

Via Email & Certified Mail

Date

Employee
Address

RE: Benefits Continuation

Dear [Employee Name]:

As previously discussed, the company has approved your request for a Family and Medical Leave Act (FMLA) leave of absence. The purpose of this letter is to explain to you the process of continuing your company sponsored benefit plans while on FMLA leave.

It is important to note that continuing your benefits during this time is optional. You are not required to elect to continue benefits during your medical leave. Should you wish to discontinue any of your benefits plans, please notify us immediately so we may make the proper adjustments with the insurance carrier(s).

Should you wish to continue your benefits during this time, you will be required to remit payment for your portion of the benefits premiums. As long as you continue to send in payment for the employee's portion of your benefit plans, the company will continue to pay its portion of the benefit plans as well.

Below we have detailed the employee's portion of your current insurance plans:

Benefit Plan	Pay Period Cost	Monthly Cost
Medical		
Dental		
Vision		
Other: [List]		

You will be required to make payments on a monthly basis to continue your current insurance benefits. Insurance payments are due on the first of the month for that month's coverage. Your first payment will be due on [Date (generally the first day of the leave)] and will be prorated to cover the following pay periods: [List pay period dates]. Therefore, if you would like to continue all of your current insurance plans, the amount of the first payment will be [Enter amount].

The monthly amount will be [Enter amount] thereafter, and will be due on the first day of each month. Should you return to work in the middle of a month, we will prorate your final month of premiums at that time.

Your benefits payments should be mailed to:

[INSERT]

In accordance with FMLA guidelines and our company policy, if your payment is more than thirty (30) days late the company will cancel your company sponsored insurance plans. The company will send you a written notice of cancellation at least 15 days prior to the cancellation to ensure you are aware that your insurance coverage is in jeopardy.

In accordance with federal law, you may be eligible to continue your benefit plans under the Consolidated Omnibus Budget Reconciliation Act (COBRA). For example, should you inform the company of your intent not to return from work, you will be eligible to continue your benefits under COBRA, and the company will mail you a separate notice regarding your COBRA rights and responsibilities. However, should you fail to make payment to the company within the timelines delineated above to continue your health insurance plan while on leave, you may forfeit your right to COBRA eligibility under the federal law. So please work closely with us so we may assist you with respect to managing your benefit plans during your leave.

Should the company cancel your coverage due to lack of payment, you will have the right to restore your insurance coverage without condition once you return to work. While it is not our intention to do so, should the company opt to cover any of the employee portion of your insurance premiums while you are on leave, the company retains the right to deduct such premiums from your paycheck once you return to work.

It is important to us that you understand your rights and responsibilities regarding benefits continuation during your medical leave. If you have any questions or concerns, please contact me.

Sincerely,