# Eligibility and Enrollment for Active Employees

## Who Is Eligible?

As a public employee, you are eligible to be covered under the plans offered by your employer if you are:

- a full-time employee (working regularly at least 20 hours per week);
- an elected official who works full-time in the elected position;
- a member of the West Virginia Legislature (must pay 100% of the premium);
- a member of the West Virginia Board of Education (must pay 100% of the premium);
- a permanent full-time substitute teacher working on a contract of 90-days or more per school year;
- an elected member of a county board of education; or
- a school service employee eligible under W. Va. Code, Chapter 18A. Temporary and part-time employees are not eligible.

## Dependents

If you elect PEIA coverage, you may also enroll the following dependents:

- your legal spouse;
- your biological or adopted children under age 19*;
- stepchildren who live with you and are under age 19*;
- children under age 19 who are members of your household and fully dependent upon you for support and maintenance (a notarized statement from the member affirming the member's 100% financial responsibility for the dependent is required); and
- children or stepchildren over age 19 who live with you, have been continuously covered by PEIA since before age 19, and who are incapacitated and cannot support themselves due to a physical or mental disability which began before age 19, or before age 25 if coverage was extended as a "qualifying child " or "qualifying relative". For newly hired employees in their initial enrollment period in PEIA it is not necessary that the dependent be covered before age 19.

*Married children are not eligible for coverage.*

*Your unmarried 19-25-year-old child or stepchild who shares your principal place of residence will qualify for benefits if he or she meets the definition of a "qualifying child" OR a "qualifying relative." To qualify for coverage, the dependent must meet ALL of the criteria in one of the following categories: (NOTE that these definitions have been simplified for PEIA eligibility purposes. For your taxes, refer to IRS publications.)

**A "qualifying child" (QC) is a child who:**

- has a specific, family-type relationship to the employee-taxpayer (i.e. child or stepchild).
- resides with the employee in his/her household for more than half of the tax year (with certain exceptions such as "temporary absences" if a full-time student).
- is under age 19, or if a full-time student for at least 5 months of the year is under age 24 as of the end of the tax year. There is no age requirement if a child is permanently and totally disabled.
- has not provided more than half of his/her own support.

**A "qualifying relative" (QR) is a "too old" child (that means over age 19, or over 24 if a full-time student) who:**

- has a specific, family-type relationship to the employee-taxpayer, (i.e. child or stepchild).
- has gross income for the tax year that is less than the annual exemption amount permitted by the IRS (this income limit does not apply to full-time students).
- receives over half of his/her own support from the employee-taxpayer.
- is not anyone's "qualifying child."

From time to time PEIA may conduct eligibility audits to verify that dependents in the plan qualify for coverage. If you are audited, you will have to produce either a student verification form for the dependent in question, or your most recent Federal tax return showing that you've claimed this dependent on your taxes. If you cannot prove that the dependent qualifies for coverage, coverage will be terminated retroactively to the date the child would otherwise have been terminated, and PEIA will pursue reimbursement of any medical or prescription drug claims paid during the time the dependent was ineligible.

# How to Enroll

You may enroll for PEIA health and life benefits by completing enrollment forms at your place of employment. On these forms you will select the types of coverage you want and enroll the eligible dependents you wish to cover.

Participation in PEIA benefit plans is not automatic; you must complete the proper enrollment forms. Enrollment will authorize your employer to deduct the premiums for the coverages you select from your salary.

There are restrictions on how and when you may enroll and make changes in your coverage. Please read all parts of the “Eligibility” section of this booklet carefully before you enroll so that you will fully understand your options and responsibilities.

## New Employees

You may enroll for health coverage, basic life insurance, dependent life insurance, and up to $500,000 of optional life insurance coverage during the calendar month you are hired and the following two calendar months. This is your “initial enrollment period.”

If you enroll for basic life insurance, then you may enroll for optional life insurance, as well. No medical information form is required for up to $100,000 of optional life insurance elected during this initial enrollment period. A medical information form is always required for optional life insurance in excess of $100,000.

Health and life insurance coverage will become effective the first day of the calendar month following the date of enrollment. If you enroll and begin work on the first day of a month, your coverage will not be effective until the first day of the following calendar month. If you enroll before you actually start work, coverage will begin the first day of the month following your first day of active employment. Your health care plan selection will remain in effect for a full plan year unless you move outside the service area of your plan or have a qualifying event that enables you to cancel coverage.

If you choose not to enroll for life insurance during this initial enrollment period, but want life coverage later (basic, optional or dependent optional) for you or your dependents, you will have to submit a medical information form and be approved by PEIA’s life insurance carrier. Coverage will become effective the first day of the calendar month following approval.

If you choose not to enroll for health coverage as a new employee, you may do so later in accordance with guidelines in effect at the time you choose to enroll.

### Health Coverage

For health coverage to be effective, you must be actively at work. To be considered “actively at work,” you must:

- perform the normal tasks for your job on a full-time basis on the day your coverage is to begin; and
- perform such tasks at one of your normal places of business or at a location to which you must travel to do your job; and
- not be absent from work because of leave of absence or temporary layoff.

If you do not meet these requirements, coverage for you and your dependents will begin on the next day on which you do meet these requirements.

### Pre-existing Medical Conditions

A pre-existing medical condition is one that has been diagnosed or treated, or for which you or your dependents have incurred expenses within the three months immediately before the effective date of the PEIA PPB Plan coverage.

Any employee and/or dependent enrolling in the PEIA PPB Plan will be subject to pre-existing condition limitations.

Expenses for a pre-existing condition will not be covered by the PEIA PPB Plan for the first twelve months your coverage is in effect. This limitation is waived if you had creditable coverage for at least 90 days under another similar health plan that terminated no more than 62 days prior to the effective date of the PEIA PPB Plan coverage, and if you submit your Certificate of Creditable Coverage (NOT a medical ID card) from your former insurer with your Health Insurance Enrollment Form.

The pre-existing condition limitation does not apply to pregnancies or to any condition meeting the definition of handicap, or to newborn or adopted children who are enrolled in the benefit plan within the calendar month of, or the two calendar months following the date of birth, adoption or placement in the home.

Managed care plans do not apply pre-existing condition limitations on their members.

### Life Insurance Coverage

For life insurance coverage (or an increase in the amount of optional life insurance) to go into effect, you must meet the following requirements on the effective date of coverage:

a) have completed a full day of active work on that date; and b) have completed a full day of active work on your last regularly scheduled work day and be able to work on the date you become eligible.

If you do not meet the requirements of a) and b) above, coverage will become effective on the date you return to active work.

