



# MESSA COBRA Subsidy for Layoff

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## ELIGIBILITY

### Definition of Layoff

For MESSA purposes, a layoff is defined as any suspension from employment arising out of a reduction in the workforce. A reduction in hours that results in a loss of employer-paid benefits does not, for purposes of this policy, constitute as a layoff. Permanent termination of employment does not constitute as a layoff for purposes of this policy, except in cases where the laid-off employee's position is privatized.

### Description of MESSA COBRA Subsidy for Layoff (CSL)

- MESSA's COBRA Subsidy for Layoff (CSL) allows its members to continue only the *medical coverage* in which the member was enrolled at the time of the layoff.
- Member *must* elect to continue his/her MESSA medical plan through COBRA to be eligible for the MESSA COBRA Subsidy for Layoff.
- The layoff benefit runs concurrently with the member's COBRA continuation.
- After the layoff benefit period has expired:
  - Member is responsible for the remaining medical premiums on COBRA, if any
  - Member is not obligated to continue COBRA
  - Member must notify school district if he/she wants to continue on COBRA
- If school district changes MESSA medical coverage, member's medical coverage will change to new coverage.
- If school district cancels MESSA medical coverage, member's medical coverage will also be cancelled.
- An employee who fails to elect COBRA within 60 days of the cancellation of employer-paid medical insurance may forfeit his/her right to elect COBRA.

### Description of MESSA COBRA Subsidy for Layoff (CSL) for Privatized Members

- MESSA's COBRA Subsidy for Layoff (CSL) for Privatized Members allows its members to continue only the *medical coverage* in which the member was enrolled at the time of the layoff.
- Member will retain their current medical coverage for the duration of the privatized layoff benefit period.
- Member should discuss their COBRA rights with their employer. MESSA requires the member to elect COBRA to be eligible for the MESSA COBRA Subsidy for Layoff (CSL) for Privatized Members.
- An employee who fails to elect COBRA within 60 days of the cancellation of employer-paid medical insurance may forfeit his/her right to elect COBRA.

### Period of Coverage

Benefits are provided for up to 12 months depending on the number of years in which the employee had *continuous* MESSA medical coverage.

Continuous Years of MESSA  
Medical Coverage  
1 – 3 years\*  
4 – 6 years\*  
7 – 9 years\*  
10 plus years\*

Layoff Benefit  
Period of Coverage  
3 months  
6 months  
9 months  
12 months

*\*Only full years enrolled in a MESSA medical plan are used to determine the Layoff benefit period of coverage. If the member returns to work after being on the MESSA COBRA Subsidy for Layoff (CSL), they must work one full year before another Layoff benefit is available. If a new employee has medical coverage beginning on or before October 15 for a contractual school year and ending on or after the last day of the contractual school year, it will be deemed to be a full year of MESSA coverage.*

### **Determination of Eligibility**

MESSA determines eligibility based upon review of the following items:

- ✓ Notice of layoff from employer on a Member Cancellation Request.
- ✓ Documentation provided to the employee from the employer at the time of layoff.
- ✓ Submission of proof of receipt of unemployment benefits.
- ✓ Copy of member's completed COBRA application electing to continue their medical coverage.
- ✓ Years of continuous MESSA medical coverage as our member. Years of coverage as a dependent do not count toward layoff eligibility.

## EMPLOYER RESPONSIBILITIES

### Employer Notifies MESSA

#### **Layoff of an Individual Member:**

- The employer notifies MESSA to cancel an individual member's benefits due to layoff on a Member Cancellation Request (*see Page 16 for sample of form*).
  - The cancellation date must meet MESSA's underwriting guidelines.
- The employer must submit a copy of the layoff notice and the notice must include the employee's right to recall and return to a position.
- The employer must submit a copy of the member's completed COBRA application. The COBRA application must indicate the member is continuing their medical plan.
- After exhausting the employer's contractual obligation, MESSA determines the individual member's eligibility and duration of the layoff benefit period.

*Reminder: A reduction in hours that results in a loss of employer-paid benefits does not, for purposes of this policy, constitute as a layoff.*

#### **Privatization of Whole or Partial Group**

- The employer notifies MESSA of the privatization of a whole or partial group by submitting the Request for Group Benefit Implementation/Cancellation (RBI) Form (*see Page 15 for sample of form*).
- The cancellation date must meet MESSA's underwriting guidelines as outlined in the Participation Agreement.
- The employer must submit a copy of the letter informing the employee that his/her job has been privatized.
- Eligibility and duration follow the same period of coverage as the layoff benefit.

