Kirkwood
COMMUNITY COLLEGE

College Procedure: 402.20 – Consolidated Omnibus Budget Reconciliation Act (COBRA)

Policy Reference:	402 – Employee Benefits and Compensation
Responsible Department:	Human Resources
Approval Authority:	Cabinet
Procedure Owner:	Vice President, Human Resources and Institutional Effectiveness
Effective Date:	02/25/2013
Version Number:	3
Legal Counsel Reviewed (yes/no):	No
Scope:	College-wide

Reason for Procedure

Upon separation of employment, employees and their family members who are covered under the Kirkwood group health plan can continue coverage on their own through COBRA. The reason for this procedure is to ensure compliance with the federal Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA).

The Procedure

COBRA provides certain former employees, retirees, spouses, former spouses, and dependent children the right to temporary continuation of health coverage at group rates. This coverage is only available when coverage is lost due to certain qualifying events. Group health coverage for COBRA participants is usually more expensive than health coverage for active employees, since typically the employer pays a part of the premium for active employees while COBRA participants generally pay the entire premium themselves.

Qualifying Events for Employees:

- Voluntary or involuntary termination of employment for reasons other than gross misconduct
- Reduction in the number of hours of employment

Qualifying Events for Spouses:

- Voluntary or involuntary termination of the covered employee's employment for any reason other than gross misconduct
- Reduction in the hours worked by the covered employee

- Covered employee's becoming entitled to Medicare (if the actively-at-work Medicare eligible employee elected to drop Kirkwood coverage at the time of Medicare eligibility)
- Divorce or legal separation of the covered employee
- Death of the covered employee

Qualifying Events for Dependent Children:

- Loss of dependent child status under the plan rules
- Voluntary or involuntary termination of the covered employee's employment for any reason other than gross misconduct
- Reduction in the hours worked by the covered employee
- Covered employee's becoming entitled to Medicare (if the actively-at-work Medicare eligible employee elected to drop Kirkwood coverage at the time of Medicare eligibility)
- Divorce or legal separation of the covered employee
- Death of the covered employee

Qualified individuals must be given an election period during which each individual may choose to elect COBRA coverage. Each qualified individual may independently elect COBRA coverage. Qualified individuals must be given at least 60 days. The employer or plan administrator measures this period from the later of the coverage loss date or the date the COBRA election notice is provided. The election notice must be provided in person or by first class mail within 14 days after the plan administrator receives notice that a qualifying event has occurred.

ASI COBRA administers the COBRA plan for Kirkwood.

Revision Log

Table 1 Revision Log

Version Number	Date Approved	Approved by	Description of Change
1	02/25/2013	Jim Choate, Vice President, Finance	New procedure
2	05/09/2017	Mick Starcevich, President	New template
3	06/13/2019	Cabinet	Procedure template
4	10/30/2026	HR Department	Reviewed, no edits