Post-employment

Unemployment Benefits

Unemployment benefits are based on combinations of federal and state statutes. Indiana's unemployment compensation program is administered by the state and provides monetary compensation to workers who have been terminated without cause, through no fault of their own. Employees who voluntarily terminate their employment for "good cause" may also be entitled to benefits.

In Indiana, the law governing unemployment benefits is the Indiana Security Act. The Indiana Department of Workforce Development administers Unemployment Compensation. Benefits are generally available for a maximum of 26 weeks out of any 52-week benefit period. Benefits are calculated as a percentage of the worker's income over a recent 52-week period.

COBRA

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), which is a federal law, employees may be allowed to continue their health insurance benefits, at the employee's expense, for up to 18 months after either voluntary or involuntary termination, if the employer has 20 or more employees.

To qualify for COBRA continuation coverage, an employee must have a qualifying event that causes the employee to lose group health coverage. The following are qualifying events:

For employees

- Voluntary or involuntary termination of employment for reasons other than gross misconduct
- Reduction in numbers of hours worked

For spouses

- Loss of coverage by the employee because of one of the qualifying events listed above
- Covered employee becomes eligible for Medicare
- Divorce or legal separation of the covered employee
- Death of the covered employee

For dependent children

- Loss of coverage because of any of the qualifying events listed for spouses
- Loss of status as a dependent child under the plan rules