### COBRA

Please consult with legal counsel regarding COBRA obligations as an employer.

### If Employee Returns To Work

In the event an employee is recalled to work, the employer must submit a new application for benefits. At that time, the employee would be placed back on the employer's account and layoff benefits would cease.

If an individual exhausts only a portion of his/her layoff benefit before being recalled to work, and is then laid off a second time prior to returning to work for a full employment year, he/she will be eligible for a maximum of the unused balance from the first layoff.

## MESSA AND MEMBER RESPONSIBILITIES

### **Notification To Member**

MESSA will determine the member's layoff benefit period and notify the member and the employer by letter. The approval letter will include the number of months of layoff benefit for which the member is eligible and the guidelines for retaining this benefit (see *Page 5 for sample of letter*).

### **If Member is Eligible for MESSA COBRA Subsidy for Layoff (CSL)**

**Dates** – If eligible for coverage, the beginning date MESSA will use for the layoff benefit is the first of the month following date of cancellation by the employer - provided member submits appropriate documentation as indicated below.

**Documentation required** – After the initial enrollment in the MESSA COBRA Subsidy for Layoff (CSL), for each additional month the member is eligible, the member must submit copies of (1) their Unemployment Insurance Agency debit card and a copy of the "Account Activity History" report available at [www.mich.gov/uia](http://www.mich.gov/uia). (The member will need to set up an online account to access the report.), **OR** (2) their monthly bank statement showing the electronic deposit from the Unemployment Insurance Agency. Copies of (1) or (2) must be submitted by the 15<sup>th</sup> of each month to MESSA Group Services, PO Box 2560, East Lansing MI 48826-2560. When the member's State of Michigan unemployment benefits end, the member should complete a MESSA COBRA Subsidy for Layoff (CSL) Continued Unemployment Statement Form (see *Page 6 for sample of form*). To request a copy of this form, please contact MESSA at 888.888.4167 ext. 2988.

**When layoff benefits end** – After the member's layoff benefit period of coverage expires, the member has the following options: COBRA (if elected within the first 60 days of initial layoff) or Blue Cross conversion. For rates and a description of the conversion plan, call 888.288.2738 or visit Blue Cross on the web at [www.bcbsm.com](http://www.bcbsm.com).

### **If Member is Ineligible for MESSA COBRA Subsidy for Layoff (CSL)**

If a member is ineligible for MESSA COBRA Subsidy for Layoff (CSL), MESSA will send a Continuation of Benefits Flyer to the member explaining his/her options to continue the employer-sponsored benefits (see *Page 7 for sample of flyer*). MESSA no longer offers the option of continuing medical coverage on direct pay. The member may be eligible for a Blue Cross Blue Shield of Michigan conversion plan. For rates and a description of the plan, call 888.288.2738 or visit Blue Cross on the web at [www.bcbsm.com](http://www.bcbsm.com).

The member may continue on a direct payment basis with MESSA their Hospital Confinement Indemnity, Dependent Life, Group Supplemental Term Life (STL), Survivor Income Insurance and Basic Term Life (BTL). The member may not continue Short or Long Term Disability. At age 65, Dependent Term Life, STL and the Accidental Death and Dismemberment portion of BTL terminates. However, the member does have conversion rights with regard to the STL and Dependent Term Life Insurance and should contact MESSA Group Services at 888.888.4167 to request a conversion kit.



June 2, 2010

**SAMPLE APPROVAL LETTER**

Cindy Booklover  
123 Main Street  
Anytown MI 48000

RE: Approval of MESSA COBRA Subsidy for Layoff (CSL)  
Effective Date: January 1, 2000

Member ID: 000000

Dear Ms. Booklover:

MESSA has been notified of your layoff by ABC Schools. As a result, you are eligible for the MESSA COBRA Subsidy for Layoff (CSL). The MESSA Subsidy for Layoff (CSL) allows eligible members who are laid off from employment due to a reduction in workforce to continue their medical benefits. If ABC Schools discontinues or changes MESSA medical coverage, your MESSA COBRA Subsidy for Layoff (CSL) will end or change as of the effective date of the medical plan change.

The MESSA COBRA Subsidy for Layoff (CSL) and your COBRA benefits will run concurrently. You are not obligated to continue your medical plan on COBRA once your Layoff benefit period of coverage has expired so if you would like to continue your COBRA benefits (and be responsible for paying the monthly premiums), please notify ABC Schools after your Layoff benefit period of coverage expires.

