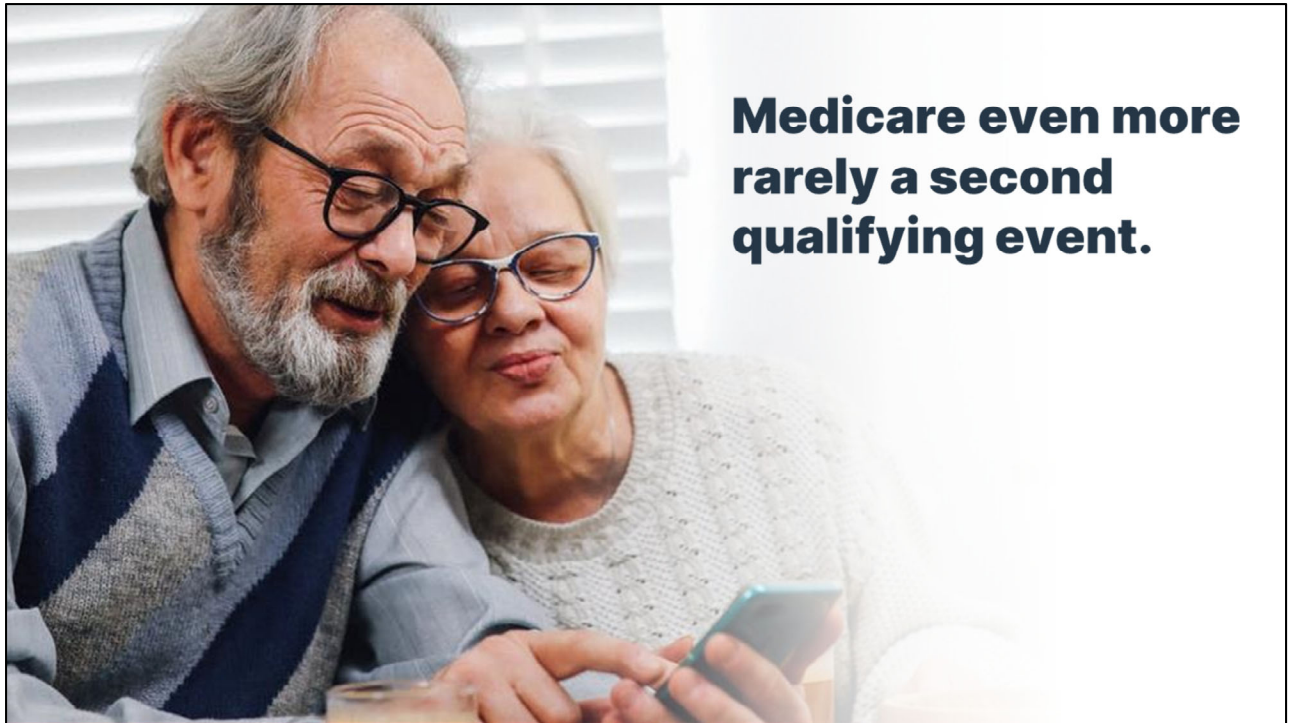


Can Daryl have dual coverage?

Medicare Eligible	02/01/2023
Medicare Entitled	02/01/2023
Qualifying Event	02/01/2024
Enrolled in COBRA	03/01/2024
Eligible for Dual Coverage	