Active work and actively at work mean performing regular duties for a full work day for the policyholder.

## Existing Employees

Existing employees may make changes in their coverage as follows:

### Health Coverage

Existing employees who choose not to take PEIA health coverage at the time of employment may add health coverage through the PEIA PPB Plan at any time by completing a Health Insurance Enrollment Form. Coverage will be effective on the first day of the month following enrollment. Pre-existing condition limitations may apply. Please see the information about pre-existing condition limitations on the preceding page.

Existing employees who choose not to take PEIA health coverage at the time of employment are not eligible to enroll in a managed care plan unless they experience one of the following qualifying events:

- commencement or termination of employment of the employee's spouse;
- a significant change in the health coverage of the employee's spouse attributable to the spouse's
- employment; or
- employment change due to strike or lock-out.

If you transfer from one participating State agency to another in the middle of a plan year without a lapse in coverage, that transfer does not give you the right to change health plans. You can only change plans if the transfer moves you out of the enrollment area of a plan so that accessing care is unreasonable. Since the PEIA PPB Plan has an unlimited enrollment area, you will not be permitted to transfer out of it during the plan year, even if you move.

When an employee transfers from one participating State agency to another, PEIA will collect updated salary information, and the premium at the new agency will be based on the salary at the new agency, whether it is a salary increase or a decrease. In this case, a plan change may be permitted, if the transfer creates a qualifying change in family status under the Premium Conversion Plan. Transfer from a State agency to a non-State agency may permit a change in coverage based on financial hardship.

### Life Insurance

Existing employees may add or increase the amount of life insurance at any time by completing an Optional Life Insurance Enrollment Form, submitting a medical information form, and being approved by PEIA's life insurance carrier. Coverage will become effective on the first day of the month following approval by the life insurance carrier. You must meet the following requirements on the effective date of coverage:

a) have completed a full day of active work on that date; and b) have completed a full day of active work on your last regularly scheduled work day and be able to work on the date you become eligible.

If you do not meet the requirements of a) and b) above, coverage will become effective on the date you return to active work.

Active work and actively at work mean performing regular duties for a full work day for the policyholder.

### Dependents

If you enroll your dependents when you enroll, their coverage begins the same day as yours. If you enroll them at a later date, their coverage will become effective the first day of the month following enrollment. If you are adding a dependent to your existing dependent life insurance policy at a date later than the calendar month following an enrollment event, coverage will not become effective until a medical information form has been submitted to, and approved by, PEIA's life insurance carrier.

## Additional Dependents

If you wish to add new dependents, such as a new spouse, your biological newborn or adopted child, you must complete a Change In Status form to add them to your coverage. Their coverage will become effective the first day of the month following enrollment. Coverage is not automatic, even if you have an existing family plan.

## Medicare for Active Employees

For PEIA PPB Plan active employees who are age 65 or older and eligible for Medicare, as long as you are an active employee, PEIA will be your primary insurer, except in a few rare cases. As long as you are an active employee, you do not need to sign up for Medicare Part B and pay the premium. When you prepare to retire, you must enroll for Medicare Part B. If you do not enroll in Medicare Parts A & B, you will not be eligible for Coventry's Advantra Freedom plan, which is the only coverage offered to retired, Medicare-eligible members.

For PEIA PPB Plan active employees who are also eligible for Medicare, and Medicare is the primary payor, PEIA will use the traditional method of coordinating benefits.

If you become eligible for Medicare prior to age 65, please send a copy of your Medicare card to PEIA. This notification will make the claims payment process go much more smoothly.

# Newly Eligible Active Employees

Employees who become eligible to enroll for health coverage due to loss of other coverage may enroll for coverage during the calendar month that the previous coverage was lost or the two following calendar months. Coverage will become effective the first day of the month following enrollment. Newly eligible employees may enroll in the PEIA PPB Plan or a managed care plan. They may make another plan selection during the next open enrollment period.

## Dependents

If you enroll your dependents when you enroll, their coverage begins the same day as yours. If you enroll them at a later date, their coverage will become effective the first day of the month following enrollment. If you are adding a dependent to your existing dependent life insurance policy at a date later than the calendar month following an enrollment event, coverage will not become effective until a medical information form has been submitted to, and approved by, PEIA's life insurance carrier.

## Additional Dependents

If you wish to add new dependents, such as a new spouse, your biological newborn or adopted child, you must complete enrollment forms to add them to your coverage. Coverage will become effective the first day of the month following enrollment. Coverage is not automatic, even if you have an existing family plan.

### PEIA PPB Plan

For the PPB Plan, you should enroll new dependents during the calendar month of or the two calendar months following the date they become eligible (i.e., date of marriage, date of birth or adoption) even if you already have family coverage. The new dependent(s) will be subject to pre-existing condition limitations. Coverage will become effective the first day of the month following enrollment.

### Managed Care Plans

If you are a member of one of the managed care plans offered by PEIA, you must enroll new dependents during the calendar month of or the two calendar months following the date they become eligible (i.e., date of marriage, date of birth or adoption) even if you already have family coverage. Their coverage will become effective the first day of the month following enrollment. If you fail to complete the proper enrollment forms within this timeframe, new dependents cannot be added to your coverage until the next open enrollment period.

### Life Insurance

You may add new dependents to your existing dependent life insurance policy during the month of or the two calendar months following the date they become eligible (i.e., date of marriage, date of birth or adoption), and no medical information will be required. Coverage will become effective the first day of the month following enrollment. Otherwise, you will have to submit a medical information form and be approved by the life insurance carrier to obtain dependent life insurance coverage.

# Special Rules for Newborn or Adopted Children

## PEIA PPB Plan

### Newborn Child

For the PPB Plan, if you enroll your biological newborn child during the calendar month of birth or the two following calendar months, coverage will be made effective retroactive to the date of birth. Any premium increase associated with the addition of this child will also be retroactive to the month of birth. Otherwise, coverage will be effective on the first day of the month following the date of enrollment and the child may be subject to preexisting condition limitations. You do not need a Social Security Number to enroll your newborn, but when you get the baby a Social Security Number, please provide it to your benefit coordinator.

### Adopted Child

If you enroll an adopted child during the calendar month the child is placed in your home or the two following calendar months, coverage under the PPB Plan can be made effective retroactive to the date of placement. Any premium increase associated with the addition of this child will also be retroactive to the date of placement. Otherwise, coverage will be effective on the first day of the month following the date of enrollment and the child may be subject to pre-existing condition limitations. However, coverage for an adopted infant will become effective the day the adoptive parents are legally and financially responsible for the medical expenses if bona fide legal documentation is presented to PEIA.

