

WHO DO I CONTACT FOR QUESTIONS ABOUT MY COBRA COVERAGE OR ENROLLING IN COBRA?

BenefitConnect | COBRA

1-877-29-COBRA (1-877-292-6272) (858-314-5108 International only)

Para ayuda en español, por favor llame BenefitConnect | COBRA al 1-877-292-6272.

IMPORTANT INFORMATION ABOUT COBRA COVERAGE

The following information is an overview of healthcare continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA"). It is not intended to be a complete description of COBRA requirements. Each employer plan is unique and may therefore permit some variations from the general rules described here. For more information, see the *Additional Information and Resources* section stated later in this document. In case of a conflict between this information and your enclosed COBRA Election Form and notice, the terms of the COBRA Election Form/notice will control.

COVERAGE OPTIONS

What is COBRA coverage?

The COBRA law requires that an employer's health plan offer each qualified beneficiary who would otherwise lose coverage as a result of certain events the opportunity to elect temporary continuation of the same coverage he/she had while an active employee or covered dependent.

A qualified beneficiary is an individual covered by a group health plan on the day before a qualifying event who is an employee, the employee's spouse, or employee's dependent child(ren). In addition, any child born to or placed for adoption with a covered employee during the covered employee's period of COBRA coverage is considered a qualified beneficiary. Alternate recipients under Qualified Medical Child Support Order (QMCSOs) may also be qualified beneficiaries. Agents, independent contractors, and directors who participate in the group health plan may also be qualified beneficiaries. In certain cases, a retired employee, the retired employee's spouse, or dependent child(ren) may be qualified beneficiaries. Your plan may also treat domestic partners and/or any child(ren) of a domestic partner as qualified beneficiaries.

Qualified beneficiaries must be offered the same benefits as similarly situated active employees. If there is a change in the benefits or premiums under the plan for active employees, there may also be a change for qualified beneficiaries. If active employees are allowed to make coverage changes under the plan (for example, at Annual Enrollment) qualified beneficiaries must be permitted to make the same changes.

COBRA applies only to the benefit options listed in the COBRA Election Notice and not to any other benefits offered under the Plan. The Plan provides no greater COBRA rights than what COBRA requires—nothing in the Election Notice or in this packet is intended to expand your rights beyond COBRA's requirements.

Are there other coverage options besides COBRA coverage?

Group health coverage for COBRA participants is usually more expensive than health coverage for active employees since the employer usually pays part of the premium for active employees, whereas COBRA participants usually pay the entire premium themselves.

Enrollment in COBRA coverage may affect your eligibility for premium assistance in a state or federal health insurance marketplace. Contact the Marketplace or your personal tax advisor before you decide whether to enroll in COBRA.

There may be other, more affordable options for you and/or your family, such as other group health coverage through a spouse's employer. You should compare your other coverage options with COBRA continuation coverage and choose the coverage that is best for you. In addition, you and/or your family may be eligible for coverage through one of the following programs:

- *Health Insurance Marketplace.* You and/or your family may be eligible to enroll in coverage through a state or federal Health Insurance Marketplace. The Marketplace offers comprehensive health coverage, from doctors to medications to hospital visits. If you enroll in Marketplace coverage, you may be eligible for a tax credit that lowers your monthly premiums. For more information on Marketplace enrollment, visit www.healthcare.gov.
- *Medicaid or Children's Health Insurance Program (CHIP).* You and/or your family members may be eligible for free or low-cost coverage from Medicaid or CHIP. You can use the Marketplace to determine whether you qualify. For more information on Medicaid, visit www.Medicaid.gov or call 877-267-2323. For more information on CHIP, visit www.insurekidsnow.gov or call 1.877.KIDS.NOW (1.877.543.7669).
- *Medicare.* If you are 65 or older, or disabled, you may be able to enroll in Medicare. If you are Medicare eligible, please note that if you cancel or waive Medicare to enroll in COBRA coverage, you may incur Medicare premium penalties when you enroll or re-enroll in Medicare. For more information, refer to *COBRA and Medicare*.

How much time do I have to enroll in Marketplace or other group health coverage?

