

PLEASE RETAIN THIS SECTION FOR YOUR RECORDS

HAPPY VALLEY ELEMENTARY SCHOOL DISTRICT 16300  
Cloverdale Rd.  
Anderson, CA 96007  
(530) 357-2134

## NOTICE OF RIGHT TO CONTINUE HEALTH COVERAGE UNDER COBRA

### \*VERY IMPORTANT NOTICE\*

On April 7, 1986, a new Federal law was enacted (Public Law 99-272, Title X) requiring that most employers sponsoring group health plans offer employees and their families the opportunity for a temporary extension of health coverage (called "continuation coverage") at group rates in certain instances where coverage under the Plan would otherwise end. This notice is intended to inform you, in a summary fashion, of your rights and obligations under the continuation coverage provisions of the new law. (Both you and your spouse should take the time to read this notice carefully).

If you are an employee of Happy Valley Elementary School District covered by Blue Cross and/or Delta Dental Service and/or Vision Service Plan, you have a right to choose this continuation coverage if you lose your group health coverage because of a reduction in your hours of employment or the termination of your employment (for reasons other than gross misconduct on your part).

If you are the spouse of an employee covered by the Blue Cross and/or Delta Dental Service and/or Vision Service Plan, you have the right to choose continuation coverage for yourself if you lose group health coverage under Blue Cross and/or Delta Dental Service and/or Vision Service Plan for any of the following reasons:

- (1) The death of your spouse;
- (2) A termination of your spouse's employment (for reasons other than gross misconduct) or reduction in your spouse's hours of employment;
- (3) Divorce or legal separation from your spouse; or
- (4) Your spouse becomes eligible for Medicare.

In the case of a dependent child of an employee covered by Blue Cross and/or Delta Dental Service and/or Vision Service Plan, he or she has the right to continuation coverage if group health coverage under Blue Cross and/or Delta Dental Service and/or Vision Service Plan is lost for any of the following five reasons:

- (1) The death of a parent;
- (2) The termination of a parent's employment (for reasons other than gross misconduct) or reduction in a parent's hours of employment with the Shasta County Office of Education;
- (3) Parents' divorce or legal separation;
- (4) A parent becomes eligible for Medicare; or
- (5) The dependent ceases to be a "dependent child" under Blue Cross and/or Delta Dental Service and/or Vision Service Plan.

Under the new law, the employee or a family member has the responsibility to inform the Happy Valley Elementary School District of a divorce, legal separation, or a child losing dependent status under Blue Cross and/or Delta Dental Service and/or Vision Service Plan.

When Happy Valley Elementary School District is notified that one of these events has happened, Happy Valley ESD will in turn notify you that you have the right to choose continuation coverage. Under the new law, you have at least 60 days from the date you would lose coverage because of one of the events described about to inform Happy Valley ESD that you want continuation coverage.

If you do not choose continuation coverage, your group health insurance coverage will end.

If you choose continuation coverage, Happy Valley ESD is required to give you coverage which, as of the time coverage is provided, is identical to the coverage provided under the Plan to similarly situated employees or family members. The new law requires that you be afforded the opportunity to maintain continuation coverage for three years unless you lost group health coverage because of a termination of employment or reduction in hours. In these cases, the required continuation coverage period is 18 months. However, the new law also provides that your continuation coverage may be cut short for any of the following five reasons:

- (1) Happy Valley Elementary School District no longer provides group health coverage to any of their employees;
- (2) The premium for your continuation coverage is not paid;
- (3) You become an employee covered under another group health plan;
- (4) You become eligible for Medicare;
- (5) You were divorced from a covered employee and subsequently remarry and are covered under your new spouse's group health plan.

You do not have to show that you are insurable to choose continuation coverage. However, under the new law, you may have to pay all or part of the premium for your continuation coverage. (The new law also says that, at the end of the 18-month or 3-year continuation coverage period, you must be allowed to enroll in an individual conversion health plan provided under Blue Cross and/or Delta Dental Service and/or Vision Service Plan).

This new law applied to Blue Cross and/or Delta Dental Service and/or Vision Service Plan beginning on October 1, 1986. If you have any questions about the new law, please contact Happy Valley Elementary School District at (530) 357-2134. Also, if you have changed your address, please notify Happy Valley Elementary School District at 16300 Cloverdale Rd. Anderson, CA 96007.

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**ACKNOWLEDGEMENT OF EMPLOYEE'S RIGHT  
TO CONTINUE HEALTH COVERAGE UNDER COBRA**

Public Law 99-272, Title X, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), provides employees and their families the opportunity to extend their health coverage under the existing plans in certain specified instances where coverage would otherwise terminate.

Enclosed is a notice, which outlines the options available to you and your families. Please read it carefully. The notice is for you to retain in your records. This letter is to be signed and **will** be placed in your personnel file. If you have any questions, please contact the District Office.

I have received a copy of the "Notice of Rights to Continue Health Coverage Under COBRA."

Employee: \_\_\_\_\_  
Name (Please Print)

\_\_\_\_\_  
Signature

Date: \_\_\_\_\_