## Managed Care Plans

### Newborn Child

If you participate in one of the managed care plans, you must enroll your biological newborn child within the calendar month of or the two calendar months following the birth and the coverage will be made effective retroactive to the date of birth. Any premium increase associated with the addition of this child will also be retroactive to the month of birth. If you do not complete the proper enrollment forms to add your newborn to your coverage within this time frame, you cannot add the newborn child until the next open enrollment period.

### Adopted Child

If you enroll an adopted child into your managed care plan during the calendar month the child is placed in your home or the two following calendar months, coverage can be made effective retroactive to the date of placement. Any premium increase associated with the addition of this child will also be retroactive to the date of placement. If you fail to complete the proper enrollment forms within this timeframe, the adopted child cannot be added to your coverage until the next open enrollment period.

Newborns or adopted children must be enrolled into a managed care plan in either the calendar month of or the two calendar months following an eligibility event or within the open enrollment period. They are not subject to pre-existing condition limitations. Newborns and adopted children cannot be enrolled in your managed care plan at any other time.

## Life Insurance

### Newborn Child

If you add a biological newborn child to your existing dependent life insurance policy during the calendar month of or the two calendar months following the date of birth, coverage will be made effective retroactive to the date of birth. Any premium increase associated with the addition of this child will also be retroactive to the month of birth. If you add the child later, you will have to submit a medical information form and be approved to obtain dependent life insurance coverage for your child.

### Adopted Child

If you add an adopted child to your existing dependent life insurance policy during the calendar month of or the two calendar months following the date of placement in your home, coverage can be made effective retroactive to the date of placement. Any premium increase associated with the addition of this child will also be retroactive to the date of placement. If you add the child later, you will have to submit a medical information form and be approved to obtain dependent life insurance coverage for your adopted child.

# Eligibility and Enrollment for Retired Employees

## Who Is Eligible?

If you are a retired public employee, you are eligible for health and life benefits through PEIA, provided you meet the minimum eligibility requirements of the applicable State retirement system or a PEIA-approved retirement system, and your last employer immediately prior to retirement is a participating employer in the PEIA Plan and under the State retirement system or a PEIA-approved retirement system. Members of the Teacher's Defined Contribution Retirement plan must have 12 or more years of credited service or be age 60 with 5 years of service to qualify to continue PEIA insurance benefits upon retirement. Members who participate in a non-State retirement system must, in the case of education employees (such as TIAA-CREF or similar plans), meet the minimum eligibility requirements of the State Teachers Retirement System, and in other cases, meet the minimum eligibility requirements of the Public Employees Retirement System. If you have questions about your retirement, contact the Consolidated Public Retirement Board (CPRB) toll-free at 1-800-654-4406.

If you have PEIA coverage as an active employee, you may continue coverage into retirement without interruption. To do so, you must complete Retired Employee Enrollment Forms during the calendar month of retirement or the two following calendar months.

Continuous coverage and employment are necessary if you wish to use your accrued sick and/or annual leave for extended employer-paid PEIA coverage. You cannot defer your sick and/or annual leave.

If you were not covered under a PEIA Plan as an active employee or if you allow your coverage to lapse, you may choose to enroll for health coverage at the time of your retirement if your last employer immediately prior to retirement is a participating employer in the PEIA Plan and under the State retirement system and as long as you meet the minimum qualifications. Coverage will be effective on the first day of the month following enrollment.

**Please Note:** If you retire, then return to active employment with a participating agency, you will lose your right to use your sick and/or annual leave for extended employer-paid PEIA coverage. When you return to active employment and have PEIA benefits as an active employee, your new effective date of coverage in the PEIA plan will be after July 1, 2001, and therefore you will be ineligible for the sick/annual leave benefit.

### Deferred Retirement

If you separate from employment before your retirement from a participating employer under the State retirement plan, you may not enroll in PEIA as a retiree if you have other (private sector) employment just prior to retirement. To be eligible to enroll in PEIA, your last employer immediately prior to retirement must have been a public entity that participates in the State retirement system or a PEIA-approved retirement system, and in the PEIA Plan.

### Separated Pre-retirement Employees with 20 Years' Service

Employees with 20 or more years of service, who separate from public employment but who have not retired, may enroll in PEIA health benefits for up to two (2) years following separation. Employees in this category will be required to pay 105% of the total premium for the coverage they choose. Enrollees in this category are not eligible for PEIA's retiree premium assistance program or retiree premium subsidy until such time as they meet CPRB and PEIA's eligibility requirements as a full retiree.

### Disability Retirement

A member who is granted disability retirement by a state retirement system or who receives Social Security disability benefits is eligible to continue coverage in the PEIA Plan as a retired employee, provided that the member meets the minimum years of service requirement of the applicable state retirement system. Members in this category pay the same premiums as those with 25 or more years of service.

### Medicare

As a retired employee or a dependent of a retired employee, when you become an eligible beneficiary of Medicare, **you must enroll in Medicare Part A and Medicare Part B**. Part A is an entitlement program and is available without payment of a premium to most individuals. Part B is the supplementary medical insurance program that covers physician services, outpatient laboratory and x-ray tests, durable medical equipment and outpatient hospital care. Part B is a voluntary program that requires payment of a monthly premium.

Most Medicare-eligible retired employees and Medicare-eligible dependents of retired employees have coverage through Coventry's Advantra Freedom MAPD plan. This plan provides both medical and prescription drug coverage for those Medicare-primary members. Each eligible member receives detailed information about the plan from Coventry. To be eligible for Coventry's Advantra Freedom MAPD plan, the member must enroll for Medicare Parts A and B. If you do not enroll in Medicare Parts A & B and pay the monthly premium, you will not be eligible for Coventry's Advantra Freedom MAPD plan, which is the only coverage offered to retired, Medicare-eligible members.

If you become eligible for Medicare prior to age 65, please send a copy of your Medicare card to PEIA. This notification may allow PEIA to reduce your premiums, and will make the claims payment process go much more smoothly.

Medicare offers prescription drug coverage through a program called Medicare Part D. Please be aware that you should NOT purchase Medicare Part D coverage. You DO NOT need to enroll in a separate Medicare Part D plan, since Coventry will provide prescription drug coverage for retirees with Medicare. If you enroll in a separate Medicare Part D plan, you will be disenrolled from all medical and prescription benefits from PEIA. You will have only original Medicare Parts A, B and D with no secondary coverage.