Enrollment in the Marketplace or other group health coverage is generally subject to a special enrollment period. A “special enrollment period” is a limited period of time after your employment-based coverage terminates in which you can enroll in the Marketplace or other group health coverage. The most common special enrollment periods are:

- Marketplace: Generally, 60 days from loss of employment-based coverage.
- Employer-sponsored group health plans (such as a spouse’s coverage): typically, 30 days from loss of employment-based coverage.
- Medicare (Parts A and B): 8 months from the earlier of (1) the month after your employment ends or (2) the month after group health plan coverage based on current employment ends. Refer to *COBRA and Medicare*.

If you do not enroll in other coverage during the special enrollment period, you may not be able to enroll until the Annual Enrollment period for the other coverage.

If you enroll in COBRA coverage, you can switch to a Marketplace plan during a Marketplace open enrollment period. You can also end your COBRA continuation coverage early and switch to a Marketplace plan if you have another qualifying event such as marriage or birth of a child through something called a “special enrollment period.” Be careful though - if you terminate your COBRA coverage early without another qualifying event, you’ll have to wait to enroll in Marketplace coverage until the next open enrollment period, and could end up without any health coverage in the interim. Once your COBRA coverage expires, you’ll be eligible to enroll in Marketplace coverage through a special enrollment period, even if Marketplace open enrollment has ended. If you sign up for Marketplace coverage instead of COBRA continuation coverage, you cannot switch to COBRA continuation coverage under any circumstances.

Can I switch from other coverage back to COBRA?

No: If you enroll in other coverage instead of COBRA coverage, you cannot switch to COBRA coverage under any circumstances.

What if I DO NOT want to continue benefits through COBRA?

If you do not want COBRA coverage, you may simply do nothing. You will receive a letter verifying no continuation of coverage once your enrollment period has passed (the Return Form Deadline on your COBRA Election Notice).

ELECTING COBRA COVERAGE

Do I have to enroll myself and all of the listed beneficiaries in COBRA coverage?

Each qualified beneficiary has a separate right to elect COBRA. Examples:

- The employee or the employee’s spouse (if the spouse is a qualified beneficiary) can elect COBRA on behalf of all qualified beneficiaries.
- The employee’s spouse may elect COBRA even if the employee does not.
- COBRA may be elected for only one, several, or all minor dependent child(ren) who are qualified beneficiaries.
- A parent or legal guardian may elect COBRA on behalf of any dependent child(ren) who are qualified beneficiaries.

Each qualified beneficiary who elects COBRA will have the same rights under the Plan as other participants or beneficiaries with the coverage(s) elected.

Do I have to elect all the same benefit options that I or my family had before coverage termination?

You may elect COBRA under any or all of the benefit options listed in the COBRA Election Notice. For example, if you were covered under medical and dental on the day before your coverage terminated, you may elect medical only, dental only, or both medical and dental.

However, you cannot elect coverage you did not have on the day before your coverage terminated. For example, if you were covered under medical and dental on the day before your coverage terminated, you may not elect vision when you first enroll in COBRA.

When will my COBRA benefits become active with the insurance carriers?

Coverage will be terminated during the election period and will not be reinstated until AFTER you enroll in COBRA AND your first payment has been received and processed. Once your insurance carrier has been notified of your election and first payment, your coverage will be reinstated back to the date coverage was lost. Claims incurred during your election period will then be processed. Please note that it may take a number of business days for your insurance carrier to reinstate your coverage.

BenefitConnect | COBRA does not process claims for COBRA subscribers. Questions regarding claims should be directed to the plan’s insurance carrier.

How often do you send information to the insurance carriers?

Information is electronically sent to all carriers on a weekly basis.

MAKING CHANGES TO YOUR COBRA ELECTION

Can I add dependent(s) to my coverage?

You may not add dependents when you first elect COBRA coverage unless you recently experienced a Family Status Change (FSC). You can add dependents later if an FSC occurs or during Annual Enrollment.

You must notify BenefitConnect | COBRA of any FSC within 60 days of the event in order to add or extend coverage for any newly eligible dependent or existing qualified beneficiary. Refer to *Notice Procedures*.

How do I cancel one (or more) benefit(s) OR dependent(s), while keeping others after enrollment in COBRA?

To cancel COBRA for one or more benefits or dependents, while keeping others, send us a written request with detailed instructions (who/what to be cancelled) or contact us. You can drop dependents later if a Family Status Change occurs or during Annual Enrollment. Refer to *Notice Procedures*.

