

COUNTY OF LOS ANGELES

NOTICE OF RIGHTS TO EXTENDED MEDICAL COVERAGE UNDER CALIFORNIA LAW AFTER EXHAUSTION OF FEDERAL COBRA CONTINUATION COVERAGE

Eligibility and Period of Extended Coverage

Under California law, if you elect 18 months (or 29 months in the case of disability) of COBRA continuation coverage, you may be entitled to extend your medical coverage (but not your dental or vision coverage) after your COBRA coverage is exhausted, for up to 36 months from the date COBRA coverage first began. If you are eligible for and elect this extended medical coverage, the coverage will begin when COBRA coverage is exhausted under federal law. The extended medical coverage will provide the same benefits as if your medical coverage under COBRA had remained in force.

This extended medical coverage ends automatically on the earlier of:

- 1) 36 months after the COBRA continuation coverage began;
- 2) the date the covered individual is covered under any other group medical plan that does not impose any exclusion or limitation for a preexisting condition of the covered individual;
- 3) the date the covered individual is entitled to Medicare;
- 4) the date the County ceases to provide any group health plan for its employees;
- 5) the date the covered individual moves out of the service area for the HMO or insurance contract, or commits fraud or deception in the use of HMO or insurance contract services.

Extended medical coverage may also be terminated as provided in the applicable group contract between the County and the insurer or HMO for failure to pay the premiums on time.

Electing and Paying for Extended Coverage

If you are entitled to this extended medical coverage and wish to elect it, you must do so by notifying the applicable insurer or HMO directly in writing during your 60-day COBRA election period, or at any later date stated by the applicable insurer or HMO. You also must pay the premium for your coverage on time.

You will be responsible for paying the premiums for your extended medical coverage. Your premiums generally will be 110% (or 150% in the case of a disabled individual) of the premiums that otherwise would be charged to the County. Thus, any increase in the premiums charged to the County will result in a corresponding increase in your premiums. The insurer or HMO can tell you the amount of your premium and when it is due.

PLEASE NOTE: If you are eligible and want to elect extended coverage under California law, you must contact the applicable insurer or HMO directly during the election period. The County *does not* handle these elections. Additional details regarding your rights under California law should be included in the evidence of coverage provided by the insurer or HMO.

Conversion Option After Extended Coverage Ends

If you elect extended coverage under California law, you may have the option of obtaining conversion coverage under California law from the applicable insurer or HMO after your extended coverage is exhausted. Generally, you have up to 63 days from the date that your extended coverage ends under California law to notify the insurer or HMO that you want to convert your medical coverage and to pay the initial premium payment for such conversion coverage.

Please examine your options carefully before declining the coverage described in this notice. You should be aware that companies selling individual health insurance typically require a review of your medical history that could result in a higher premium or you could be denied coverage entirely.