



COBRA and HRAs Reminder May 2018

With the end of the school year approaching, you may begin to get notices from employees who will not return next year. We would like to remind you about your COBRA responsibilities. Please take a moment to review the [COBRA resources](#) on the VEHI Website. [Please note the Vermont Specific Election Notice Template was recently updated.](#)

Don't forget **HRAs (Health Reimbursement Arrangements)**, new for many districts in 2018, are **eligible for COBRA.**

COBRA Reminders:

- You must offer COBRA to both the employee and their dependent(s) – each individual has their own COBRA right.
- COBRA eligibility is a special enrollment opportunity and individuals can choose to enroll in any of the plans available, they are not limited to their current plan.
- In order to COBRA an HRA, the individual must also COBRA the VEHI health plan it is associated with.
- Individuals pay a premium to COBRA an HRA. Districts should calculate the premium now, ahead of COBRA requests. HRA premium is typically based on the HRA design and historical usage. Without historical data, national data can be used. Please contact your COBRA administrator to determine the HRA premium.
- Employers can charge an additional 2% of premium to both the HRA and health plan premiums to offset the cost of administration.
- At the district's Open Enrollment each year, COBRA participants must be notified of their opportunity to change their plan elections, just as active employees do.

For additional information and guidance on COBRA, please contact your COBRA administrator or legal counsel.

This notification has been sent to School Business Officials, Human Resources, Health members and Dental members

You're receiving this notification because your school and/or SU are a member of our program.

[Edit your subscription](#) | [Unsubscribe](#)

52 Pike Drive
Berlin, VT 05602
(802) 223-5040