If your request is due to gaining other group health coverage, your request must be submitted within 60 days. This event may also cause an early termination of all coverage, including benefits not offered under your new group health coverage.

Benefit/dependent changes will typically become effective the first of the month following the request. However, some exceptions may apply.

HEALTH CARE FLEXIBLE SPENDING ACCOUNTS

Do I need to elect COBRA coverage in order to submit claims to my health care flexible spending account (FSA) after employment termination?

It depends. Your plan may allow you to submit claims incurred prior to the loss of coverage against your FSA balance for a short period of time after employment termination, even if you do not elect COBRA coverage. Contact your FSA vendor for more information on your FSA plan.

How do I elect COBRA coverage for a health care FSA?

You may be eligible for COBRA coverage if you had a health care FSA that was underspent. COBRA FSA coverage is subject to the following terms and conditions:

- The FSA will be in the amount of your original elected annual amount, minus expenses reimbursed up to the time of the qualifying event.
- Premiums for COBRA coverage of a health FSA are after-tax and include a 2% administration fee.
- The use-it-or-lose-it rule will continue to apply, so any unused amounts will be forfeited at the end of the applicable period for claim submission, unless funds are eligible for carryover or the FSA has a grace period. (Questions regarding claim submission periods should be directed to the FSA account vendor.)
- COBRA coverage for a health FSA will not be available after the end of the plan year in which the first qualifying event occurred, unless funds are eligible for carryover. (Questions regarding claim submission periods should be directed to the FSA account vendor.)

All qualified beneficiaries who were covered under the health FSA will continue to be covered as a family unit. However, each qualified beneficiary can elect separate COBRA coverage with a separate health FSA annual limit and a separate COBRA premium. Contact BenefitConnect | COBRA for more information if you are interested in this alternative.

Note: COBRA coverage is not available for health savings accounts (HSAs).

COBRA AND MEDICARE

Can I enroll in Medicare instead of COBRA continuation after my group health plan coverage ends?

In general, if you don't enroll in Medicare Part A or B when you are first eligible because you are still employed, after the initial enrollment period for Medicare Part A or B, you have an 8-month special enrollment period to sign up, beginning on the earlier of

- The month after your employment ends; or
- The month after group health plan coverage based on current employment ends.

If you don't enroll in Medicare Part B and elect COBRA continuation coverage instead, you may have to pay a Part B late enrollment penalty and you may have a gap in coverage if you decide you want Part B later. If you elect COBRA continuation coverage and then enroll in Medicare Part A or B before the COBRA continuation coverage ends, the Plan may terminate your continuation coverage. However, if Medicare Part A or B is effective on or before the date of the COBRA election, COBRA coverage may not be discontinued on account of Medicare enrollment, even if you enroll in the other part of Medicare after the date of the election of COBRA coverage.

For additional information on COBRA and Medicare navigate to www.medicare.gov/sign-up-change-plans/how-do-i-get-parts-a-b/part-a-part-b-sign-up-periods. These rules are different for people with End Stage Renal Disease (ESRD).

May I elect COBRA coverage if I am already enrolled in Medicare?

If you enroll in Medicare before the date that you make your COBRA election, you are still eligible to elect COBRA. For example, if you enroll in Medicare in February and your employment terminates the next August, you may elect COBRA coverage and be enrolled in both.

Should I cancel Medicare after I enroll in COBRA?

Consult Medicare BEFORE cancelling your Medicare coverage. If you cancel your Medicare coverage after enrolling in COBRA, you may be subject to premium penalties when you re-enroll in Medicare. BenefitConnect | COBRA cannot advise you regarding your Medicare rights. Go to www.medicare.gov or call 1-800-MEDICARE (1-800-633-4227).

If I am enrolled in both Medicare and COBRA, which will be primary payer?

If you are enrolled in both COBRA continuation coverage and Medicare, Medicare will generally pay first (primary payer) and COBRA will pay second.

Medicare will be primary payer in the following situations:

- If you are eligible for or enrolled in Medicare and you have end stage renal disease, Medicare will be primary payer after the first 30 months of treatment.
- If you are 65 years of age or older, or you are disabled (other than by end-stage renal disease), Medicare will be primary payer.

Please note that many plans reduce the benefits payable when a COBRA participant turns age 65. Your plan may pay benefits at a secondary payer level even if the participant is not enrolled in Medicare.