Due to your continuous years of MESSA medical coverage, you are entitled to 9 months of medical coverage at no cost to you. This benefit begins on January 1, 2000 and will end when you are no longer eligible as defined below or September 30, 2000. You will be enrolled in the same medical coverage you received while covered through ABC Schools. The layoff benefit does not include dental, vision, long term disability or life insurance.

In order to be eligible for this benefit and to continue receiving it, you must apply for and be receiving unemployment benefits. The State of Michigan offers two ways to receive unemployment benefits: a debit card or direct deposit into your bank account. To ensure that your MESSA COBRA Subsidy for Layoff (CSL) continues, please submit, for each month of your unemployment, beginning with January, 2000: copies of (1) your Unemployment Insurance Agency debit card and a copy of the "Account Activity History" report available at [www.mich.gov/ui](http://www.mich.gov/ui). (You will need to set up an online account to access the report.), **OR** (2) your monthly bank statement showing the electronic deposit from the Unemployment Insurance Agency. Please submit copies of (1) or (2) by the 15<sup>th</sup> of each month to MESSA Group Services, PO Box 2560, East Lansing MI 48826-2560.

Any of the following events will cause this benefit to end:

- You return to work.
- MESSA does not receive monthly proof of unemployment benefits.
- Your benefit has reached the end date (stated above).
- ABC Schools cancels MESSA medical coverage. Your MESSA COBRA Subsidy for Layoff (CSL) will end the same date that the MESSA medical coverage for ABC Schools ends.

If you have any questions, please contact MESSA Group Services at 888.888.4167 ext. 2988.

Sincerely,

*MESSA Group Services*  
cc: ABC Schools – 0000



**SAMPLE**

**MESSA COBRA SUBSIDY FOR LAYOFF (CSL)  
CONTINUED UNEMPLOYMENT STATEMENT FORM**

Member Name: \_\_\_\_\_

Address: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

Telephone: \_\_\_\_\_

Social Security Number: \_\_\_\_\_

To MESSA Group Services:

I understand that the MESSA COBRA Subsidy for Layoff (CSL) requires acceptable documentation of my unemployment as a condition for the subsidy. I have exhausted my entitlement to unemployment benefits through the Unemployment Insurance Agency and can no longer furnish the appropriate documentation. I certify that each statement below is correct for the purpose of continuing my entitlement to the subsidy for the month of \_\_\_\_\_, 20\_\_\_\_.

- I currently lack full-time employment and have registered with the Michigan Unemployment Insurance Agency for work
- I am able and available to perform suitable full-time work
- I am making an active search for work
- I have exhausted my entitlement to unemployment benefits

I understand that any misrepresentation made here may require my immediate payment of the medical coverage contribution and/or cancellation of my medical benefits.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date





**SAMPLE**

## **Notice of Options for Continuation of Employer Sponsored Benefits**

MESSA has been notified that some of the health benefits provided by your employer have been cancelled effective December 31, 2000. Below are your options for continuing those benefits.

### **COBRA Continuation of Medical, Dental and Vision**

You and your dependent(s) may each have the right to continue insurance under COBRA. Contact your employer within 60 days if you have any questions regarding your COBRA rights.

### **Blue Cross Blue Shield of Michigan Conversion Plan**

When you are no longer eligible for a health plan through your employer you may be eligible for a Blue Cross Blue Shield of Michigan conversion plan. For rate information and a description of the conversion plan, contact Blue Cross at 877.469.2583 or visit their website at [www.bcbsm.com](http://www.bcbsm.com). Your benefits will change and coverage will be limited to your immediate family. There will be no interruption of coverage provided you pay the premiums when due.

### **Optional Life Insurance Continuation\***

You may continue your group life insurance on a direct payment basis by paying the required contribution for the cost of this insurance. The benefit amounts will not be any greater than the amount for which you were enrolled as an active member.

### **Converting Negotiated Life Insurance\***

You have the right to convert your negotiated life insurance program to a whole life insurance policy (up to the amount of your current coverage). You will be required to complete an application for conversion **within 62 days** of becoming ineligible for continued coverage.

*\*Contact MESSA Group Services for additional information on how to apply for this coverage.*

Contact MESSA Group Services with any questions at 888.888.4167.



## The “MESSA COBRA Subsidy for Layoff (CSL)” Information Sheet

As a laid off employee, you are eligible for the MESSA COBRA Subsidy for Layoff (CSL) under which premiums for medical insurance coverage will be assumed by MESSA.

