

# Employment Ending (Termination/Separation)

1/23/09

## General Information and Requirements

Applicable to:

- Employees and their covered dependents when the employee terminates employment.

Relevant rules:

- When an employee separates employment due to termination, the employee and any covered dependents are no longer eligible for PEBB employer-provided benefits (see [WAC 182-12-133](#)).
- PEBB medical, dental, and life insurance will end at midnight on the last day of the month in which employment ends (see [WAC 182-12-131](#)).
- The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) gives the employee and his or her covered dependents the right to continue PEBB coverage by self-paying premiums to HCA (see [WAC 182-12-131](#)).
- Basic long-term disability insurance ends at midnight on the date employment ends. Optional coverage ends at midnight on the last day of the month in which employment ends, or the last day in which the subscriber paid the premium (see [WAC 182-12-131](#)).
- Retiring employees may choose to elect PEBB-sponsored retiree coverage if eligible (see [WAC 182-12-171](#)).

Employer must...	...within...	...or this will happen
Terminate employee PEBB benefits	<b>30 days</b> from the date employment ends, or as soon as the employee's end date is known	The HCA will delay mailing the <i>Continuation of Coverage Election Notice</i> packet, resulting in benefit enrollment delays and possible payment hardships for the employee.

- HCA will send the employee the *Continuation of Coverage Election Notice* packet in the mail after the employee coverage has terminated. (This can take up to 14 days after benefits have been terminated).

Employees applying for COBRA must...	...within...	...or this will happen
Complete the <i>COBRA Continuation or Extension of Coverage</i> form	<b>60 days</b> from the postmark date of the <i>Continuation of Coverage Election Notice</i>	PEBB coverage will end on the last day of the month in which employer-provided coverage was terminated.
Mail or hand-deliver the <i>COBRA Continuation or Extension of Coverage</i> form to the PEBB Program (address provided in packet)	<b>60 days</b> from the postmark date of the <i>Continuation of Coverage Election Notice</i>	Employees will lose their right to continue PEBB coverage.
Make the first full payment to HCA for continuation of coverage	<b>45 days</b> after the date coverage is elected	Employees will lose their right to continue PEBB coverage.

## Additional Information

Employees who have...	...may...	...within
A spouse or qualified domestic partner also covered by employer-paid PEBB benefits	Enroll under the spouse's or qualified domestic partner's medical and/or dental coverage as a dependent	<b>60 days</b> from the date the employee's employer-provided coverage ends.
PEBB life insurance	Convert coverage to an individual term policy (if covered for five years or more)	<b>31 days</b> from the date the employee's employer-provided coverage ends or <b>60 days</b> from the date the employee's employer-provided coverage ended (if retiring).
A spouse or qualified domestic partner also covered by PEBB benefits	Transfer a portion of their optional life insurance to the spouse's or qualified domestic partner's PEBB coverage, up to the eligible limits	<b>31 days</b> from the date the employee's employer-provided coverage ends.
A Flexible Spending Account (FSA) through ASIFlex	Apply for continuation of coverage through ASIFlex to extend their period of coverage, so that they may claim expenses incurred after employment ends (see FSA/DCAP FAQ bullet below under Guidance Resources)	<b>60 days</b> from the date the employee's employer-provided coverage ends.
A spouse or qualified domestic partner* also covered by PEBB benefits  *Federal rules restrict enrollment of a domestic partner	Enroll in or change their election through ASIFlex for a Flexible Spending Account (see FSA/DCAP FAQ bullet below under Guidance Resources)	<b>60 days</b> from the date the employee's employer-provided coverage ends.

Employees applying for PEBB retiree coverage must...	...within...	...or this will happen
Complete the <i>PEBB-Sponsored Retiree Coverage Election Form</i> to enroll in or defer coverage	<b>60 days</b> from the postmark date of the <i>Continuation of Coverage Election Notice</i>	Employees will lose their future right to enroll in PEBB retiree coverage.
Mail, hand-deliver, or fax the <i>PEBB-Sponsored Retiree Coverage Election Form</i> to the PEBB Program (deliver to the address provided in their packet or fax to 360-923-2608)	<b>60 days</b> from the postmark date of the <i>Continuation of Coverage Election Notice</i>	Employees will lose their future right to enroll in PEBB retiree coverage.
Make the first full payment to HCA for continuation of coverage (if not electing pension deduction from Department of Retirement Systems)	<b>45 days</b> after the date coverage is elected	Employees will lose their future right to enroll in PEBB retiree coverage.

## Guidance Resources

- Employees retiring under plans administered by the Department of Retirement Systems must contact DRS for information about retirement eligibility. Information can be found on their Web site at [www.drs.wa.gov](http://www.drs.wa.gov), or by calling their toll-free number at 1-800-547-6657.
- The employee may contact HCA at 1-800-200-1004 to request a retiree packet. Retiree information is also on the PEBB Web site at [www.pebb.hca.wa.gov/retiree\\_packet.html](http://www.pebb.hca.wa.gov/retiree_packet.html).
- [Continuation of Coverage Election Notice](#) booklet
- Flexible Spending Account/Dependent Care Assistance Program ([FSA/DCAP](#)) [FAQ](#)

## Forms

- [COBRA Continuation or Extension of Coverage](#)
- [Employee Enrollment/Change](#) (if enrolling on spouse's or qualified domestic partner's PEBB coverage)
- [Spouse or Qualified Domestic Partner Certification](#) (if enrolling on spouse's or qualified domestic partner's PEBB coverage)
- [Life Insurance Change Form](#) (if enrolling on spouse's or qualified domestic partner's PEBB life insurance)
- [Life Conversion Information Request Form](#) (if converting to an individual life insurance policy)
- [PEBB-Sponsored Retiree Coverage Election Form](#) (if applying for retiree coverage)

## Rates

- [COBRA/Leave Without Pay](#)
- [Retiree](#)
- [Life Insurance – Retiree Rates](#)
- [Employee Medical](#) (if enrolling as a dependent under a spouse's or qualified domestic partner's PEBB employee coverage)
- [Life Insurance – Employee Rates](#) (if enrolling under a spouse's or qualified domestic partner's PEBB life insurance coverage)

## Common Questions and Issues

Employees can use PEBB's Knowledge Base ([www.pebb.hca.wa.gov](http://www.pebb.hca.wa.gov)) to search for and view these and other commonly asked questions:

- [What are my options for continuing coverage after my health coverage ends?](#)
- [Enrollment/Change forms: Which ones do I use? Where do I submit?](#)
- [What should I do if my spouse or qualified domestic partner is also eligible for PEBB coverage as an employee or retiree?](#)
- [Life Insurance: Retiring or leaving state employment](#)
- [When does my life insurance end?](#)
- [What do I need to do if I'm a PEBB member thinking about retirement?](#)

## **WAC References and Their General Subject Matter**

[182-08-198](#) When may a subscriber change health plans?

[182-12-121](#) Does a change in position or job affect eligibility status?

[182-12-131](#) When does employer paid insurance coverage end?

[182-12-133](#) Options for continuing coverage when no longer eligible for employer coverage

[182-12-171](#) When are retiring employees eligible to enroll in retiree insurance?

[182-12-262](#) When can a subscriber enroll, waive or remove eligible dependents?

## **Video**

[Retiree Questions and Answers Video](#)