For additional information on secondary payer rules, please navigate to www.medicare.gov/supplements-other-insurance/how-medicare-works-with-other-insurance/which-insurance-pays-first.

What is the maximum COBRA coverage period for my spouse and dependents if I was entitled to Medicare when my coverage terminated?

If an employee was already entitled to Medicare before electing COBRA, the employee's qualified beneficiary spouse and qualified beneficiary dependents may be eligible for an extension of the maximum COBRA coverage period. BenefitConnect | COBRA must be timely notified of the date of the employee's Medicare entitlement to claim this extension. Refer to *Medicare Extension – Spouse and Dependents Only*.

Can I enroll in Medicare when my COBRA coverage ends?

The end of COBRA coverage is not a special enrollment event for Medicare. You will not be able to enroll in Medicare when COBRA coverage ends unless you are first eligible for Medicare at that time, e.g., you are just turning 65. Otherwise, you will have to wait for the Medicare Annual Enrollment period, between January 1 and March 31, and your coverage will not begin until July 1. This may cause a gap in health care coverage.

For more information about Medicare Part B and COBRA, please navigate to www.medicare.gov/supplements-other-insurance/how-medicare-works-with-other-insurance/cobra-7-important-facts or contact Medicare *before* enrolling.

What happens if I become entitled to Medicare after I enroll in COBRA?

If a qualified beneficiary becomes entitled to Medicare *after* enrolling in COBRA, COBRA coverage may terminate automatically according to plan rules. If you have any questions about the impact of Medicare entitlement on your COBRA coverage, please contact BenefitConnect | COBRA.

You must notify BenefitConnect | COBRA in writing within 60 days if, after electing COBRA, a qualified beneficiary becomes entitled to Medicare (Part A, Part B, or both). Refer to *Notice Procedures*.

DURATION OF COBRA COVERAGE

The Election Notice shows the maximum period of COBRA coverage. Your COBRA coverage may end before this date or it may be extended. Early termination and extension are addressed in the next few questions.

Under what circumstances will my COBRA coverage terminate early?

COBRA coverage may automatically terminate before the end of the maximum period if:

- Any premium is not paid in full on time
- A qualified beneficiary becomes covered under another group health plan after electing COBRA
- A qualified beneficiary becomes entitled to Medicare benefits after electing COBRA (refer to *COBRA and Medicare*)
- The employer ceases to provide any group health plan for its employees

COBRA coverage may also be terminated for any reason the Plan would terminate coverage of a participant or beneficiary not receiving COBRA coverage, such as fraud.

You may voluntarily terminate COBRA before the end of the maximum period by contacting BenefitConnect | COBRA or by ceasing to pay your premiums. Cancellation requests must be received before the requested cancellation date.

What are my responsibilities if a qualified beneficiary becomes covered under another group health plan after electing COBRA?

If one or more qualified beneficiaries becomes covered under another group health plan, you must notify BenefitConnect | COBRA within 60 days. Refer to *Notice Procedures*. This event may cause an early termination of all coverage even if a certain benefit is not offered under the new group health plan.

Under what circumstances would the duration of COBRA coverage be extended?

If you elect COBRA continuation coverage, an extension of the maximum period of COBRA coverage may be available if a qualified beneficiary is disabled or a second qualifying event occurs. In addition, the maximum period may be extended for a spouse or dependents if the employee was entitled to Medicare before the qualifying event. Each of these extensions is detailed below.

DISABILITY EXTENSION

If you elect COBRA coverage, the maximum coverage period may be extended to a total of 29 months if any of the qualified beneficiaries is determined by the Social Security Administration to be disabled. A disability extension applies to all qualified beneficiaries with respect to the qualifying event. For example, if an employee enrolls in COBRA coverage for the employee's family and the employee is determined to be disabled, the disability extension applies to coverage for the entire family. The COBRA premium for continuation coverage during a disability extension may include an administration fee of up to 50%.

Your total premium for coverage during a disability extension (including the administrative fee) will be indicated on the extension notice if your request for disability extension is granted. If you have any questions about premiums for coverage under the disability extension, please contact BenefitConnect | COBRA.