To be eligible for the COBRA Subsidy you must elect to continue your medical coverage by submitting a completed COBRA Application to your school business office. However, you do not have to continue your medical plan on COBRA once your CSL benefit period has expired. Once you have been approved for the CSL, please submit, for each month of your unemployment, copies of (1) your Unemployment Insurance Agency debit card and a copy of the “Account Activity History” report available at [www.mich.gov/uia](http://www.mich.gov/uia). (You will need to set up an online account to access the report.), **OR** (2) your monthly bank statement showing the electronic deposit from the Unemployment Insurance Agency. Please submit copies of (1) or (2) by the 15<sup>th</sup> of each month to MESSA Group Services, PO Box 2560, East Lansing MI 48826-2560.

**Q. If I am laid off, how long does my coverage last through the school district?**

A. Your last day of coverage is determined by the master contract between your Association and the school district so please check the contract or contact your Associate President or school business office for that information.

**Q. May I keep my MESSA medical coverage?**

A. Yes. You can continue your MESSA medical insurance at no cost to you for a period of time, depending on the number of full years you have been a MESSA member. In the last full year immediately preceding a layoff, a member must be enrolled in a MESSA medical plan in order to be eligible for the COBRA Subsidy.

Continuous Years of MESSA Medical Coverage	Layoff Benefit Period of Coverage
1 – 3 years*	3 months
4 – 6 years*	6 months
7 – 9 years*	9 months
10 plus years*	12 months

*\*Only full years enrolled in a MESSA medical plan are used to determine the COBRA Subsidy benefit period. If you return to work after being on the COBRA Subsidy, you must work one full year before another CSL is available.*

**Q. What is the procedure to keep my medical insurance?**

A. When your employer cancels your coverage from the school account, MESSA will determine if you are eligible for the COBRA Subsidy benefit. MESSA will advise you of your CSL benefit period if you are approved. If you are not approved, you will receive a Creditable Coverage (HIPAA) letter from MESSA.

**Q. What is the procedure after I receive my CSL approval notice?**

A. The CSL requires that you furnish appropriate documentation of your unemployment for each month of credit granted.

Please submit, for each month of your unemployment, copies of (1) your Unemployment Insurance Agency debit card and a copy of the “Account Activity History” report available at [www.mich.gov/uia](http://www.mich.gov/uia). (You will need to set up an online account to access the report.), **OR** (2) your monthly bank statement showing the electronic deposit from the Unemployment Insurance Agency. Please submit copies of (1) or (2) by the 15<sup>th</sup> of each month to MESSA Group Services.

**Q. What happens to my CSL if I become employed on a part-time basis through another place of employment?**

A. As long as you continue to receive unemployment benefits and are not eligible to receive medical coverage from your new employer, you will continue to be eligible for the CSL up to the approved CSL benefit period.

**Q. Am I eligible for the CSL if I have a reduction of hours which results in the loss of my employer paid benefits, but I am still employed at the school district?**

A. A reduction in hours and the loss of your employer paid benefits does not make you eligible for the CSL. (Check with your employer to see if you are eligible for COBRA.) You must be completely laid off from the district and no longer employed to be eligible for the CSL.

**Q. I have been a MESSA member for less than one year. Can I continue my medical coverage?**

A. If you are laid off before you have been enrolled for at least one year in a MESSA medical plan, you are not eligible for the CSL. You may be eligible for COBRA or for a Blue Cross Blue Shield of Michigan conversion plan. Contact Blue Cross for rates and a description of the conversion plan at 888.288.2738 or on the web at [www.bcbsm.com](http://www.bcbsm.com). Contact your employer regarding COBRA.

**Q. What happens to my CSL if my school district changes or cancels MESSA medical coverage?**

A. While you are on the CSL you are subject to any changes made to the MESSA medical plan by your school district. If the school district changes or cancels medical coverage your coverage will be changed or cancelled. MESSA will notify you by letter whenever your school district requests a change or cancellation of medical coverage.

**Q. What happens to my CSL if my school district imposes a MESSA medical coverage change or cancellation?**

A. If while you are on the CSL you are subject to an imposed change in MESSA medical coverage by your school district, your medical coverage will change to the imposed MESSA plan for the duration of your CSL benefit period. If you are subject to an imposed change in carriers - you will retain your current MESSA medical coverage for the duration of your CSL benefit period.

**Q. Which options may I keep while on the CSL?**

A. You may continue on a direct payment basis with MESSA your Hospital Confinement Indemnity, Dependent Life, Group Supplemental Term Life (STL), Survivor Income Insurance and Basic Term Life (BTL). You may not continue Short or Long Term Disability. At age 65, Dependent Term Life, STL and the Accidental Death and Dismemberment portion of BTL terminates. However, you do have conversion rights with regard to the STL and Dependent Term Life Insurance.

