

STATE CONTINUATION OF COVERAGE UNDER KENTUCKY LAW

What rights to continuation of coverage are provided by Kentucky law?

As a safeguard for Kentuckians whose fully-insured health insurance plans do not fall under The Consolidated Omnibus Reconciliation Act of 1986 (COBRA) protection, the state enacted legislation that provides a similar opportunity for continuation of group coverage. You may be eligible under the provisions of this law if your employer has fewer than 20 employees and your group has a fully-insured plan. Your employer can let you know if your group's plan is self-funded or fully-insured.

How long would my continued coverage be in effect?

If you qualify for state continuation, you and your dependents can extend your group health insurance for 18 months after the date on which the coverage would have ended because you were no longer a group member. After the 18-month period for continuation ends, you have a right to convert to individual coverage that provides benefits substantially similar to your group plan.

What are the conditions for state continuation of coverage?

You and any dependents who are insured under your group policy have the right to continuation of coverage if you meet certain conditions.

- First, you as the group member must have been covered by the group policy or any group policy it replaced for at least three months.
- Second, you must notify the insurer and pay the premium, including the employer's portion, at the group rate within 31 days after you receive a notice of your right to continue coverage.

Who notifies the insurance company that I am leaving the group, and who tells me about my eligibility?

The employer usually lets the insurance company know you are leaving the group, but you should make certain that your employer has properly reported your status change. The insurer then is required to give you written notice of your right to elect continuation of coverage. The insurance company is considered to have given the required notification when a notice is mailed or delivered to your last known address. It is your responsibility to be sure that the insurance company has your correct address, and you must notify the insurer in writing that you are choosing continuation benefits. An insurance company is not required to provide continuation benefits if you do not elect coverage and pay the required premium within 90 days after termination of your group coverage. If you do not receive your notification, be sure to contact the insurance company well before the 90-day period has expired.

STATE CONTINUATION OF COVERAGE UNDER KENTUCKY LAW

Who do I pay for my continued coverage?

Premium payments will be made directly to the insurance company. If you fail to make timely premium payments, your coverage terminates at the end of the last period for which the premium was paid.

What happens if my former employer changes insurance companies?

If the group through which you have continuation coverage changes to another insurer, you will remain with your original insurance company rather than switch to a new company along with the group.

How is my coverage affected if the health insurance plan is terminated for the entire group?

If the group policy is terminated and is not replaced with another group policy within 31 days, the insurance company will end your continued group health coverage in the same way that it ends coverage for active employees. However, you then will have a right to convert to individual coverage.

Who, in addition to the group member, is eligible for state continuation?

The right to extend group health insurance coverage is also available to certain dependents of the group member.

- A surviving spouse and children whose coverage under the group policy would end at the death of the group member are eligible under the state law.
- A child who has been covered as a dependent under the plan has a right to continuation coverage upon reaching the plan's age limit for dependent status.
- A former spouse and the children in his or her custody are eligible for continuation benefits when their status as dependents of the group member ends. This status change would result from a court order dissolving the marriage.

Are there exceptions to this eligibility?

The following are situations in which continuation of your group health benefits need not be granted:

- If you are or could be covered by Medicare.
- If you are or could be covered by other group coverage.

STATE CONTINUATION OF COVERAGE UNDER KENTUCKY LAW

For more information or assistance, please contact:

Kentucky Health Insurance Advocate's Office

877-587-7222 (Toll free in Kentucky)

502-564-6034 (Local and out of state)

DOI.CAPOmbudsman@ky.gov

<http://healthinsurancehelp.ky.gov>

P.O. Box 517, 215 West Main Street

Frankfort, Kentucky 40602