If you elect COBRA continuation coverage, there are four requirements for a disability extension:

- The COBRA qualifying event must be the employee's termination of employment or reduction of hours.
- The Social Security Administration must determine that the date of onset of disability was before or within the first 60 days of COBRA coverage.
Example: Employee terminated employment on April 1. The onset of disability must be before June 1 of the same year.
- The disability must still exist at the end of the period of COBRA coverage that would be available without the disability extension (generally, 18 months).
- You must notify BenefitConnect | COBRA of the request for disability extension in writing within 60 days after the latest of:
 - The date of the Social Security Administration's disability determination;
 - The date of the employee's termination of employment or reduction of hours; or
 - The date on which the qualified beneficiary loses (or would lose) coverage as a result of the covered employee's termination or reduction of hours; or
 - The date on which the qualified beneficiary is informed of the obligation to provide the disability notice through the plan's SPD or the initial COBRA notice.

It is your responsibility to timely provide notice, including documentation of disability, in accordance with the Notice Procedures below. If you fail to do so, there will be no disability extension of COBRA coverage.

In addition, the notice must be provided no later than 18 months after the employee's termination of employment or reduction of hours: In other words, you must provide the notice within 60 days of the latest of the events listed above AND no later than 18 months after the termination or reduction of hours.

The deadlines described above will be strictly applied. If a qualified beneficiary already has a disability determination at the time of the employee's termination or reduction in hours, you will need to act quickly if you wish to request a disability extension.

Notice of disability must include the information listed in the Notice Procedures AND:

- The name and address of the disabled qualified beneficiary
- The date that the qualified beneficiary became disabled
- The names and addresses of all qualified beneficiaries who are still receiving COBRA coverage
- The date the Social Security Administration made its determination
- A copy of the Social Security Administration's determination, including disability onset date; and
- A statement whether the Social Security Administration has subsequently determined that the disabled qualified beneficiary is no longer disabled.

Note that this information must be provided to BenefitConnect | COBRA. Notice provided to the employer or former employer is not sufficient.

If the Social Security Administration's disability determination does not include the date of disability onset, you must provide a supplemental document, on Social Security Administration letterhead, stating the date of disability onset.

If you have any questions about the requirements for requesting a disability extension or about the timelines above, please contact BenefitConnect | COBRA.

If a disability extension is granted, and the Social Security Administration later determines that the qualified beneficiary is no longer disabled, you must notify BenefitConnect | COBRA of that fact within 30 days after the Social Security Administration's determination. Refer to *Notice Procedures*. COBRA coverage for all qualified beneficiaries, not just the disabled beneficiary, will terminate on the later of: (1) the first day of the month that is more than 30 days after the Social Security Administration's final determination that the formerly disabled qualified beneficiary is no longer disabled; or (2) the end of the coverage period that applies without regard to the disability extension.

SECOND QUALIFYING EVENT

The maximum COBRA coverage period may be extended for qualified beneficiary spouses and qualified beneficiary dependent children to a total of up to 36 months if a second qualifying event occurs. The second qualifying event must occur during the 18 months (or, in the case of a disability extension, the 29 months) following the covered employee's termination of employment or reduction of hours.

You must notify BenefitConnect | COBRA within 60-days of the date of the second qualifying event or there will be no extension of COBRA coverage due to a second qualifying event.

The following may be second qualifying events:

- The death of a covered employee
- Divorce or legal separation from the covered employee
- Ceasing to be eligible for coverage as a dependent under the Plan

These events are second qualifying events only if they would have caused the qualified beneficiary to lose coverage under the Plan if the first qualifying event had not occurred. For example, the death of a former employee who is enrolled in COBRA is a second qualifying event for the former employee's spouse only if the former employee's spouse would have lost coverage if the former employee had died before termination of employment or reduction of hours.

A covered employee's becoming entitled to Medicare after his or her termination of employment or reduction of hours is not a second qualifying event for the spouse and dependents.

The extension due to a second qualifying event is available only if the affected spouse and/or dependents notify BenefitConnect | COBRA in writing within 60 days after the date of the second qualifying event. Notice of a second qualifying event must include the information listed in the Notice Procedures AND:

- The names and addresses of all qualified beneficiaries who are still receiving COBRA coverage
- The second qualifying event and the date that it happened; and
- If the second qualifying event is a divorce or legal separation, a copy of the decree of divorce or legal separation.