**Medicare is rarely
a qualifying
event.**



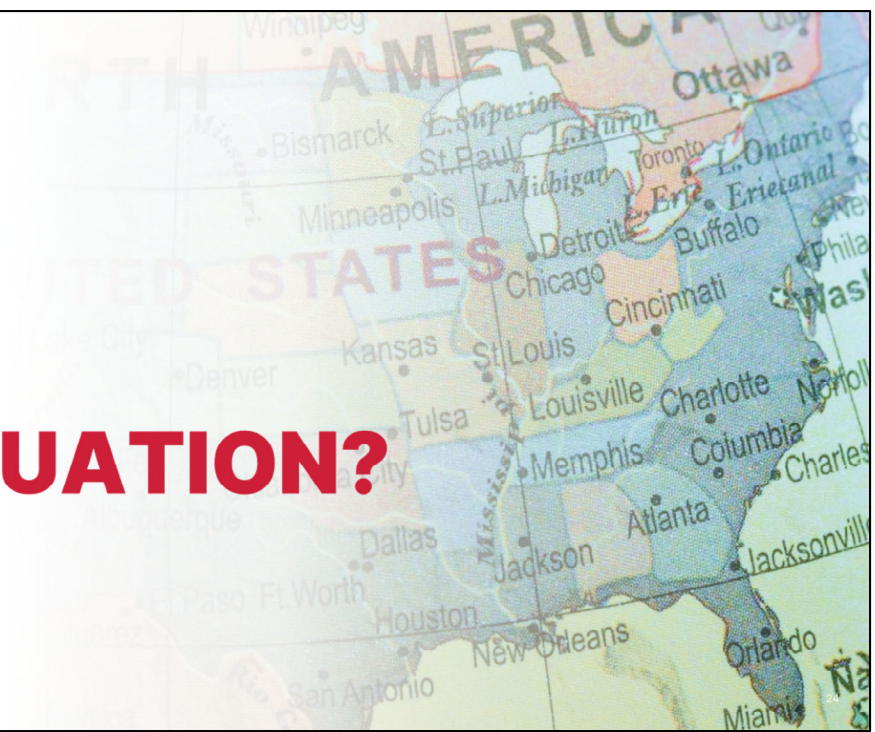


**Medicare even more
rarely a second
qualifying event.**

**Medicare before
a qualifying
event can affect
COBRA.**



What is STATE CONTINUATION?





Cal-COBRA

What is Cal-COBRA?



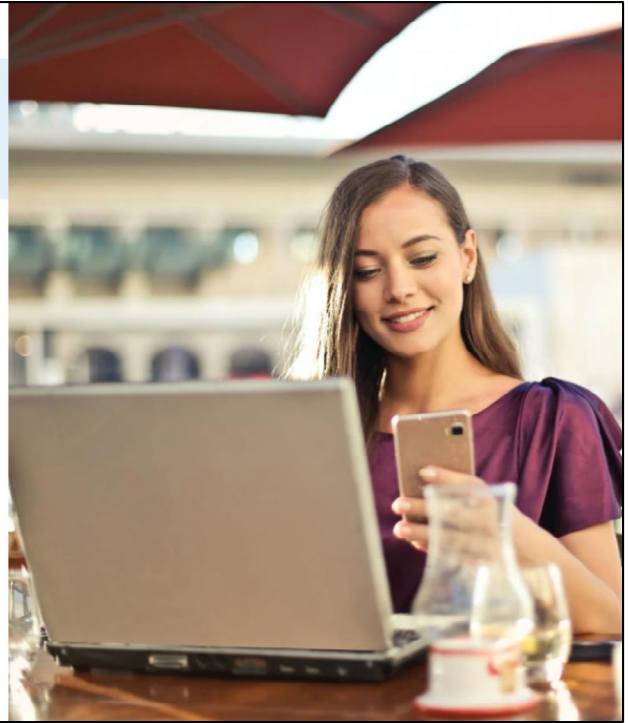


MEET ROGER

Recently quit his job at a California garage where he was one of 10 employees.

MEET JAIME

A California resident who just quit her job managing a local restaurant chain that employs several hundred people across the state.



Does
Cal-COBRA
apply to you?

Other States:



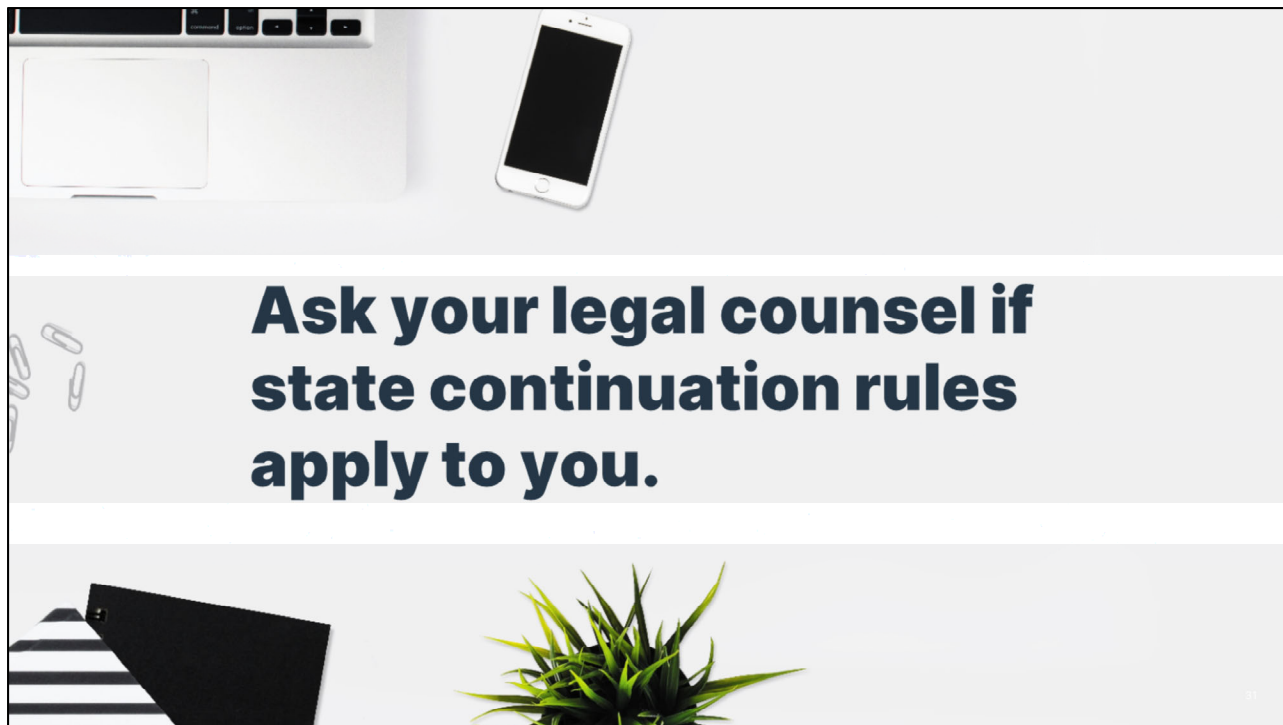
Minnesota



New York



Georgia



**Ask your legal counsel if
state continuation rules
apply to you.**

Social Security Disability Extension (SSDE)





Extension Criteria

1

Original qualifying event must be termination of employment or reduction of hours.

2

The QB must provide notification of disability within 60 days of the following:

- Notice of Award date
- Qualifying Event date
- First day of COBRA
- Specific Rights Notice date

3

QB must provide notification before the end of the original 18-month COBRA continuation period.

SSDE applies to:



Medical



Dental



Vision

MEET MELISSA

Received Notice of Award several years ago.

Goes down to part-time and cannot continue group health plan.

Offered COBRA (18 months).

Qualifies for SSDE extension (11 months).





MEET EMBER

Enrolled in COBRA last month.

Diagnosed with a degenerative eye condition (30 days into COBRA coverage).

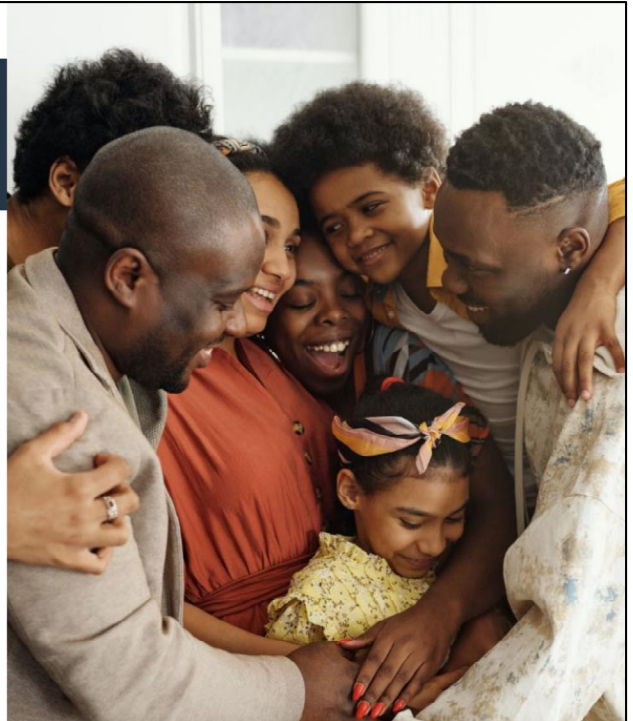
Receives her Notice of Award letter (90 days into COBRA coverage).

Does she qualify for the extension?

Type your answer in chat.

SSDE is for the whole family.

Even if the disabled QB never elected COBRA or chooses to terminate coverage early, **all other QBs** who remain eligible for coverage **still qualify** for the extension.





MEET DOUG

Quit job and enrolled in COBRA coverage.

Disabled in a car accident six months into COBRA coverage.

Receives Notice of Award from the SSA.

Does he qualify for the extension?

Type your answer in chat.

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