## Dependents

If you elect PEIA coverage, you may also enroll the following dependents:

- your legal spouse;
- your biological or adopted children under age 19*;
- stepchildren who live with you and are under age 19*;
- children under age 19 who are members of your household and fully dependent upon you for support and maintenance (a notarized statement from the member affirming the member's 100% financial responsibility for the dependent is required); and
- children or stepchildren over age 19 who live with you, have been continuously covered by PEIA since before age 19, and who are incapacitated and cannot support themselves due to a physical or mental disability which began before age 19, or before age 25 if coverage was extended as a "qualifying child " or "qualifying relative".

*Married children are not eligible for coverage.*

* Your unmarried 19-25-year-old child or stepchild who shares your principal place of residence will qualify for benefits if he or she meets the definition of a "qualifying child" OR a "qualifying relative." To qualify for coverage, the dependent must meet ALL of the criteria in one of the following categories: (**NOTE** that these definitions have been simplified for PEIA eligibility purposes. For your taxes, refer to IRS publications.)

**A "qualifying child" (QC) is a child who:**

- has a specific, family-type relationship to the employee-taxpayer (i.e. child or stepchild).
- resides with the employee in his/her household for more than half of the tax year (with certain exceptions such as "temporary absences" if a full-time student).
- is under age 19, or if a full-time student for at least 5 months of the year is under age 24 as of the end of the tax year. There is no age requirement if a child is permanently and totally disabled.
- has not provided more than half of his/her own support.

**A "qualifying relative" (QR) is a "too old" child (that means over age 19, or over 24 if a full-time student) who:**

- has a specific, family-type relationship to the employee-taxpayer, (i.e. child or stepchild).
- has gross income for the tax year that is less than the annual exemption amount permitted by the IRS (this income limit does not apply to full-time students).
- receives over half of his/her own support from the employee-taxpayer.
- is not anyone's "qualifying child."

From time to time PEIA may conduct eligibility audits to verify that dependents in the plan qualify for coverage. If you are audited, you will have to produce either a student verification form for the dependent in question, or your most recent Federal tax return showing that you've claimed this dependent on your taxes. If you cannot prove that the dependent qualifies for coverage, coverage will be terminated retroactively to the date the child would otherwise have been terminated, and PEIA will pursue reimbursement of any medical or prescription drug claims paid during the time the dependent was ineligible.

# How to Enroll

You may enroll for PEIA health and life benefits by completing enrollment forms available from your benefit coordinator or the PEIA. On these forms, you will select the types of coverage you want and enroll the eligible dependents you wish to cover. When you have completed the forms, return them to your benefit coordinator (if initially retiring) or to the PEIA (if already retired).

Participation in PEIA benefit plans is not automatic upon retirement; you must complete the proper enrollment forms. Enrollment authorizes PEIA to deduct the premiums from your annuity for the coverages you select.

There are restrictions on how and when you may enroll and make changes in your coverage. Please read all parts of the "Eligibility" section of this booklet carefully before you enroll, so that you will fully understand your options and responsibilities.

## PEIA PPB Plan/Coventry's Advantra Freedom MAPD Plan

You may enroll for PEIA retiree benefits regardless of age, as long as you meet the eligibility requirements. Non-Medicare retirees have benefits through the PEIA PPB Plan or the managed care plan of their choice. Most Medicare-eligible retirees receive their benefits from Coventry's Advantra Freedom MAPD plan, although some are enrolled in PEIA's Special Medicare Plan.

## Managed Care Plans

As a retired employee, you may enroll in a managed care plan if you are not yet eligible for Medicare. If you or any enrolled dependents have Medicare as your primary health coverage (or will at any time during the plan year) you may not join an HMO. If either you or your enrolled dependents become Medicare-primary while enrolled in a managed care plan, you must notify PEIA and transfer to Coventry's Advantra Freedom MAPD plan. Generally, Medicare or an MAPD plan is primary when the policyholder is retired. If you have more questions about when Medicare is primary, call PEIA's Customer Service Unit at 1-888-680-7342.

## Life Insurance

You may continue your basic, optional and dependent life insurance at the time of retirement. If you wish to elect new or increased life insurance as a retired employee, you must enroll and submit a medical information form during the calendar month of retirement or the two following calendar months. Coverage will be effective pending the approval of PEIA's life insurance carrier. You may not elect or increase life insurance after this period.

# Enrolling Your Dependents

If you enroll your dependents when you enroll as a retiree, their coverage begins the same day as yours. If you enroll them at a later date, their coverage will become effective the first day of the month following enrollment. If you are adding a dependent to your existing dependent life insurance policy at a date later than the calendar month following an enrollment event, coverage will not become effective until a medical information form has been submitted to, and approved by, PEIA's life insurance carrier.

## Additional Dependents

If you wish to add new dependents, such as a new spouse, your biological newborn or adopted child, you must complete a Change In Status form to add them to your coverage. Coverage is not automatic.

## PEIA PPB Plan/Coventry's Advantra Freedom MAPD plan

For the PPB Plan or Coventry's Advantra Freedom MAPD plan, you should enroll new dependents during the calendar month of, or the two calendar months following, the date they become eligible (i.e., date of marriage, date of birth or adoption) even if you already have family coverage. The new dependent(s) will be subject to pre-existing condition limitations unless they had creditable coverage for at least 90 days under another similar health plan that terminated no more than 62 days prior to the effective date of the PEIA coverage.

## Managed Care Plan

If you are a member of one of the managed care plans offered by PEIA, you must enroll new dependents during the calendar month of or the two calendar months following the date they become eligible (i.e., date of marriage, date of birth or adoption) even if you already have family coverage. If you fail to complete the proper enrollment forms within this time frame, new dependents cannot be added to your coverage until the next open enrollment period.

### Life Insurance

Add new dependents to your existing dependent life insurance policy during the calendar month of or the two calendar months following the date they become eligible (i.e., date of marriage, date of birth or adoption). Otherwise, you will have to submit a medical information form and be approved to obtain dependent life insurance coverage.

## Special Rules for Newborn or Adopted Children

### PEIA PPB Plan

#### Newborn Child

For the PPB Plan, if you enroll your biological newborn child during the calendar month of birth or the two following calendar months, coverage will be made effective retroactive to the date of birth. Any premium increase associated with the addition of this child will also be retroactive to the month of birth. Otherwise, coverage will be effective on the first day of the month following the date of enrollment and the child may be subject to preexisting condition limitations. You do not need a Social Security Number to enroll your newborn, but when you get the baby a Social Security Number, please provide it to your benefit coordinator.