**Q. How do I convert my life insurance?**

A. You have 62 days to notify MESSA Group Services if you wish to convert your term life insurance to a whole life policy through Life Insurance Company of North America (LINA). You may convert regardless of the condition of your health. Premiums will be based on your age at the time of conversion.

**Q. Can I convert my Negotiated programs?**

A. You may convert your Negotiated Life Insurance to a whole life policy as described above. MESSA Negotiated Long Term Disability, vision and dental programs are available on a group basis only and may not be continued individually.

**Q. How does the CSL affect my COBRA rights?**

A. It doesn't. You must elect to continue your medical plan on COBRA to be eligible for the CSL. The CSL runs concurrently with your COBRA continuation but you are responsible for the medical premiums only **AFTER** your CSL benefit period has expired. MESSA will not automatically continue your medical coverage under COBRA after your CSL expires so please notify your school district if you would like to continue your COBRA coverage.

**Q. Both my CSL and COBRA benefit have expired. Can I continue my medical coverage with MESSA on a direct payment basis?**

A. No, MESSA no longer offers the option of continuing your medical coverage on direct pay. Contact Blue Cross to see if you are eligible for a Blue Cross Blue Shield of Michigan conversion plan. For rates and a description of the plan, call 888.288.2738 or visit Blue Cross on the web at [www.bcbsm.com](http://www.bcbsm.com).

**Q. I am currently on a medical leave from my job and collecting disability payments. I just received a layoff notice from my employer. Am I eligible for the CSL?**

A. If you are collecting disability payments from the MESSA Negotiated Long Term Disability (LTD) program, chances are that you are already receiving a medical waiver of premium as part of the LTD plan provision. This waiver of premium supersedes the CSL. If you are not receiving a medical waiver of premium then you may be eligible for the CSL as long as you meet all other eligibility guidelines; contact Group Services for a determination.

**Please contact MESSA Group Services with any questions at 888.888.4167, ext. 2988.**



**SAMPLE**

June 2, 2010

Member ID:000000

Robert Cupcake  
123 Main Street  
Anytown MI 48000

RE: MESSA COBRA Subsidy for Layoff (CSL) Medical Coverage Change  
Effective Date: July 1, 2003

Dear Mr. Cupcake:

We are writing to inform you that XYZ Schools has changed their medical coverage with MESSA from MESSA Choices II with \$5/10 Rx to MESSA Choices II with \$10/20 Rx effective September 1, 2003. Therefore, as mentioned in the MESSA COBRA Subsidy for Layoff (CSL) approval letter sent to you dated March 12, 2003, your medical plan will also be changing to MESSA Choices II with \$10/20 Rx.

Once this change has been processed, you will receive a confirmation statement from MESSA. This change may also generate new medical card(s) from Blue Cross Blue Shield of Michigan.

If you have any questions about your new coverage, please contact MESSA's Member Service Center at 800.336.0013. You may also visit our website at [www.messa.org](http://www.messa.org) to review the coverage booklet for your new medical plan.

Sincerely,

MESSA Group Services

LOChgMED/Sec



**SAMPLE**

June 2, 2010

Member ID: 000000

Albert Mathteach  
123 Main Street  
Anytown MI 48000

Re: Cancellation of MESSA COBRA Subsidy for Layoff (CSL)  
Cancellation Date: August 31, 2005

Dear Mr. Mathteach:

We regret to inform you that LMNO Schools has cancelled their medical coverage with MESSA effective August 31, 2005. Therefore, as mentioned in the MESSA COBRA Subsidy for Layoff (CSL) approval letter sent to you dated March 14, 2005, you are no longer eligible for the MESSA COBRA Subsidy for Layoff (CSL). Your MESSA medical coverage will be cancelled effective August 31, 2005.

You may be eligible to continue medical benefits by converting to a Blue Cross Blue Shield of Michigan plan. For rate information and a description of the conversion plan, contact Blue Cross at 888.288.2738 or visit their website at [www.bcbsm.com](http://www.bcbsm.com).

Contact MESSA Group Services with any questions at 888.888.4167, ext. 2988.

Sincerely,

MESSA Group Services

LOCancel/Secln



## The “MESSA COBRA Subsidy for Layoff (CSL)” Information Sheet For Privatized Members

As a privatized employee, you are eligible for the MESSA COBRA Subsidy for Layoff (CSL) under which premiums for medical insurance coverage will be assumed by MESSA.

