



Help with Health Insurance

Options to Consider If You're Leaving State Service

This fact sheet describes the medical and dental insurance options available to employees who will be leaving Oregon state service. Sections 1 and 2 cover continuation through COBRA and portability. Section 3 includes information of special interest to retirees. Section 4 presents a set of questions and answers, and Section 5 lists additional resources.

If you have any questions about this information or about any benefit-related issues, please feel free to contact PEBB. Benefit counselors are available to respond to issues related to your personal circumstances. Call (503) 373-1102 in Salem, or (800) 788-0520 outside Salem. Or e-mail inquiries.pebb@state.or.us.

Section 1. Continuing Healthcare Insurance through COBRA

Eligibility

If you are participating in a PEBB medical and dental benefit program when you end state service for any reason, including retirement, you and your family will be eligible to continue your coverage through COBRA. COBRA stands for the Consolidated Omnibus Budget Reconciliation Act. Through COBRA, former employees and their dependents can continue coverage for a period of time in the employer's group medical and dental insurance plans.

Cost

The state's contribution to your benefits ends when your state employment ends. Your coverage end date depends on the date you actually leave state service, so check with your payroll representative. If you continue coverage through COBRA, you will be responsible for the entire premium plus an administrative fee of 2 percent of the premium.

Electing Coverage

If you qualify for COBRA benefits, you will receive a written notice from BestChoice Administrators (BCA), PEBB's COBRA administrator. The notice explains your rights under COBRA and lays out the procedure for electing coverage when your employee benefits end.

Eligible dependents who were participating in your PEBB medical and/or dental plan on the date your job ended are also eligible for COBRA coverage. You will have the choice of electing individual coverage for yourself only, your family members only, or for yourself and your family members.

Time Frames

You and your family members have 60 days from the date of the notice or the date your coverage ended (whichever is later) to elect coverage through COBRA. This 60-day period cannot be extended. Once you elect coverage, both the coverage and the premiums are retroactive to the date your PEBB coverage ended.

Benefits

If you decide to continue coverage through COBRA, you will be able to select from the same mix of medical and dental plans for which you were eligible as an employee. You may continue medical only, dental only or medical and dental coverage.

While you are a COBRA participant, you may participate in PEBB's annual Open Enrollment. During Open Enrollment you may change, add or drop medical and/or dental plans. You may also add eligible family members or a domestic partner or remove these individuals from coverage during Open Enrollment. These individuals may not choose coverages that are different from yours.

Length of Coverage

In general, you will be allowed to have COBRA health benefits through PEBB for up to 18 months. In certain limited disability situations, you can maintain COBRA health insurance for up to 29 months.

Section 2. Continuing Medical Insurance through Portability

Eligibility

If you're not retiring and you choose not to participate in COBRA, you have another medical insurance option – portability. Portability means you can obtain individual coverage through the same company that carried your PEBB plan. Portability plans cannot limit or restrict your coverage because of pre-existing conditions. If you participated in a group medical plan for at least six months prior to leaving employee status, your eligibility is portable.

Time Frames

Your PEBB medical plan carrier will notify you of your portability coverage option when you lose PEBB coverage. You have 63 days from the date you receive the notice or the date you lost group coverage (whichever is later) to apply for portability coverage. The notice will include information on your eligibility.

You can access portability coverage when your PEBB participation ends, while you are participating in COBRA or at the end of the COBRA period.

Dependents who were covered on your PEBB plan are also eligible to apply for portability coverage. Keep in mind that they can enroll only when you initially enroll for portability coverage. They can't enroll after that period.

You can maintain your portability coverage as long as you pay the premiums and reside in Oregon.

Coverage

Coverage available in an individual plan will not be the same as that available to PEBB members or COBRA participants. Instead, the insurance carrier must offer two portability plans. One is called the Prevailing Benefit Plan, which offers coverage similar to that of most group plans. The other is the Low-cost Plan, which typically offers coverage with higher deductibles and co-payments. The carrier determines the rates in coordination with the Department of Consumer and Business Services.

Notice

Along with your COBRA notice, BCA will send you a “Certificate of Creditable Coverage,” which shows the amount of time you participated in the group plan. The certificate and notice from the insurance carrier will provide the information you need about applying for individual coverage.

Section 3. Continuing Coverage as a Retiree

Eligibility

If you are retiring from state service before you are eligible for Medicare, you may be eligible to continue participation in PEBB's group medical and dental plans. You may also be able to cover your dependents. To be eligible, you and your dependents must be enrolled in the PEBB employee program prior to your retirement and not be eligible for Medicare. In addition, you must be receiving or eligible to receive a state retirement allowance and have reached "retirement age."

Time Frames

To continue coverage in PEBB as an eligible retiree, you will need to enroll within 60 days of your loss of active employee coverage. If you become eligible for retirement while you are on COBRA, you may enroll in the retiree group plans. However, you must be continuously enrolled on a PEBB group program. There can be no break in coverage.