#### Adopted Child

If you enroll an adopted child during the calendar month the child is placed in your home or the two following calendar months, coverage under the PPB Plan can be made effective retroactive to the date of placement. Any premium increase associated with the addition of this child will also be retroactive to the date of placement. Otherwise, coverage will be effective on the first day of the month following the date of enrollment and the child may be subject to pre-existing condition limitations. However, coverage for an adopted infant will become effective the day the adoptive parents are legally and financially responsible for the medical expenses if bona fide legal documentation is presented to PEIA.

### Managed Care Plans

#### Newborn Child

If you participate in one of the managed care plans, you must enroll your biological newborn child within the calendar month of or the two calendar months following the birth and the coverage will be made effective retroactive to the date of birth. Any premium increase associated with the addition of this child will also be retroactive to the month of birth. If you do not complete the proper enrollment forms to add your newborn to your coverage within this time frame, you cannot add the newborn child until the next open enrollment period.

#### Adopted Child

If you enroll an adopted child into your managed care plan during the calendar month the child is placed in your home or the two following calendar months, coverage can be made effective retroactive to the date of placement. Any premium increase associated with the addition of this child will also be retroactive to the date of placement.. If you fail to complete the proper enrollment forms within this timeframe, the adopted child cannot be added to your coverage until the next open enrollment period.

Newborns or adopted children must be enrolled into a managed care plan in either the calendar month of or the two calendar months following an eligibility event or within the open enrollment period. They are not subject to pre-existing condition limitations. Newborns and adopted children cannot be enrolled in your managed care plan at any other time.

### Life Insurance

#### Newborn Child

If you add a biological newborn child to your existing dependent life insurance policy during the calendar month of or the two calendar months following the date of birth, coverage will be made effective retroactive to the date of birth. Any premium increase associated with the addition of this child will also be retroactive to the month of birth. If you add the child later, you will have to submit a medical information form and be approved to obtain dependent life insurance coverage for your child.

#### Adopted Child

If you add an adopted child to your existing dependent life insurance policy during the calendar month of or the two calendar months following the date of placement in your home, coverage can be made effective retroactive to the date of placement. Any premium increase associated with the addition of this child will also be retroactive to the date of placement. If you add the child later, you will have to submit a medical information form and be approved to obtain dependent life insurance coverage for your adopted child.

# Eligibility and Enrollment for Surviving Dependents

## Who Is Eligible

If you are a surviving dependent of an active or retired public employee, and you were insured as a dependent under the policyholder's coverage by PEIA (either in the PEIA PPB Plan, Coventry's Advantra Freedom MAPD plan, or in a managed care plan) at the time of the policyholder's death, you may elect to continue coverage as a policyholder in your own right under your health plan. To do so, you will need to complete a Surviving Dependent enrollment form available from PEIA.

If you are a surviving spouse and you choose not to enroll immediately for coverage, you may elect PEIA coverage in the future, if you have not remarried. In this case, pre-existing condition limitations will apply. Expenses for a pre-existing condition will not be covered by the Plan for the first twelve months your coverage is in effect. This limitation is waived if you had creditable coverage for at least 90 days under another similar health plan that terminated no more than 62 days prior to the effective date of coverage, and if you submit your Certificate of Creditable Coverage from your former insurer with your Surviving Dependent Health Insurance Enrollment Form.

The pre-existing condition limitation does not apply to pregnancy or to any condition meeting the definition of handicap.

The surviving spouse's eligibility for PEIA coverage terminates upon remarriage. If a divorce occurs after the remarriage, re-enrollment as a surviving dependent is not allowed.

### Dependents

If you elect PEIA coverage, you may also enroll the following dependents:

- your biological or adopted children under age 19*;
- stepchildren who live with you and are under age 19*;
- children under age 19 who are members of your household and fully dependent upon you for support and maintenance (a notarized statement from the member affirming the member's 100% financial responsibility for the dependent is required); and
- children or stepchildren over age 19 who live with you, have been continuously covered by PEIA since before age 19, and who are incapacitated and cannot support themselves due to a physical or mental disability which began before age 19, or before age 25 if coverage was extended as a "qualifying child " or "qualifying relative." For newly hired employees in their initial enrollment period in PEIA it is not necessary that the dependent be covered before age 19.

*Married children are not eligible for coverage.*

* Your unmarried 19-25-year-old child or stepchild who shares your principal place of residence will qualify for benefits if he or she meets the definition of a "qualifying child" OR a "qualifying relative." To qualify for coverage, the dependent must meet ALL of the criteria in one of the following categories: (NOTE that these definitions have been simplified for PEIA eligibility purposes. For your taxes, refer to IRS publications.)

**A "qualifying child" (QC) is a child who:**

- has a specific, family-type relationship to the employee-taxpayer (i.e. child or stepchild).
- resides with the employee in his/her household for more than half of the tax year (with certain exceptions such as "temporary absences" if a full-time student).
- is under age 19, or if a full-time student for at least 5 months of the year is under age 24 as of the end of the tax year. There is no age requirement if a child is permanently and totally disabled.
- has not provided more than half of his/her own support.

**A "qualifying relative" (QR) is a "too old" child (that means over age 19, or over 24 if a full-time student) who:**

- has a specific, family-type relationship to the employee-taxpayer, (i.e. child or stepchild).
- has gross income for the tax year that is less than the annual exemption amount permitted by the IRS (this income limit does not apply to full-time students).
- receives over half of his/her own support from the employee-taxpayer.
- is not anyone's "qualifying child."

From time to time PEIA may conduct eligibility audits to verify that dependents in the plan qualify for coverage. If you are audited, you will have to produce either a student verification form for the dependent in question, or your most recent Federal tax return showing that you've claimed this dependent on your taxes. If you cannot prove that the dependent qualifies for coverage, coverage will be terminated retroactively to the date the child would otherwise have been terminated, and PEIA will pursue reimbursement of any medical or prescription drug claims paid during the time the dependent was ineligible.

## How to Enroll

To continue coverage without interruption, surviving dependents must complete enrollment forms in the calendar month death occurs or the two following calendar months. In this case, surviving dependents must enroll in the same plan in which they were covered at the time of the policyholder's death. During open enrollment, you may select any plan for which you are eligible.

*Surviving dependents are not eligible for life insurance.*

# Special Eligibility Situations

## If You and Your Spouse are Both Public Employees

Two public employees who are married to each other, and who are both eligible for benefits under PEIA may elect to enroll as follows:

1. as Family with Employee Spouse in any plan;
2. as "Employee Only" and "Employee and Child(ren)" in two different plans;
3. as "Employee Only" and "Employee and Child(ren)" in the PPB Plan (remember you'll have two deductibles and two out-of-pocket maximums this way);
4. as "Employee Only" and "Employee and Child(ren)" in the same managed care plan. All children must be enrolled under the same policyholder; or
5. If no children are to be covered, you may enroll as "Family with Employee Spouse" or as separate "Employee Only" plans.