MEDICARE EXTENSION – Spouse and Dependents Only

If the qualifying event is an employee's termination of employment or reduction of hours, and the employee became entitled to Medicare within 18 months before the qualifying event, the maximum COBRA coverage period for the employee's qualified beneficiary spouse and qualified beneficiary dependent children is 36 months after the date the employee became entitled to Medicare (not the date of termination or reduction in hours).

Example: Employee enrolled in Medicare in June 2016. Employee terminated employment in January 2017. The maximum COBRA coverage period for Employee will be 18 months from January 2017, the date of employment termination. However, the maximum COBRA coverage period for Employee's spouse and dependents will be 36 months from June 2016, the date the employee enrolled in Medicare.

To claim this 36 month COBRA period, BenefitConnect | COBRA must be notified of the date of the employee's Medicare entitlement when continuation coverage is elected. Refer to *Notice Procedures*.

PAYING FOR COBRA

How much will my COBRA coverage cost?

Your total premium including a 2% administrative fee is indicated on your Election Notice. If your coverage is extended due to disability (including non-disabled qualified beneficiaries in the family), the administrative fee may be an additional 50% during the extension. All COBRA premiums are after-tax. Unless the employer has agreed to pay a subsidy, you must pay the entire premium.

Can my COBRA premiums increase during COBRA?

COBRA coverage is subject to the same rate and benefit changes as active employee coverage. COBRA premiums may increase if the costs to the plan increase, but generally remain the same for the 12-month premium cycle. You will be notified in advance of any premium increases.

How do I make payment for COBRA coverage?

COBRA premiums may be paid by one-time ACH payment, check, cashier's check, or money order. Once you have made your first payment and your COBRA coverage has been activated, you may enroll in Auto Pay. Auto Pay is not available for your first payment.

How do I make payments by one-time ACH payment?

To make payments by one-time ACH payment, navigate to "COBRA Payment Information" and click on "Make A One-Time Payment" or call BenefitConnect | COBRA at 1-877-29-COBRA (1-877-292-6272) (858-314-5108 International Only). The one-time ACH program enables payment of COBRA premiums via direct debit from your bank account. Deductions will be taken within one to two business days from the date of the original request. You may use one-time ACH payment for your first payment and any subsequent payments.

How do I make payments by mail?

To make payments by mail, send a check, cashier's check, or money order (do not send cash) to the address indicated on your payment coupons, or navigate to "COBRA Payment Information" and click on "Payment Address Information".

- To ensure that payments are properly applied to your account, include your payment coupon (you will receive payment coupons shortly after you enroll).
- If you are paying by mail for more than one account, you must send the payments in separate envelopes, with separate checks and payment coupons, so the payments will be credited to the proper accounts.

What if I have not received my COBRA payment coupons?

Payment for COBRA coverage is due the first of the month following the first (45-day) payment, regardless of whether you have received payment coupons. You may call or write to BenefitConnect | COBRA for an additional copy of the payment coupons.

If you do not have a coupon, you must write your unique Customer ID on your check. Please contact BenefitConnect | COBRA to confirm the address and customer ID, if unknown.

When do I send my first payment for COBRA coverage?

Your first payment is not due until 45 days after the date of your enrollment. The date of your enrollment is the date your COBRA Election Form is postmarked, if mailed, or the date you complete your online enrollment. Your payment coupons will indicate the date your first payment and subsequent payments are due.

If you do not make your first payment in full within 45 days after the date of your enrollment, you will lose all COBRA rights under the plan.

You may send payment at the time of your enrollment. However, please note that the address for payment is different from the address for enrollment.

You may make your first payment by one-time ACH payment, check, or money order. Auto pay is not available for the first payment.

The 30-day grace period described below does not apply to your first payment.

Medical claims will not be processed and paid until you have elected COBRA and made the first payment in full.

How much is my first payment for COBRA coverage?

Your first COBRA payment covers the period through the end of the month preceding the month in which the initial premium payment deadline falls, retroactive to your COBRA start date.

Example: Sue's coverage terminates on September 30. Sue elects COBRA on November 15. Her first payment is for coverage for October and November and is due December 30. Sue will also have a payment due in December for her December coverage.

You are responsible for making sure that the amounts of your payments are correct. Your coupons will specify the amount of your first payment and any subsequent payments for the current plan year.

