

## COBRA Program Summary as of January 1, 2021

The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) provides certain former employees, retirees, spouses, former spouses and dependent children the right to temporary continuation of health coverage at group rates. This coverage, however, is only available when coverage ends because of certain specific events, also known as qualifying events. You and your qualified dependents may enroll in the SAG-AFTRA Health Plan (Plan) COBRA program—even if covered by another health plan, including Medicare—on the date you lose your earned eligibility. Each qualified beneficiary will have an independent right to elect COBRA continuation coverage. Covered participants may elect COBRA on behalf of their spouses, and parents may elect COBRA on behalf of their children.

This summary describes your rights and responsibilities for enrollment and participation in the Plan's COBRA program and provides information about other health coverage alternatives that may be available to you, including coverage through the Health Insurance Marketplace created by the Affordable Care Act (ACA). For a more detailed explanation of the Plan's COBRA program, please refer to the Summary Plan Description or visit our website at [www.sagaftplans.org/health](http://www.sagaftplans.org/health).

### Enrollment opportunities

Within 60 days of losing earned eligibility under the Plan you can enroll in the Plan's COBRA program through your Benefits Manager at [www.sagaftplans.org/health](http://www.sagaftplans.org/health). At this time you can also choose to cover your qualified dependents, which determines your premium rate. You can enroll dependents that were not enrolled under your previous earned coverage although these dependents are not entitled to COBRA coverage on an individual basis. **The personalized COBRA enrollment offer you received in this mailing includes your qualified dependents and premium rates.**

The Plan must receive your COBRA enrollment within 60 days of the later of:

1. The date your coverage terminated
- or
2. The date on your COBRA enrollment offer

You can only add new dependents by providing their information online and submitting all required documents that verify your dependents as qualified. Examples are a recorded marriage certificate for a spouse or a recorded birth certificate for your dependent child (Exception: the Plan will accept a copy of the birth certificate from the Hospital to add your biological child who is younger than one year of age for a period of up to 120 days while you obtain an official copy). Coverage will be extended to your dependents following acceptance of your legal documents, enrollment form and premium payment. A new dependent is not entitled to COBRA for coverage on an individual basis unless he or she is a newborn or newly adopted child.

During the annual open enrollment period, you will have an opportunity to make changes to your qualified dependents, which you can also do if you experience what is called a qualifying event. Please refer to the following rules:

- Annual open enrollment: For the duration of your COBRA period, you will have a single opportunity every year to change your dependent enrollment. Enrollment materials are mailed in October and changes must be made online in your Benefits Manager by the deadline in order to be effective January 1 of the following year.
- Qualifying event changes: You may make dependent enrollment changes if you have a change in family status, defined as: an increase or decrease in the number of your qualified dependents which results from birth, adoption, marriage, divorce, death or loss of dependent child status as defined by the Plan, or a dependent obtains or loses other insurance coverage.

If one of these events occurs, you can change your dependent enrollment status and change your premium rate (if applicable) based on the addition or loss of that dependent. You must submit a written request to the Plan within 60 days of the change in family status along with the validating documents. Please contact us immediately if you are not able to provide the required documents within the time limits specified in the Summary Plan Description. Unfortunately, we cannot process requests made over the phone.

## Coverage options

COBRA coverage is identical to the coverage provided to participants with earned eligibility under each respective Plan. If you are Medicare eligible, COBRA coverage is secondary to Medicare. COBRA participants do not receive life insurance or accidental death and dismemberment benefits. Please see page 5 of this document for life insurance conversion information.

The chart below lists the Plan’s COBRA coverage options and standard rates as of January 1, 2021. **The personalized COBRA enrollment offer you received in this mailing shows the specific rates and options available to you.** Participants losing earned eligibility under Plan I may choose to enroll in either Plan I or Plan II COBRA coverage. Visit [www.sagafrapplans.org/health](http://www.sagafrapplans.org/health) to see a comparison of benefits under each plan.