Both employees are eligible to enroll for the basic life policy, as well as optional and dependent life insurance.

To qualify for the Family with Employee Spouse premium, both employees MUST have basic life insurance. The Family with Employee Spouse premium discount will not be granted unless both employees are basic life insurance policyholders in the plan. The Family with Employee Spouse discount is also offered when the 'employee spouse' is a retired public employee. The premium for this coverage is based on the active employee's salary. The retired public employee must carry the basic life insurance.

Since both spouses, as policyholders, are eligible to make independent benefit elections, both spouses receive the *Shopper's Guide*, *Summary Plan Description*, and other relevant benefit information.

If the employee spouse on an active employee's plan is retired and Medicare-eligible, that employee spouse may want to consider becoming a "policyholder only" in Coventry's Advantra Freedom MAPD plan. Doing so could reduce your total premium and cost-sharing, depending on your situation.

## Transfer from One Participating Agency to Another

If you transfer from one participating State agency to another in the middle of a plan year without a lapse in employment, you may continue your PEIA coverage uninterrupted. Such a transfer does not create an initial enrollment period, and does not give you the right to make changes in your health or life insurance coverage. You can only change health plans if the transfer moves you out of the enrollment area of a plan so that accessing care is unreasonable. Since the PEIA PPB Plan has an unlimited enrollment area, you will not be permitted to transfer out of it during the plan year, even if you move.

When an employee transfers from one participating State agency to another, PEIA will collect updated salary information, and the premium at the new agency will be based on the salary at the new agency, whether it is a salary increase or a decrease. In this case, a plan change may be permitted, if the transfer creates a qualifying change in family status under the Premium Conversion Plan. Transfer from a State agency to a non-State agency may permit a change in coverage based on financial hardship.

## Disabled Child

Your dependent child may be covered after reaching age 19 if he or she is incapable of self-support because of mental or physical disability. To be eligible:

- the disabling condition must have begun before age 19, or before age 25 if coverage was extended as a "qualifying child " or "qualifying relative"; and
- the child must be incapable of self-sustaining employment and chiefly dependent on you for support and maintenance.

To continue this coverage, contact PEIA for an application. You will be asked to provide documentation when the child reaches age 19 and periodically thereafter.

## Court-Ordered Dependent (COD)

If a PEIA-insured employee and his or her spouse divorce, and the employee is not the custodial parent for the dependent child(ren), the employee may continue to provide medical benefits for the child(ren) through the PEIA plan. If the non-custodial parent is ordered by the court to provide medical benefits for the child(ren), the custodial parent may submit medical claims for the court-ordered dependent(s), and benefits may be paid directly to the custodial parent. Special claim forms are required. The custodial parent will also receive Explanations of Benefits (EOBs) for the CODs as claims are processed. Contact PEIA to discuss this benefit.

## Medicare and Active Employees

If an active employee or the dependent of an active employee becomes eligible for Medicare, the PEIA PPB Plan remains the primary insurer, except if the employee attains Medicare eligibility due to End Stage Renal Disease (ESRD). As long as you are an active employee, you are not required to sign up for Medicare Part B and pay the premium. **When you prepare to retire, you must enroll for Medicare Part B.** If you do not enroll in Medicare Parts A & B, you will not be eligible for Coventry's Advantra Freedom plan, which is the only coverage offered to retired, Medicare-eligible members.

For PEIA PPB Plan active employees who are also eligible for Medicare, and Medicare is the primary payor (as in the case of ESRD), PEIA will use the traditional method of coordinating benefits.

If you or your dependent become eligible for Medicare prior to age 65, please send a copy of the Medicare card to PEIA. If and when you retire, your enrollment will be transferred to Coventry's Advantra Freedom MAPD plan.

If the spouse or dependent of an active employee becomes eligible for Medicare, the PEIA PPB Plan remains the primary insurer for that spouse or dependent as long as the policyholder remains an active employee. Your spouse or dependent does not need to sign up for Medicare Part B and pay the premium until the policyholder prepares to retire. At that time, the spouse or dependent must enroll for Medicare Part B. If he/she does not enroll in Medicare Part B, he/she will not be eligible for Coventry's Advantra Freedom plan, which is the only coverage offered to retired, Medicare-eligible members and their Medicare-eligible dependents. When the policyholder retires, any members who are eligible for Medicare will be transferred to Coventry's Advantra Freedom MAPD plan.

## Medicare-eligible Members Who Reside Outside the U.S.

Medicare-eligible retirees who reside outside the United States will have benefits through PEIA's Special Medicare Plan. Medical claims will be processed by Wells Fargo TPA, and PEIA will pay only the amount we would have paid if Medicare had processed your claim and made a payment. Prescription drug claims will be processed by Express Scripts.

# Leaves of Absence

It is the employer's responsibility to make the determination regarding an employee's eligibility for a leave of absence. It is important to note that a leave of absence is intended for an employee who is expected to return to work and for whom the employer maintains an open position. It is not intended to extend medical benefits for individuals who are not eligible to retire and not able to return to work, or for whom a position is not being held open. Such a person is not an employee and it is improper to continue his or her health coverage as if he or she were still an employee. Employers are reminded that under State law it is a felony to misrepresent any material fact to obtain PEIA benefits to which a person is not entitled (W. Va. Code §5-16-12).

Return from a leave of absence does not constitute a qualifying event which would allow the member to change plans during the plan year.

## Medical Leave (Non-Workers' Compensation)

Any employee who is on a medical leave of absence due to an injury or illness that is not covered by Workers' Compensation is eligible to continue coverage subject to the following:

- the medical leave must be approved by the employer;
- the employee and employer must continue to pay their respective proportionate shares of the premium cost. If the employee fails to pay his or her premium, the employer may terminate coverage;
- the employer is obligated to pay its share only for a period of one year, after which the employee may be required to pay the full cost of coverage. If the employee fails to pay his or her premium, the employer may terminate coverage; and
- each month the employee must submit to the employer a physician's statement certifying that the employee is unable to return to work. The employer must retain these statements in the employee's personnel file.

## Medical Leave (Workers' Compensation)

Any employee who is on a leave of absence and is receiving temporary total disability benefits from Workers' Compensation is entitled to continue PEIA coverage until he or she returns to work. The employer and employee must continue to pay their respective proportionate shares of the premium cost for as long as the employee receives temporary total disability benefits. If the employee fails to pay his or her premium, the employer may terminate coverage.

