



EMPLOYEE BENEFITS SECURITY ADMINISTRATION
UNITED STATES DEPARTMENT OF LABOR

www.dol.gov/agencies/ebsa

NOVEMBER 2016

COBRA Continuation Coverage

Throughout a career, workers will face multiple life events, job changes or even job losses. The continuation coverage provisions of COBRA — the Consolidated Omnibus Budget Reconciliation Act — help workers and their families keep their group health coverage during times of voluntary or involuntary job loss, reduction in the hours worked, transition between jobs and in certain other cases.

COBRA generally requires that group health plans offer employees and their families the opportunity for a temporary extension of health coverage (called continuation coverage) in certain instances where coverage under the plan would otherwise end.

The law generally applies to all group health plans maintained by employers (private-sector and state/local government) that have at least 20 employees on more than 50 percent of its typical business days in the previous calendar year. Both full- and part-time employees are counted to determine whether a plan is subject to COBRA. The law does not apply to plans sponsored by the Federal Government or by churches and certain church-related organizations.

Several events that can cause workers and their family members to lose group health coverage may result in the right to COBRA coverage. These include:

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Premium Payments

- i Qualified individuals may be required to pay the entire premium for coverage up to 102% of the cost to the plan. Premiums may be higher for persons exercising the disability extension provisions of COBRA. Failure to make timely payments may result in loss of coverage.
- i Premiums may be increased by the plan; however, premiums generally must be set in advance of each 12-month premium cycle.

For More Information

The Employee Benefits Security Administration offers more information on COBRA on its [Website](#), including Frequently Asked Questions for [workers](#) and employers and publications such as:

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