



COBRA

QUICK REFERENCE SHEET
FOR MEDICARE AGENTS



Consolidated Omnibus Budget Reconciliation Act (COBRA)

This is a quick reference guide for insurance agents dealing with COBRA.

For more detailed information, contact the group coverage administrator.

For generic reference only.

What is COBRA?

COBRA allows employees who are leaving or were let go (other than gross misconduct) from group / employer coverage to continue their insurance coverage.

How much will the premium be?

COBRA premiums cannot exceed 102% of the premium for similarly situated individuals.

How long does it last?

Typically 18 months for the primary insured. Coverage for their spouse and/or dependents can last up to 36 months depending on the situation.

Can my client have COBRA and Medicare?

In most cases, yes provided their plan allows for Medicare + COBRA. The client will have to pay for their Medicare Part A (if applicable), Part B, and COBRA premiums. The client will need to check their Summary Plan Description to determine which plan is primary and any special coordination of benefit rules.

I have a client aging into Medicare and they have COBRA. Can they delay their Medicare Part B?

Medicare does not recognize COBRA as creditable coverage to delay Medicare Part B. If your client does not enroll in Medicare Part B when they are eligible, they may have a penalty and may have to wait to obtain Medicare Part B. Their COBRA coverage may end once they become eligible for Medicare, depending the group insurance program.

Can my client further delay Part B if they are eligible for COBRA?

COBRA is not considered creditable coverage to further Medicare Part B enrollment. Your client will have 8 months to enroll into Medicare Part B from their last date of employer coverage to avoid any penalties or delays in coverage.



**Do you have a COBRA situation?
Questions? Contact your
Cornerstone Senior Marketing
Sales Rep for answers.**

614-763-2257

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