## Personal Leave

An employee may continue insurance coverage while on a personal leave of absence approved by the employer. The monthly premium will be paid according to the policy or agreement established by your employer. If the employee fails to pay his or her premium, the employer may terminate coverage.

## Family Leave

An employee may continue insurance coverage during an approved family leave. If the employee fails to pay his or her premium, the employer may terminate coverage. Contact your benefit coordinator for further details regarding the federal Family and Medical Leave Act (FMLA).

## Military Leave

For an employee on military leave with pay, health and life insurance benefits will generally continue without interruption, as long as the employee is on the payroll.

An employee who is on an approved military leave of absence without pay, due to an active call of duty from the President, is entitled to continue health and life benefit coverage for as long as premium payments are made. The employee is responsible for paying their employee share of the premium costs for each month during the military leave of absence, and Governor Wise's Executive Order No. 19-01 requires the employer to pay its share. Upon return from a military leave, if there has been a lapse in coverage, the employee may generally reinstate the same health and/or life insurance benefits without penalty.

## Leaves of Absence for Teachers and Service Personnel

Any teacher or school service employee who is returning from an approved leave of absence of one year or less shall be restored to the same benefits which he or she had at the time of the approved leave of absence.

# Other Eligibility Details

## Annual Open Enrollment

Each Spring PEIA holds an open enrollment period for health coverage during which active employees and non-Medicare retirees may choose from among managed care plans and the PEIA PPB Plans. The period is typically the month of April. During Open Enrollment, current participants may move between plans without penalty and no pre-existing condition limitations will be applied. Choices made during the open enrollment period are effective on July 1 of that year.

During Open Enrollment, eligible policyholders who have not taken advantage of any health coverage from PEIA also have the opportunity to enroll in the PEIA PPB Plan or any managed care plan, subject to the deadlines and rules in force for that enrollment period. Pre-existing condition limitations will not apply when eligible active or retired individuals enroll in a managed care plan during open enrollment. Pre-existing condition limitations apply to new enrollees in the PPB Plan. See How to Enroll on page 8 for details about life insurance in this case.

Selections made during Open Enrollment are effective on July 1 of that year, and remain in effect for a full plan year unless the member moves outside the service area of his or her managed care plan. A physician's withdrawal from a managed care plan does not qualify a member to change plans in the middle of a plan year.

At the beginning of Open Enrollment, PEIA mails a Shopper's Guide to all active and non-Medicare retiree policyholders. The Shopper's Guide provides a side-by-side comparison of the general attributes of all plans offered. It is intended as a general guide to the available plans. Members requiring further information about a specific plan should contact that plan directly.

## Medical Identification Cards

Each plan mails ID cards to its members. Managed care plans issue ID cards each year.  PEIA issues cards upon enrollment in the plan, and subsequently when there are changes in the plan that warrant it.

Your PEIA PPB Plan ID card verifies that you have medical and prescription drug coverage through PEIA. On the back we've listed important phone numbers you may need. One card will be issued for individual coverage, and two cards will be issued for family coverage. The policyholder's name and identification number will be printed on all cards. If you want additional cards for children not residing with you, or if you need to replace a lost card, please contact Express Scripts at 1-877-256-4680.

If you enroll in a managed care plan or if you are in Coventry's Advantra Freedom MAPD plan, you will receive an identification card from that plan, not from PEIA. For additional or replacement cards, call your plan.

## Your Responsibility To Make Changes

It is your responsibility to keep your PEIA enrollment records up to date. You must notify your benefit coordinator immediately of any changes in your family situation, and complete the appropriate change forms to keep your PEIA coverage up to date. Examples of such changes include a change of address, a change in your marital status, or a dependent child no longer qualifying for coverage.

You should do this whether you belong to the PEIA PPB Plan, Coventry's Advantra Freedom MAPD plan, a managed care plan or if you've elected only life insurance coverage. If you fail to notify your benefit coordinator promptly of changes in your family status, your employing agency may look to you for reimbursement of premiums your employer paid in error, and your plan may adjust claims paid for ineligible enrollees.

# When Coverage Ends

In most cases when your employment ends you have the option to extend health coverage under the federal COBRA law, or convert your life insurance benefits into a private policy. All of these options are at your expense and require you to act within a specified time. Please see the section on "Options After Termination of Coverage" on page 24.

## Voluntary Termination of Employment

PEIA coverage for an active policyholder and any covered dependents terminates at the end of the month in which the employee voluntarily ceases employment. For employees on delayed payroll, coverage will terminate at the end of the month in which their employment terminates, although they may continue to receive paychecks due to their delayed payroll status.

## Involuntary Termination of Employment

A policyholder who is terminated from employment involuntarily or through a reduction of work force may continue coverage for three additional months after the end of the month in which employment ends. The employer must continue to pay the employer's share of the premium during these three months. The policyholder will be responsible for paying the employee's share of the premium during these three months.

## Termination for Misconduct

If an employee is discharged for misconduct and chooses to contest the charge, he or she may extend coverage for up to 3 months while available administrative remedies are pursued. If the discharge is upheld, the former employee must reimburse the employer's share of the premium cost for the extended coverage to the former employer.

## Voluntary Termination of Benefits

PEIA coverage for an active policyholder and any covered dependents terminates at the end of the month in which the employee voluntarily terminates the coverage. For employees who participate in the Premium Conversion Plan (pay their premiums pre-tax), IRS guidelines dictate when coverage may be voluntarily terminated (see Premium Conversion Plan page 29).

## Retired/Retiring Employees

Coverage for an employee who has already retired will terminate at the end of the calendar month in which the retiree elects no longer to participate.

For retiring employees, coverage will terminate at the end of the month in which the employee ceases active employment, unless forms have been completed to continue coverage through their retirement system. If you are not yet eligible for Medicare, then your retirement does not qualify you to change health care plans. If you are enrolled in a managed care plan as an active employee, then you must remain in that managed care plan upon retirement until the next open enrollment, when you may choose any plan for which you are eligible. If Medicare becomes the primary coverage for you or your dependents while enrolled in a managed care plan, you must transfer to Coventry's Advantra Freedom MAPD plan.

## Dependents/Surviving Dependents

Coverage for dependents terminates at the end of the calendar month in which one of the following occurs:

- policyholder (active or retired) terminates or loses coverage;
- dependent spouse is divorced from employee;
- dependent child reaches 19th birthday and does not meet the definition of "qualifying child" or "qualifying relative";
- dependent child marries;
- dependent child reaches his/her 25th birthday ;
- surviving spouse remarries;
- disabled dependent no longer meets disability guidelines; or
- policyholder voluntarily removes dependent from coverage.

