

Utah NetCare: Alternative Coverage

When employees and /or their enrolled dependents experience events that cause the insurance through the employer to end, they may have a right to extend the employer's plan through existing COBRA or Utah mini-COBRA regulations. Beginning January 1, 2010, these individuals also have an alternative option called Utah NetCare.

What is the Utah NetCare Plan?

Utah NetCare was created and passed by the 2009 Utah Legislature for launch January 1, 2010. It is designed as an alternative option to COBRA and Utah mini-COBRA when employees and /or their enrolled dependents qualify to extend the employer's group health plan. The Utah NetCare plan offers members who were previously insured on the employer's plan coverage at a cost that may be lower than the average health plan in Utah. Keep in mind, Utah NetCare may not have the same benefits as the current employer plan.

How much does Utah NetCare cost?

Generally, each former enrollee is required to pay the entire cost of extended coverage, plus an additional 2% for employer administration. Because the extended coverage under Utah NetCare is different from the existing employer plan, the cost for the Utah NetCare plan may be less. The amount is determined by the type of plan chosen and may or may not be comparable to a similarly situated employee who is not receiving continuation coverage.

How to elect Utah NetCare?

To elect Utah NetCare as alternative coverage, complete the continuation coverage form provided by the employer plan, submit it according to the directions on the form, and pay any required premium. If Utah Alternative Coverage is elected in place of the employer's group health plan, certain HIPAA rights are waived. If an employee elects Utah NetCare, at the end of the extension period the only guaranteed plan option is conversion coverage.

How long will extension coverage last?

If an employee elects Utah NetCare, coverage may be extended up to 12 months. Coverage could end earlier for reasons such as:

- ❖ required premium is not paid in full on time;
- ❖ if after electing Utah NetCare, another group health plan that does not impose any pre-existing condition exclusion for a pre-existing condition is acquired;
- ❖ entitlement to Medicare benefits after electing an extension of coverage; or
- ❖ employer ceases to provide any group health plan for its employees.

When the Utah NetCare coverage extension is exhausted, an employee may be eligible for individual coverage, coverage with HIPUtah, or an individual Utah NetCare conversion policy.

For more information

This notice does not fully describe the rights under the health plan. More information about rights and details of the plan are available from the employer or Regence BlueCross BlueShield of Utah.