Options	Plan I	Plan II
Benefits	Hospital, medical, prescription drugs, dental, vision, mental health/substance abuse	Hospital, medical, prescription drugs, dental, mental health/substance abuse
Individual only	\$959 monthly	\$756 monthly
Individual plus one dependent	\$1,700 monthly	\$1,307 monthly
Individual plus two or more dependents	\$2,370 monthly	\$1,807 monthly

**Important:** If your earned eligibility changes from Plan I to Plan II, you may choose Plan I COBRA. However, the Plan does not coordinate benefits between your Plan I COBRA and your Plan II earned coverage. Instead, you receive Plan I COBRA benefits.

## Length of coverage

The maximum length of COBRA coverage is as follows:

**18 months:** for participants (and their qualified dependents) who lose earned eligibility or change from Plan I to Plan II due to a reduction in earnings. Participants who are entitled to Medicare prior to the date they lose earned eligibility should call the Plan for information concerning their maximum COBRA period.

**36 months:** for qualified dependents who lose their dependent status due to the death of a participant, divorce from a participant or loss of child status as defined by the Plan.

**29 months:** for participants or dependents who are determined by Social Security to be totally disabled on the date earned eligibility ends or within 60 days thereafter. Non-disabled dependents of a disabled participant are also entitled to 29 months of COBRA coverage.

## Time limits for first payment

Your first payment is due by the first day of the month immediately following the date on which your earned eligibility coverage ends. However, you do have 45 days from the last day of your 60 day enrollment period to make your payment. We can only verify or grant coverage and consider claims after we receive your premium payment.

Your first payment must include all of the premiums required to keep your coverage continuous from the date you lost earned eligibility coverage. For example, if your earned eligibility ended December 31 and you make your first premium payment in February, you must pay for both January and February.

## Billing procedure and payment options

Subsequent payments are due by the first day of each calendar month, although there is a 30-day grace period as mandated by federal law. We must receive and process your premium before we can verify or extend coverage and consider claims. To prevent interruption of coverage, we encourage you to submit your premium payment prior to the due date. **If you do not pay your monthly premium on time, you will forfeit your rights to coverage under the COBRA program.** You have several convenient options to make timely premium payments:

- **Automatic premium payments:** Your premium payment will be deducted automatically on the 25th of the month prior to the due date from your U.S. checking or savings account. The Plan will continue to deduct your premium as long as you remain continuously eligible for COBRA coverage, even if there is a change in the premium rate. You can sign up online through Benefits Manager.
- **Pay online:** Make a one-time premium payment online with a credit/debit card or bank account by using your Benefits Manager, or simply visit the premium payments page at [www.sagafraplans.org/health](http://www.sagafraplans.org/health). You will receive electronic confirmation that your payment has been received.

- **Pay by phone:** Pay your premium over the telephone with a credit/debit card by calling (800) 777-4013 before the due date and then follow the prompts. You will receive a confirmation number indicating that your payment has been received. For your security, this is an automated system. Plan staff is not able to take credit card information over the phone.

NOTE: For your protection, pay-by-web and pay-by-phone payments are non-recurring. This means the Plan will not automatically charge your credit card or debit your account every time a payment is due.

- **Pay by mail:** A billing statement and monthly payment coupons will be sent to you on a quarterly basis, typically a few weeks before the due date. Write your account number (from the billing statement) on your U.S. check, money order or cashier's check, make it payable to *SAG-AFTRA Health Plan*, and send it with your payment coupon before the due date to:

SAG-AFTRA Health Plan Payment Center  
P.O. Box 30110  
Los Angeles, CA 90030-0110

Please do not send your premium payment to the Plan's administrative office or to the SAG-AFTRA Union office.

## **SAG-AFTRA Foundation grant program for catastrophic illnesses and injuries**

The SAG-AFTRA Foundation offers financial grants to participants or qualified legal dependents of participants who have a catastrophic illness or injury and who, due to financial need, cannot afford the Plan's COBRA program. Call us at (800) 777-4013 for more details.

## **Coordination of benefits (COB)**

To determine who pays what amount, the Plan coordinates your benefits with other health insurance plans. Contact us when coordinating benefits with your (or your spouse's) other insurance. If you have Medicare, Medicare is primary and the Plan's COBRA coverage is secondary.

