



Mini-COBRA Policy Sample

ARIZONA

Mini-COBRA Continuation of Coverage Policy

Below are sample continuation of benefits policies for employers in Arizona. This sample policies are written in accordance with the Arizona amendment to the Arizona minimum wage rules, to require all employers (regardless of size) to provide continuation of benefits to eligible employees effective January 1, 2019.

Continuation of Coverage Policy

[Company Name's] complies with applicable laws regarding continuation coverage under federal COBRA and Arizona's mini-COBRA law. [Company Name's] applicable benefits plans when an employee or a spouse, or dependent child of an employee experiences a "qualifying event," including separation from employment, an extended leave of absence or a reduction in work hours, such that the employee is no longer eligible to participate in [Company Name]'s applicable benefits plans.

Eligibility

Employees and their eligible family members (spouses and dependent children) who are covered by [Company Name's] applicable benefits plans at the time of a "qualifying event" are eligible to elect COBRA continuation coverage unless the individual:

1. Becomes covered under another group benefits plan.
2. Becomes eligible for federal COBRA continuation coverage.
3. Becomes eligible for Medicare or Medicaid.
4. Fails to notify the health plan administrator of a qualifying event in the required time (usually within 60 days).
5. Fails to pay his or her premium on a timely basis.

COBRA continuation coverage may be available for up to 18 months following a qualifying event (29 months in the case of disability; 36 months if there is a second qualifying event).

There may be additional conditions that affect continuation coverage eligibility. Covered employees should contact [Human Resources/Other Job Title] and review the applicable plan documents for more information.

"Qualifying events" are events that cause covered employees or their spouses, domestic partners, or dependent children to lose coverage, and include the following:

1. Termination of employment (other than for gross misconduct or reduction of hours required to qualify for health benefits under the employer's health benefits plan);
2. Divorce or legal separation from an enrollee

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3. Death of an enrollee
4. The enrollee becoming eligible for Medicare.
5. A dependent child ceasing to be eligible as a dependent child
6. Bankruptcy (in certain circumstances).

Procedures

If a covered employee's job ends or his or her hours are reduced, the employee will be timely provided with the appropriate notice that explains his or her right to continuation coverage.

If a covered employee is divorced or legally separated, or a covered dependent child can no longer be considered a dependent, the employee should notify Human Resources at [Human Resources, Name, contact information] and the Plan administrator within 60 days.

Employees who have questions regarding continuation coverage under COBRA should contact [Human Resources, Name, contact information]