### Eligibility Guidelines:

To be eligible for the CSL your position at your school district must have been privatized and you must apply for unemployment benefits. Once you have been approved for the CSL, please submit, for each month of your unemployment, copies of (1) your Unemployment Insurance Agency debit card and a copy of the “Account Activity History” report available at [www.mich.gov/uia](http://www.mich.gov/uia). (You will need to set up an online account to access the report.), **OR** (2) your monthly bank statement showing the electronic deposit from the Unemployment Insurance Agency. Please submit copies of (1) or (2) by the 15<sup>th</sup> of each month to MESSA Group Services, PO Box 2560, East Lansing MI 48826-2560.

### Following are some frequently asked questions regarding the MESSA COBRA Subsidy for Layoff (CSL)

#### **Q. If my position is privatized, how long does my coverage last through the school district?**

A. Your last day of coverage is determined by the master contract between your Association and the school district so please check the contract or contact your Associate President or school business office for that information.

#### **Q. May I keep my MESSA medical coverage?**

A. Yes, if you are approved for the CSL according to the above eligibility rules. MESSA will continue your current medical plan at no cost to you for a period of time, depending on the number of full years you have been a MESSA member. In the last full year immediately preceding a privatization, a member must be enrolled in a MESSA medical plan in order to be eligible for the CSL.

#### **Continuous Years of MESSA**

##### Medical Coverage

1 – 3 years\*  
4 – 6 years\*  
7 – 9 years\*  
10 plus years\*

#### **Layoff Benefit**

##### Period of Coverage

3 months  
6 months  
9 months  
12 months

*\*Only full years enrolled in a MESSA medical plan are used to determine the CSL benefit period.*

#### **Q. What is the procedure to keep my medical insurance?**

A. When your employer cancels your coverage from the school account, MESSA will determine if you are eligible for the CSL. MESSA will advise you of your CSL benefit period if you are approved. If you are not approved, you will receive a Creditable Coverage (HIPAA) letter from MESSA.

#### **Q. What is the procedure after I receive my CSL approval notice?**

A. The CSL benefit requires that you furnish appropriate documentation of your unemployment for each month of credit granted.

Please submit, for each month of your unemployment, copies of (1) your Unemployment Insurance Agency debit card and a copy of the “Account Activity History” report available at [www.mich.gov/uia](http://www.mich.gov/uia). (You will need to set up an online account to access the report.), **OR** (2) your monthly bank statement showing the electronic deposit from the Unemployment Insurance Agency. Please submit copies of (1) or (2) by the 15<sup>th</sup> of each month to MESSA Group Services, PO Box 2560, East Lansing MI 48826-2560.

**Q. What happens to my CSL if I become employed on a part-time basis through another place of employment?**

A. As long as you continue to receive unemployment benefits and are not eligible to receive medical coverage from your new employer, you will continue to be eligible for the CSL up to the approved CSL benefit period.

**Q. Am I eligible for the CSL if I have a reduction of hours which results in the loss of my employer paid benefits, but I am still employed at the school district?**

A. You must be no longer employed by the school district to be eligible for the CSL.

**Q. I have been a MESSA member for less than one year. Can I continue my medical coverage?**

A. If your position is privatized before you have been enrolled for at least one year in a MESSA medical plan, you are not eligible for the CSL. You may be eligible for a Blue Cross Blue Shield of Michigan conversion plan. Contact Blue Cross for rates and a description of the conversion plan at 888.288.2738 or on the web at [www.bcbsm.com](http://www.bcbsm.com).

**Q. What happens to my CSL if my school district changes or cancels MESSA medical coverage?**

A. Nothing, as a privatized member you will retain your current medical plan coverage for the duration of your CSL benefit period regardless of any changes your school district makes to their MESSA medical coverage.

**Q. Which options may I keep while on the CSL?**

A. You may continue on a direct payment basis with MESSA your Hospital Confinement Indemnity, Dependent Life, Group Supplemental Term Life (STL), Survivor Income Insurance and Basic Term Life (BTL). You may not continue Short or Long Term Disability. At age 65, Dependent Term Life, STL and the Accidental Death and Dismemberment portion of BTL terminates. However, you do have conversion rights with regard to the STL and Dependent Term Life Insurance.

**Q. How do I convert my life insurance?**

A. You have 62 days to notify MESSA Group Services if you wish to convert your term life insurance to a whole life policy through Life Insurance Company of North America (LINA). You may convert regardless of the condition of your health. Premiums will be based on your age at the time of conversion.