Coverage

On your retirement, you can elect coverage for you and/or your eligible dependents in any of PEBB's medical and dental plans. These plans include additional option medical and dental plans with lower costs and lower benefits. Only retirees and part-time employees may enroll in these plans.

Costs

Retirees are responsible for the total premium costs for the coverage they elect. You will enroll and pay your premiums through PEBB's third-party administrator, BCA. Your coverage under the retiree group plan will continue as long as the premiums are paid and PEBB continues to offer the retiree plan.

Section 4. Continuation Coverage Questions & Answers

Q: What are my medical insurance options when I leave state service?

A: Your options include no coverage, the retiree program if you're eligible to retire, COBRA, portability and the individual market.

Q: How do I know what to choose?

A: Start by doing some careful research. If you have an employed spouse, investigate options available through your spouse's employer. Call PEBB, talk to your carrier, call PERS if you're eligible to retire, and check with the Department of Consumer and Business Affairs for a list of private carriers. Then compare the plans available through each option. The plans available may vary greatly in benefits, costs, service availability and providers. Try to compare element to element. You should also take into account the current state of your health and your health risk factors and the health of any dependents.

Q: I only worked for the state for five months before I was laid off; am I eligible for COBRA?

A: Yes, as long as you were covered in a PEBB plan when your state service ended, you can continue coverage through COBRA.

Q: If I elect COBRA coverage, can I select different plans from the ones I had as an employee?

A: Yes, you can switch medical and/or dental plans. However, you can add or delete coverage for family members only during the open enrollment period or consistent with a separate qualified status change.

Q: I'm expecting the birth of my child next month; will I be able to add the baby to my COBRA coverage?

A: The birth or adoption of a child qualifies as a status change event. You will have 60 days from the date of the event to apply for the dependent's coverage. In addition, a newborn will be automatically covered under your plan for the first 31 days of life.

Q: Do I have to continue dental coverage?

A: No. The COBRA rules say dental coverage is "non-core," so you don't have to continue dental coverage under COBRA. Portability coverage is for medical coverage only.

Q: As soon as I leave state employment, I'm going to work for another employer that doesn't offer family coverage. Can my spouse and children individually get coverage through COBRA?

A: Yes, as long as your dependents were covered by a PEBB plan when your state employment ended, each of them may individually apply for continuation coverage through COBRA.

Q: If PEBB drops one benefit plan and changes to a new one while I'm covered under COBRA, do I have the option of switching to the new plan? Or do I have to stay with the one I started with?

A: You will need to switch to the new plan, just like similarly situated active employees.

Q: I'm currently with Kaiser Permanente, but when my state job ends, I'm moving outside the Kaiser coverage area. Can I change plans then? Or do I have to wait for Open Enrollment?

A: You can change plans if you move out of a carrier's service area. You must do so within 60 days of changing your permanent residence outside the service area.

Section 5. Resources

PEBB

775 Court Street NE
Salem, OR 97301-3802
Phone: (800) 788-0520 (statewide)
(503) 363-1102 (Salem)
Fax: (503) 373-1654
E-mail: inquiries.pebb@state.or.us
Web: <http://pebb.das.state.or.us>

Associated Administrators, Inc.

*(Dependent Care Flexible Spending
Accounts)*
2929 NW 31st
PO Box 3199, Mail Station B20F
Portland, OR 97208-3199
Phone: (503) 220-3805, (800) 334-4340

BestChoice Administrators

*(Retiree, Self-pay and COBRA
Participants, Semi-independent
Agencies)*
PO Box 67240
Portland, OR 97268-1240
Phone: (800) 822-3173
Web site:
www.bestchoiceadmin.com/members_pebb_members.html

Cascade East Health Plan (HMO Plan)

645 West Orchard Avenue
Hermiston, OR 97838
Phone: (541) 567-5555, (866) 577-
CEHP (2347)
Fax: (541) 567-5577
Web site: www.cehp.org

Department of Consumer and Business Services

Insurance Division
350 Winter St NE Room 440
Salem, OR 97301-3883
Phone: (503) 947-7980
Fax: (503) 378-4351
E-mail: DCBS.INSMail@state.or.us
Web: www.oregoninsurance.org

Kaiser Permanente (HMO & Dental Plans)

500 NE Multnomah, Suite 100
Portland, OR 97232-2099
Phone: (800) 813-2000
Web site: www.kp.org/nw/pebb

ODS Health Plans (Dental Plan)

601 SW 2nd Avenue
Portland, OR 97204
Phone: (800) 452-1058
Web site: www.odshp.com/pebb/

Regence BlueCross BlueShield of Oregon (PPO Plans)

PO Box 1271
Portland, OR 97207-1271
Phone: (800) 826-9813 (outside
Portland)
(503) 220-3849 (Portland)
Web site: www.or.regence.com/pebb

VSP (Vision Service Plan for Regence and Cascade members)

PO Box 997105
Sacramento, CA 95899
Phone: (800) 877-7195
Web site: www.vsp.com

Willamette Dental Insurance (Dental Plan)

14025 SW Farmington Road
Beaverton, OR 97005
Phone: (800) 460-7644
Web site: www.denkor.com