The policyholder is required to report these events to his/her benefit coordinator and complete the appropriate forms to remove ineligible dependents. If a policyholder fails to remove ineligible dependents (divorced spouse, married children, etc.) the Plan may pursue reimbursement of any claims paid for the ineligible dependent from the employee.
The policyholder may voluntarily terminate coverage for dependents at any time by completing the appropriate forms, unless the policyholder is in a managed care plan or participates in the Premium Conversion Plan (pays premiums pre-tax). In that case, IRS guidelines dictate when coverage may be voluntarily terminated (see Premium Conversion Plan page 29).

## Failure To Pay Premium

Your coverage as an active or retired policyholder, and coverage of your dependents, will be terminated if you fail to pay your premium contributions when due. Premiums are due by the fifth day of the month following the month for which the premium was invoiced. Example: May premium is due June 5. If payment is not received by PEIA within 15 days following the due date, all medical claims may be pended. Additionally, the PEIA drug card may be suspended. If payment is not received within 30 days following the due date, coverage will be cancelled, and all claims incurred will be your personal responsibility.

### Direct Pay

For non-Medicare policyholders who pay premiums directly to PEIA, if payment is not received by PEIA within 30 days following the due date, a termination notice containing the termination date will be mailed to the policyholder. All claims incurred following the termination date will be the policyholder's personal responsibility. The policyholder has the right to appeal the termination in writing within 60 days following the termination date.

- If the terminated policyholder appeals the termination in writing within 60 days from the date of termination, he or she may pay the past-due premiums, apply to pay premiums by direct draft from a bank account, and may be granted uninterrupted coverage at PEIA's discretion.
- If the terminated policyholder appeals the termination in writing more than 60 days following the date of termination, PEIA may only allow re-enrollment if the policyholder enrolls as a new enrollee and agrees to pay premiums by direct draft from a bank account. In this case, pre-existing condition limitations will apply if the insureds do not have other creditable coverage such as Medicare. Two terminations for failure to pay within a 12 month period may result in permanent disqualification from coverage under the PEIA plan.

If extenuating circumstances prevent the policyholder from appealing within 60 days of the termination, the policyholder may appeal for and the PEIA director may, at his or her discretion, grant a waiver of the 60-day requirement.

For Medicare policyholders who pay premiums directly to PEIA, failure to pay premiums will result in termination from the plan consistent with applicable Medicare rules.

## Non-State Agency Employer Withdrawal From The Plan

By its agreement to participate in the PEIA plan, a non-State entity is required by PEIA to stay in the plan for a minimum of three years. If a participating county or municipal government or other employer withdraws or is terminated from the PEIA plan, coverage for all affected insureds ends on the effective date of that employer's withdrawal/termination.

Eligible retirees may continue participation in PEIA. The withdrawn agency is billed a subsidy premium for these retirees. Retirees not eligible to participate in PEIA must look to their former employer for retiree coverage.

## Certificate of Creditable Coverage

A Certificate of Creditable Coverage will be generated automatically upon termination of health coverage. You will need this certificate to verify your coverage under PEIA and avoid pre-existing condition limitations if you are enrolling in another benefit plan. If additional certificates are needed, contact PEIA's Customer Service Unit.

# Options After Termination of Coverage

If your PEIA coverage terminates, you may have a right to continue health and life coverage. Your options are explained below.

## Continuing Health Coverage under COBRA

You and your enrolled dependents may have the right to continue your current health coverage for a limited time under the federal Consolidated Omnibus Budget Reconciliation Act (COBRA). PEIA's COBRA program is administered by Wells Fargo TPA, and all COBRA eligibility is maintained by Wells Fargo TPA. New enrollees in any PEIA-sponsored health plan will receive a detailed notice of their COBRA rights from Wells Fargo TPA.

You and/or your dependents may elect to continue coverage for up to 18 months due to termination of your employment (other than by reason of gross misconduct) or reduction in work hours.

Your dependents are eligible to continue coverage in their own right for a maximum of 36 months under COBRA in the case of:

- divorce or legal separation;
- loss of eligibility of dependent children; or
- death of employee.

An election to continue coverage under COBRA must be made within 60 days of the end of the coverage. If you elect to continue coverage under COBRA, you will be responsible for paying the full premium plus a 2% administrative fee. Please note that COBRA premiums are billed directly to you.

To enroll for COBRA benefits, contact Wells Fargo TPA at 1-888-440-7342.

If 18 months of COBRA coverage is provided due to termination or reduction in hours of employment, and if any COBRA beneficiary is determined to be disabled under the Social Security Act at any time during the first 60 days of this COBRA coverage, then the 18-month continuation period may be extended to 29 months for all individuals who are qualified beneficiaries. The disabled person can be a covered employee or a dependent. The disability determination must be reported to PEIA within 60 days of the determination and before the end of the original 18-month coverage period.

Under COBRA, PEIA will charge 150% of the applicable premium for coverage during the 11-month disability extension. If a second qualifying event occurs during the 11-month extension, entitling a qualified beneficiary to 36 months of coverage (an additional 7 months of coverage), then PEIA will charge 150% of the applicable premium until the end of the 36-month continuation coverage period. Coverage under COBRA will cease under these circumstances ("you" refers to the person who elected COBRA):

- you become covered under another group plan (unless it contains a pre-existing condition exclusion that reduces your benefits);
- you become entitled to Medicare;
- you fail to pay the premium;
- the policyholder's former employer withdraws or is terminated from the PEIA plan; or
- the PEIA PPB Plan ends.

If you are covered by another health plan or Medicare before the COBRA election is made, you may make a COBRA election. In other words, your employer may end the right to COBRA continuation coverage based upon other group health plan coverage or entitlement to Medicare benefits only if the qualified beneficiary first becomes covered under the other group health plan coverage or entitled to (covered for) the Medicare benefits after the date of the COBRA election.

## Converting Life Insurance to an Individual Policy

When employment ends, you may convert all or part of the life insurance coverage into an individual policy. Dependents who lose eligibility for life insurance coverage may convert optional dependent life insurance to an individual policy. This provision does not apply to retired employees or their dependents.

You must submit an application and remit the first premium within 31 days after the termination of the life insurance coverage. Coverage under the individual policy will become effective the day after the group life insurance coverage ends.

To obtain a Life Insurance Conversion Application Form, call Minnesota Life at 1-800-203-9515. The individual life insurance policy is issued by PEIA's life insurance carrier, Minnesota Life. Once you have completed the application form, mail it to the address printed on the application form. Premiums for individual policies are generally higher than rates for a group plan.