**Q. Can I convert my Negotiated programs?**

A. You may convert your Negotiated Life Insurance to a whole life policy as described above. MESSA Negotiated Long Term Disability, vision and dental programs are available on a group basis only and may not be continued individually.

**Q. How does the CSL affect my COBRA rights?**

A. The CSL is separate from your COBRA rights. You may need to elect COBRA with your employer as soon as your position is privatized in order to continue on COBRA after your CSL benefit period expires. Please discuss your COBRA rights with your employer.

**Q. After my CSL has expired, may I continue my medical coverage with MESSA on a direct payment basis?**

A. No. You may be eligible for a Blue Cross Blue Shield of Michigan conversion plan. Contact Blue Cross for rates and a description of the conversion plan at 888.288.2738 or visit them on the web at [www.bcbsm.com](http://www.bcbsm.com).

**Q. I am currently on a medical leave from my job and collecting disability payments. I just received a privatization notice from my employer. Am I eligible for the CSL?**

A. If you are collecting disability payments from the MESSA Negotiated Long Term Disability (LTD) program, chances are that you are already receiving a medical waiver of premium as part of the LTD plan provision. The medical waiver of premium disqualifies you from CSL eligibility. If you are not receiving a medical waiver of premium then you may be eligible for the CSL as long as you meet all other eligibility guidelines; contact Group Services for a determination.

**Please contact MESSA Group Services with any questions at 888.888.4167, ext. 2988.**



June 2, 2010

**SAMPLE**

Member ID: 000000

Anita Algebra  
9876 Main Street  
Anytown MI 48000

RE: Approval of MESSA COBRA Subsidy for Layoff (CSL) for Privatized Members  
Effective Date: October 1, 2004

Dear Ms. Algebra:

MESSA has been notified by PQR Schools that your position has been privatized. We are sorry to see you leave MESSA and we hope that you return to us in the future.

To help ease this transition, you are eligible for an exceptional MESSA benefit - the MESSA COBRA Subsidy for Layoff (CSL) for Privatized Members. This benefit allows eligible members whose positions have been privatized to continue their medical benefits.

Please discuss your COBRA rights with your school district – you may need to elect COBRA with your employer as soon as your position is privatized in order to continue on COBRA after your privatized layoff benefit period expires.

Due to your continuous years of MESSA medical coverage, you are entitled to 12 months of medical coverage at no cost to you. This benefit begins on October 1, 2004 and will end when you are no longer eligible as defined below or September 30, 2005. You will be enrolled in the same medical coverage you received while covered through PQR Schools. The privatized layoff benefit does not include dental, vision, long term disability or life insurance.

In order to be eligible for this benefit and to continue receiving it, you must apply for and be receiving unemployment benefits. The State of Michigan offers two ways to receive unemployment benefits: a debit card or direct deposit into your bank account. To ensure that your MESSA COBRA Subsidy for Layoff (CSL) for Privatized Members continues, please submit, for each month of your unemployment, beginning with October, 2004: copies of (1) your Unemployment Insurance Agency debit card and a copy of the "Account Activity History" report available at [www.mich.gov/uia](http://www.mich.gov/uia). (You will need to set up an online account to access the report.), **OR** (2) your monthly bank statement showing the electronic deposit from the Unemployment Insurance Agency. Please submit copies of (1) or (2) by the 15<sup>th</sup> of each month to MESSA Group Services, PO Box 2560, East Lansing MI 48826-2560.

The following events will cause this benefit to end:

- MESSA does not receive monthly proof of unemployment benefits.
- Your benefit has reached the end date (stated above).

If you have any questions, please contact MESSA Group Services at 888.888.4167 ext. 2988.

Sincerely,

*MESSA Group Services*

cc: PQR Schools - 0000





**MESSA**  
www.messa.org

1475 Kendale Blvd., PO Box 2560  
East Lansing, MI 48826-2560  
888.888.4167  
Fax: 517.203.3580  
MESSAGroupAdministration@messa.org

**Request for Group Benefit Implementation/Cancellation**

*This form must be completed by all employers with groups enrolling, changing or cancelling benefits.*

**Employer Information** *(Please Print)*

Employer	School #	Contact
Contact's Email	Phone ( )	Fax ( )

**Group Eligibility Information** *(Please complete a separate form for each employee group.)*

**Employee Group** (e.g., teachers): \_\_\_\_\_

This employee group works:  Full-time  Part-time - Number of hours \_\_\_\_\_

**Eligibility Rules for Groups requesting change** (located on the Group Benefit Program Statement; e.g., 123A): \_\_\_\_\_

**Attach a detailed description of any job title changes needed for this RBI.**

**New or Changed Benefit(s)**

**Requested Effective Date:** \_\_\_\_\_

New or changed benefits will be effective the 1st of the month following receipt of all required documentation.

