

INITIAL COBRA NOTIFICATION LETTER

[Use Letterhead]

[DATE]

[First name][Last name] and dependents
[Address]
[City], [State] [Zip]

Dear First name][Last name]:

You are receiving this notice because you have recently become covered under a group health plan provided by Sacramento City Unified School District. This notice contains important information about your right to COBRA continuation coverage, which is a temporary extension of coverage under the Plan. This notice generally explains COBRA continuation coverage, when it may become available to you and your family, and what you need to do to protect the right to receive it.

The right to COBRA continuation coverage was created by a federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). COBRA continuation coverage can become available to you when you would otherwise lose your group health coverage. It can also become available to other members of your family who are covered under the Plan when they would otherwise lose their group health coverage. For additional information about your rights and obligations under the Plan and under federal law, you should review the Plan's Summary Plan Description (SPD) or contact Sacramento City Unified School District.

What is COBRA Continuation Coverage?

COBRA continuation coverage is a continuation of Plan coverage when coverage would otherwise end because of a life event known as a "qualifying event." Specific qualifying events are listed later in this notice. After a qualifying event, COBRA continuation coverage must be offered to each person who is a "qualified beneficiary." You, your spouse/domestic partner, and your dependent children could become qualified beneficiaries if coverage under the Plan is lost because of the qualifying event. Under the Plan qualified beneficiaries who elect COBRA continuation coverage must pay for COBRA continuation coverage.

If you are an employee, you will become a qualified beneficiary if you lose your coverage under the Plan because either one of the following events happens:

Your hours of employment are reduced, or
Your employment ends for any reason other than your gross misconduct.

If you are the spouse/domestic partner of an employee, you will become a qualified beneficiary if you lose your coverage under the Plan because any of the following qualifying events happens:

Your spouse/domestic partner dies;
Your spouse's/domestic partner hours of employment are reduced;

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Your spouse's/domestic partner employment ends for any reason other than his or her gross misconduct;

Your spouse/domestic partner becomes entitled to Medicare benefits (under Part A, Part B, or both); or

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Keep Your Plan Informed of Address Changes

In order to protect your family's rights, you should keep the District informed of any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to:

Sacramento City Unified School District
Employee Benefits Office
P.O. Box 246870
Sacramento, CA 95824
(916) 643-9432