



NOTICE TO ALL TOWN OF BROOKLINE EMPLOYEES AND THEIR SPOUSES REGARDING THEIR RIGHTS TO CONTINUATION OF GROUP HEALTH INSURANCE UNDER FEDERAL LEGISLATION

Federal law, Title X of the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), was enacted in April 1986 requiring that most employers sponsoring group health plans offer employees and their families an 18 or 36 month extension of health coverage under existing group health plans (called "*continuation coverage*") in certain instances where coverage under the plan would otherwise end. The provisions of the new law apply to the Town of Brookline group health plan effective July 1, 1986. This notice is intended to inform you, in a summary fashion, of your rights and obligations under the continuation coverage provisions of the law. Both you and your spouse should take the time to read this notice carefully.

Continuance of Group Health Coverage

If you are an employee of the Town of Brookline covered by our group health plan, you have the right to choose continuation coverage for up to 18 months if you would lose your group health coverage because of:

1. a reduction in your hours of employment, or
2. the termination of your employment for reasons other than gross misconduct on your part

If you are a spouse of an employee covered by the Town of Brookline group health plan, you have the right to choose continuation coverage for the periods indicated for any of the following reasons:

1. The death of a spouse, (up to 36 months);
2. A termination of your spouse's employment (for reasons other than gross misconduct) or reduction of your spouse's hours of employment, (up to 18 months);
3. Divorce or legal separation from your spouse, (up to 36 months); or
4. Your spouse becomes eligible for Medicare, (up to 36 months)

In the case of a dependent child of an employee covered by our group health plan, he or she has the right to continuation coverage for the periods indicated if group health coverage under the Town's group health plan is lost for any of the following reasons:

1. The death of a parent, (up to 36 months)
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 Town of Brookline, (up to 18 months);
3. Parents' divorce or legal separation, (up to 36 months);
4. A parent becomes eligible for Medicare, (up to 36 months) or
5. The dependent ceases to be a "dependent child" under the provisions of the group health plan, (up to 36 months).

Notice Requirements

Under the law, the Town of Brookline employee or a family member has the responsibility to inform the Town of Brookline Personnel Office of a divorce, legal separation, loss of dependent status by a child under the group health plan or Medicare eligibility. The Personnel Office must notify you of your right to continue coverage: once it has been notified of your qualifying event. Under the law you have 60 days from the date you would lose coverage because of one of the events described above to inform the Personnel Office that you want continuation coverage. If you do not choose continuation coverage, your group health insurance coverage will end and cannot be reinstated.

The law also provides that your continuation coverage may be cut short for any of the following reasons:

1. The Town of Brookline no longer provides group health coverage to any of its employees;
2. The premium for your continuation coverage is not paid on or before its due date;
3. You become covered under another group health plan or become eligible for Medicare; or
4. You were divorced from a covered employee, subsequently re-marry and are now eligible under your new spouse's group health plan.

You do not have to show that you are insurable to choose continuation coverage. Under the law, you are responsible for paying 100% of the premium for your continuation coverage, plus a 2% administration fee. Benefits during the continuation period will be the same as those for all active employees; however, the Town of Brookline reserves the right to alter the plan in any way for all its employees.

If you have any questions regarding group health continuation coverage, please contact the Personnel Office, Town Hall, 333 Washington Street, Brookline, MA, 02445, telephone 730-2120.

Personnel