

# **The Consolidated Omnibus Budget Reconciliation Act**

## **Frequently Asked Questions**

The Consolidated Omnibus Budget Reconciliation Act of 1985, or COBRA, allows you to continue group medical insurance, dental and prescription drug coverage on an individual basis when you or your dependents become ineligible for Montgomery College benefits. You can also continue your health care Reimbursement spending accounts on a post tax basis.

### ***How long can I continue benefits?***

Generally, medical, dental and prescription drug coverage may be extended up to 18 months for employees. Dependents who lose coverage because of loss of eligibility status may continue coverage for 36 months. If you participate in a Health Care Flexible Spending Account, you can continue the account by making after-tax payments to the college for up to 18 months.

### ***When would you need COBRA?***

You and your dependents may need COBRA coverage should you experience the following status changes:

1. Your employment is terminated;
2. You receive a reduction of appointment, or
3. You transfer to a position which is not eligible for benefits.

Your dependents might need COBRA continuation in the event of your death, divorce or when a child no longer qualifies as a covered dependent (marriage, becoming too old for dependent coverage, reaching independent status, etc.).

### ***How will I be notified about COBRA coverage?***

When you lose eligibility based on your employment status changes, COBRA benefits will be explained during your exit interview. If you do not receive your COBRA information within a reasonable length of time (no longer than 14 days), you should call the Office of Human Resources and Strategic Talent Management immediately at (240) 567-5353. You have only 60 days following your status change to apply for COBRA coverage.

### ***How will a dependent be notified?***

If your dependents lose coverage due to your death, divorce or ineligibility, the Benefits Office will not know of these changes, and therefore, will not automatically mail out COBRA information. You or your designate must notify the Benefits Office within 30 days of the changes so that your dependents will qualify for COBRA coverage.

### ***Where will the COBRA notification be sent?***

Make sure your home address is current with Office of Human Resources and Strategic Talent Management. COBRA information will be sent to your last known home address.