## **Termination of COBRA coverage**

- The first of the month for which you did not pay your premium by the due date
- The first of the month after the month in which Social Security determines you are no longer totally disabled (if your COBRA coverage is based on your being totally disabled)
- The first of the month following the expiration of the maximum COBRA coverage period for which you qualify (see length of coverage section on page 3)
- The first of the month for which you qualify for earned eligibility coverage, unless you are paying for Plan I COBRA and your earned eligibility is for Plan II
- The date on which the Plan no longer provides health coverage

## Alternative coverage options

COBRA premiums are expensive because they are based on the actual cost of benefits, so you may want to look for an alternative option that offers lower monthly premiums and out-of-pocket costs.

- **Another group health plan**

Losing coverage under the SAG-AFTRA Health Plan creates a special enrollment period due to a "reduction in hours." If you, your spouse or parent (if you are under age 26) have health coverage offered by an employer, **call the employer's health plan or HR department to see what your options are.**

- **Marketplace plans**

Depending on your household income, **you may be able to enroll in a Marketplace plan with no premium. In the Marketplace, you may be eligible for a tax credit that lowers your monthly premiums right away.**

Example: A 40-year-old couple with a household income of \$25,000 a year may qualify to enroll in a health plan with low cost share (\$5 doctor visits, 10% hospital coinsurance, \$2,000 out-of-pocket maximum) with a monthly family premium of just \$83 per month after the \$642/month tax credit.

**To help you navigate your options on the Marketplace, SAG-AFTRA Health Plan has partnered with Via Benefits Insurance Services.** For assistance, call Via Benefits at (833) 963-1230.

You can explore Marketplaces on your own by visiting these websites:

- National: [Healthcare.gov](https://www.healthcare.gov)
- California: [CoveredCA.com](https://www.coveredca.com) and [www.ehisca.com](https://www.ehisca.com)
- NY: [NYStateofhealth.ny.gov](https://www.nystateofhealth.ny.gov)

**For additional help from benefits experts working in our industry, contact:**

- Artists Health Insurance Resource Center: New York and East/Midwest Regions
  - (917) 281-5975
  - [actorsfund.org/services-and-programs/artists-health-insurance-resource-center](https://actorsfund.org/services-and-programs/artists-health-insurance-resource-center)
- Entertainment Health Insurance Solutions: Los Angeles and West Regions
  - (833) 777-3447
  - [ehisca.com](https://www.ehisca.com)

- **Medicare (if eligible)**

Do not delay in enrolling in Medicare if you are Medicare eligible. In general, if you don't enroll in Medicare Part A or B when you are first eligible because you are still employed, after the initial enrollment period for Medicare Part A or B, you have an 8-month special enrollment period<sup>1</sup> to sign up, beginning on the earlier of

- The month after your employment ends; or
- The month after group health plan coverage based on current employment ends.

If you are Medicare eligible and you choose to enroll in COBRA instead of Medicare, you may incur late enrollment premium penalties. Medicare coverage is not retroactive, so don't delay your enrollment.

If you are enrolled in both COBRA continuation coverage and Medicare, Medicare will generally pay first (primary payer) and COBRA will pay second. Certain COBRA continuation coverage plans may pay as if secondary to Medicare, even if you are not enrolled in Medicare.

For more information visit <https://www.medicare.gov/medicare-and-you>.

## **Life insurance conversion**

The COBRA regulations do not require continued coverage for life insurance. However, life insurance conversion policies are available to the participant (but not to dependents) immediately following the termination of Plan I earned-eligibility coverage due to loss of earnings. To request a conversion application, please contact MetLife directly at (877) 275-6387 or by email at [solutions@metlife.com](mailto:solutions@metlife.com). Tell the agent that your \$10,000 life insurance benefit with the group life policy number 1113312 has terminated. Life insurance conversion must be completed within 31 days of the date your Plan I coverage terminated.

Additionally, you may qualify for a waiver of the life insurance premium if you are totally disabled. Please contact the Plan through the secure Message Center in your Benefits Manager, or call (800) 777-4013 for more information.

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<sup>1</sup> <https://www.medicare.gov/sign-up-change-plans/how-do-i-get-parts-a-b/part-a-part-b-sign-up-periods>. These rules are different for people with End Stage Renal Disease (ESRD).