



EFFECTIVE JANUARY 1, 2026

Flexible Benefit Administrators (FBA) WILL ADMINISTER THE COBRA PROGRAM FOR THE CITY OF PHOENIX

This notice provides important information about your right to continue your health care coverage in the City of Phoenix group health plan. It is your responsibility to carefully review this information without delay.

City of Phoenix COBRA (COBRA) Coverage Overview

City of Phoenix's allows employees and their eligible dependents to enroll in City of Phoenix COBRA coverage if you will no longer be in the plan because of a qualifying event; including:

- Reduction in hours to include leave of absence
 - Termination of a qualified domestic partnership
 - Death of Employee
 - Divorce
 - Retirement
 - The employee enrolls in Medicare
 - Termination of Employment
 - A covered child reaches age 26
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- COBRA coverage is available only with the medical, dental, vision, and/or FSA plans you were covered under on the day before the qualifying event occurred.
 - You have 60 calendar days from the date on the COBRA notice from the City's Third-Party COBRA administrator, FBA, to make an enrollment decision and complete the COBRA enrollment process. Late enrollments are not allowed.
 - The effective date of COBRA coverage is always the first of the month after the qualifying event that resulted in the loss of coverage. Even if you wait until the 60th day to make your election, your coverage must be retroactive to the first of the month after the qualifying event and you will owe premiums from that date.
 - If you are enrolled in the City's HMO dental plan and you or a covered dependent move to an area where the provider network is not available, you must request to change your dental plan by contacting Optum within 31 days of the move.
 - If you are enrolled in an FSA and you have a positive balance when you separate from the City, you can elect FSA for the remainder of the plan year. You would have to pay the pledged monthly contribution to keep that FSA coverage.
 - If you lose coverage because of termination of employment, retirement, or a reduction in hours, you and your covered family members can maintain coverage for a period of 18 months.
 - If an employee's family member(s) covered under COBRA lose coverage due to divorce, a child turning age 26, employee's death, or the employee's enrollment in Medicare, the eligible family members may enroll in COBRA coverage for an additional 18 months.
 - Only dependents eligible for coverage under and active city employee are eligible for the City's COBRA coverage.
 - **If you separate from the City in November or December**, elect COBRA, and previously made changes to your current elections during Annual Open Enrollment for the next plan year, you can request those elections be implemented in place of your current coverage effective January 1. Those requests must be made to the City Benefits Office within the 60 day COBRA enrollment period.



Independently Electing COBRA Coverage

- If independently electing COBRA coverage, the employee must request and complete the Individual COBRA Accounts Form. This form must be returned to the Benefits Office for processing before COBRA coverage can be elected. This form and the enrollment process must be completed within the 60-day enrollment period.
- Individual/separate elections processed for dependents means that each person would not qualify for the 18-month extension should a secondary event occur, meaning the primary employee's death, divorce/separation, or the primary employees' enrollment in Medicare.
- Medical carriers will mail the ID cards for the newly enrolled dependents with their own ID numbers. The RX information on the back of the card will not have the new RX member ID number. Dependents will need to log in to the pharmacy vendors website to print a new ID card with the updated RX member ID number.
- Medical carriers will apply credit for previous accumulators (deductibles, coinsurance, out-of-pocket maximums, visit limitations, etc.) that were met by the separating dependents while on primary employee's the family plan.

COBRA Premium Based on Event Type

- When an employee is on an approved unprotected and unpaid leave of absence for the employee's own health condition, the employee qualifies for a subsidized COBRA rate and pays the same monthly premium as an active employee for the first 12 months. In months 13 through 18, 102% of the full premium is owed. If the employee returns to work after unprotected medical leave, becomes benefit eligible upon return to work, and experiences another COBRA qualifying event, the employee will qualify for the subsidized COBRA rate during another unprotected medical leave.
- During all other approved unprotected and unpaid leave of absences, employee will owe 102% of the full premium amount.
- When enrolled in COBRA due to the following reasons, 102% of the full premium is owed:
 - Divorce or legal separation
 - A child reaches age 26
 - Termination of employment
 - Death of the employee (with the exception of duty death)
 - Retirement
 - Reduction in hours
- COBRA premium is 150% of the full premium for an additional 11 months of coverage when you or a qualified dependent is determined by the Social Security Administration to be disabled.
- COBRA premiums are subject to change every January 1, with the new plan year. Changes are allowed during Open Enrollment or due to a life event.



If you elect COBRA coverage, you must make your first payment within 45 calendar days after the date of your COBRA election. If you do not make your first payment within 45 calendar days after your election, you lose all COBRA rights under the plan. COBRA coverage does not begin until payment is received and posted by FBA.

Your first COBRA payment must cover the cost of coverage from the first of the month following the event that results in the loss of coverage. This is always the start date for COBRA coverage and cannot be changed.

COBRA premiums are due by the 1st day of the month. There is a 60-day grace period. Failure to pay by the end of the grace period will result in a cancellation of COBRA coverage.

How Long Will COBRA Coverage Last?

COBRA coverage for employees can be continued for up to a total of 18 consecutive months. COBRA coverage for enrolled dependents who lose coverage because of a qualified event may extend COBRA coverage for up to a total of 36 consecutive months (not applicable when accounts are independently elected).

COBRA at Retirement

You may extend your active employee coverage for up to 18 months by enrolling in COBRA at 102% of the full employee premium. COBRA premium payments cannot be deducted from your pension check. FBA administers COBRA for all eligible City employees, retirees, and dependents. Contact FBA with questions at (800) 437-3539 8 am to 8 pm EST, Monday -Friday.

Retirees will have 31 day from the end of either their active City-sponsored health coverage, or their City COBRA coverage to elect City retiree health plans and submit payment for dental and vision coverage. If elections are not made within 31 days, the retiree will be unable to enroll in the City's retiree health plans in the future. If you do not enroll in a specific benefit option when electing COBRA, then you must enroll in the City's retiree benefit within 31 days of active City coverage ending. When your City COBRA coverage ends you will only be allowed to enroll in the City's retiree plans for which you had elected under COBRA coverage.

Once you have exhausted the full COBRA coverage period, you may qualify for a Special Enrollment Period (SEP) on the Federal Marketplace ([healthcare.gov](https://www.healthcare.gov)). There are strict enrollment deadlines to enroll under a SEP. Visit [healthcare.gov](https://www.healthcare.gov) for more information.

COBRA Enrollment

You must enroll with and make payment to FBA to begin COBRA coverage. You must enroll within 60 days of City employment ending or the date of the COBRA letter, whichever is later. Enrollment in COBRA is not automatic and requires either online enrollment or mail-in enrollment with FBA.