

Employee Benefits Division Policy Memorandum

Number: Policy Memo 69r1

Date Issued: November 14, 2017

Subject: "Gross Misconduct" Exception for COBRA

PURPOSE:

Eliminate the "gross misconduct" exception for COBRA coverage.

BACKGROUND:

The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) permits an employer to deny COBRA coverage to an employee who is terminated for "gross misconduct."

However, Chapter 236 of the New York State Laws of 2009, also referred to as "mini-COBRA," extended COBRA rights to all employees regardless of the reason for their termination.

POLICY:

Permit an employee who is terminated for gross misconduct to continue coverage through COBRA for the same 36 month period as any eligible enrollee.