

COBRA Qualifying Events

Qualifying events are "triggers" that can cause the loss of group health coverage and may result in the right to COBRA coverage. The type of qualifying event determines who the qualified beneficiaries are for that event.

Note that the information below outlines qualifying events under federal COBRA. **While many state "mini-COBRA" laws are similar to federal COBRA, some state laws may permit additional or different qualifying events.** For more information on state "mini-COBRA" laws, [click here](#).

COVID-19-Related Relief

Deadline Extensions: [Disaster Relief Notice 2021-01](#) provides participants with additional time to comply with deadlines to elect and pay for COBRA coverage, as well as notify the plan of a qualifying event. **The information below illustrates the otherwise applicable general rules for COBRA notices.**

COBRA Subsidies: The [American Rescue Plan Act](#) requires the full cost of COBRA premiums from **April 1, 2021 through Sept. 30, 2021** to be subsidized for eligible employees (and their family members) who lost or lose group health insurance due to **involuntary job loss** or **reduction in work hours**. The subsidy is funded through a tax credit to employers whose plans are subject to federal COBRA or are self-insured, to the plan for multiemployer plans, and to the insurer for other plans. Plan administrators must inform eligible individuals of the availability of COBRA premium assistance and provide notice of its expiration. [Click here](#) for more on these requirements.

Qualifying Events for Covered Employees

The following are qualifying events for a **covered employee**, if they cause the covered employee to lose health coverage:

- Termination of the covered employee's employment (whether voluntary or involuntary) for reasons other than gross misconduct; or
- Reduction in the covered employee's hours of employment.

However, the term "gross misconduct" is not defined under federal law. Employers should consult with a knowledgeable employment law attorney to discuss any issues related to gross misconduct and COBRA as it relates to a particular employee.

Qualifying Events for Spouses and Dependent Children

The following are qualifying events for a spouse and dependent child of a covered employee, if they cause the spouse or dependent child to lose coverage:

- Termination of the covered employee's employment (whether voluntary or involuntary) for reasons other than gross misconduct;
- Reduction in hours worked by the covered employee;
- The covered employee becoming entitled to Medicare;
- Divorce or legal separation of the spouse from the covered employee; or
- Death of the covered employee.

In addition to the above, a dependent child of a covered employee experiences a qualifying event if he or she loses “dependent child” status under the plan rules.

Providing Notice to the Plan of the Qualifying Event

If a qualifying event occurs, the group health plan must be notified in order to be required to act. Who must give notice depends on the type of qualifying event. The **employer must notify the plan within 30 days** after the following qualifying events occur:

- Termination or reduction in hours of employment of the covered employee;
- Death of the covered employee; or
- Covered employee's becoming entitled to Medicare.

Alternatively, the **employee, spouse, or dependent** is responsible for notifying the plan if the qualifying event is divorce, legal separation, or a child’s loss of dependent status under the plan. This notice generally must be provided within 60 days after the later of the date of the qualifying event or the date the employee, spouse, or dependent would lose coverage due to the qualifying event.

Providing Notice to Qualified Beneficiaries

After receiving notice of a qualifying event, the plan must provide the qualified beneficiaries with the COBRA Election Notice **within 14 days**. The individual then has 60 days to decide whether to elect COBRA coverage.