**New Benefits** - Applications are required and must be received by MESSA 30 days prior to effective date.

**Change in Benefits** - Is this employee group allowed to make changes to variable options at this time?  Yes  No

**Cancellation of:**  Total group  Partial group

Reason for cancellation: \_\_\_\_\_

Cancellation for a total or partial group will be either the end of the current month if notification is received on or before the 15th or the last day of the following month if notification is received after the 15th.

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**New, Changed or Cancelled Benefit(s):** *(Check all that apply. Attach plan description, contract language or additional sheet if necessary.)*

Medical  Dental  Product Choice  All MESSA Benefits  OptionALL (Section 125)

Vision  Negotiated Life  Negotiated LTD  Variable Options

Describe new, changed or cancelled benefit(s). Provide specific details for deductibles, Rx co-pays and other riders.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**PAR Agreement** *(The box below must be checked in order to implement the effective date of your benefit change.)*

I have read and agreed with the terms and conditions of the *Employer Participation Agreement* included in the 4 Steps to Implementation/Cancellation MESSA Group Benefits booklet available at [www.messa.org](http://www.messa.org).

Employer Authorized Signature \_\_\_\_\_

Date \_\_\_\_\_



# Member Cancellation Request



1475 Kendale Blvd., PO Box 2560  
 East Lansing, MI 48826-2560  
 Questions? Call 888.888.4167  
 Fax: 517.203.2914

## Member Cancellation Request

This form is designed to cancel **ALL** individual member's MESSA benefits.

(Please Print)

Group Name	Group Number:	Date:	Phone Number: ( )	Ext.
Requested by:	Position:		E-mail Address:	

Social Security Number or MESSA ID	Member Name	Effective Date	Reason Code	Reason Codes
				<p><b>1 Cancellation of Employment:</b> Member is no longer an employee and will not be returning. Retirees continuing coverage must submit an application. Cancellation of benefits may require a COBRA notification from the employer.</p> <p><b>2 Layoff/Privatization:</b> Employer must submit a copy of the layoff notice including the employee's right to recall or a copy of the letter informing the employee's job has been privatized.</p> <p><b>3 Death:</b> Report date of death under effective date.</p> <p><b>4 COBRA:</b> Member's entire COBRA coverage cancelled. To cancel partial coverage, complete a COBRA application.</p> <p><b>5 OptionALL:</b> Cancel all OptionALL elections.</p> <p><b>6 Disability:</b> Cancel from business account due to disability.</p> <p><b>7 Leave of Absence:</b> Member is on paid or unpaid leave of absence.</p> <p><b>8 Military Duty:</b> Member is on leave due to military duty.</p>

### Important Policies:

- ▶ **Retro Cancellation Policy:** Requests to retroactively cancel a member's benefits will be granted for the month in which the request is made and the prior month.
- ▶ **Double Dipping:** Please do not credit yourself on your current invoice for these cancelled members' benefits. Credits will appear on your next invoice, but if you manually credit yourself, it will create a "double dipping" situation.
- ▶ **Partial/Total Group:** The **Member Cancellation Request** may not be used to cancel benefits for a partial or total group. Please consult the **4 Steps to Implementing/Cancelling MESSA Group Benefits** for the procedures.

### Other Forms:

- ▶ **Change of Partial/Total Group:** To cancel the benefits for a partial or total group, including privatization, please submit a **Request for Group Benefit Implementation/Cancellation Form**.
- ▶ **Job Codes, Full Time/Part Time Status, or Standard Hours:** To request a change in job codes, full time/part time status, or standard hours please submit a **Member Application**.
- ▶ **Member Information/Variable Option:** To request a change in member information or delete variable options, please submit a **Member Change Form**.
- ▶ **Cancellation of Medical:** If cancelling an individual member's medical coverage and the member has other MESSA benefits, please submit a member signed **Member Application**. If the member has medical coverage only, then a **Member Cancellation Request** may be used.

Remarks: \_\_\_\_\_

MES - GS  
 Rev. 11/01/10  
 Pr. 11/10 - 1PDF



Available online at [www.messa.org](http://www.messa.org)

Click on:

Business Offices/Business Office Forms/Member Cancellation Request