To confirm the amount and due date of your first payment, you may contact:

BenefitConnect | COBRA
1-877-29-COBRA (1-877-292-6272) (858-314-5108 International Only)

You will also have a regular monthly payment due at or near the time your first payment is due.

How do I make my monthly payments for COBRA coverage?

After you make your first payment, you must make monthly payments for COBRA coverage. Your payment coupons will indicate the amount due for each month for all qualified beneficiaries.

Each monthly payment is due by the first of the month for that month's COBRA coverage, subject to the 30-day grace period described below.

Example: John's payment for March coverage is due March 1, the 30 day grace period would end March 31.

If the deadline falls on a weekend or holiday, the due date is extended to the following business day. If you make a monthly payment on or before the first of the month to which it applies, your COBRA coverage under the Plan will continue for that month without any break.

BenefitConnect | COBRA will not send monthly payment notices. It is your responsibility to pay your COBRA premiums on time.

Who do I make my checks payable to?

Navigate to "COBRA Payment Information" and click on "Payment Address Information".

Please observe the following terms and conditions for payments:

- If mailed, your payment is considered to have been made on the date that it is postmarked. If the postmark date is illegible, the date of the check will be used.
- If made by one-time ACH payment, your payment is considered to be made on the date that the payment is submitted.
- Payments are automatically cashed upon receipt, even if received after the deadline. However, this does not confirm coverage. If your payment is determined to be late, it will be refunded to you.
- Payments that cannot be cashed/processed by our bank do not constitute a payment.
- A check or one-time ACH payment rejected by your bank due to insufficient funds or other reasons does not constitute a payment.
- As a banking standard, if a check has a different value in the numeric and written fields, the written field will be used to determine the amount of the check.
- BenefitConnect | COBRA is not responsible for lost payments. To confirm timely receipt of payments, you should review your online account or contact BenefitConnect | COBRA.

How do I enroll in the Auto Pay program?

Once you have made your first payment and your COBRA coverage has been activated, you may enroll in Auto Pay. The Auto Pay program enables the automatic payment of COBRA premiums each month via direct debit from your bank account.

Deductions will be taken on the first business day of each month and will include premiums due for the current month as well as any outstanding balances due for prior months.

You may enroll in Auto Pay online, or by calling BenefitConnect | COBRA at 1-877-29-COBRA (1-877-292-6272) (858-314-5108 International Only). You may also go online at any time to cancel or update your Auto Pay information. BenefitConnect | COBRA must receive the request at least two (2) business days prior to the scheduled debit date specified for that month.

Is there a grace period if my monthly payment is late?

Monthly payments are due on the first of each month with a 30-day grace period.

Example: John's payment for March coverage is due March 1. If John does not make his payment in full by March 1, he has 30 days – until March 31 – to make his payment in full.

This grace period does not apply to your first payment. Your first payment is due 45 days from your enrollment.

What if I don't pay my premium on time?

If you do not make payment by the first of the month, your coverage under the Plan may be suspended as of the first day of the month. Coverage will be retroactively reinstated (going back to the first day of the month) if the monthly payment is made before the end of the grace period. Any claim you submit for benefits while your coverage is suspended may be denied and may have to be resubmitted after your coverage is reinstated.

If you do not pay your full premium by the end of the grace period, your coverage will be cancelled as of the last day for which timely premium was received. Your coverage will not be reinstated, even if you subsequently pay the outstanding balance.

What if I make a partial payment?

Partial payments will be cashed upon receipt, but do not guarantee continuation of coverage. If the payment is short by a significant amount, you must pay the balance by the end of the grace period or your COBRA coverage will be cancelled without recourse and your partial payment will be refunded to you.

If the payment is short by an insignificant amount (less than or equal to the lesser of \$50 or 10% of the monthly premium), BenefitConnect | COBRA will notify you of the deficiency and you will have 30 days from the date of the notice to pay the difference. If your monthly payment is not paid in full within 30 days from the date of the notice, your partial payment will be refunded to you.

What are some actions that I can take to ensure my payments are received by the deadline?

- Enroll in Auto Pay.
- If there has been a rate increase resulting from changes to your account or a new plan year, confirm your COBRA premiums and adjust your monthly payment accordingly.
- Submit your payment well before the due date and check your COBRA account online before the end of each month to confirm your payment was received and applied to your account.
- Contact BenefitConnect | COBRA immediately at 1-877-29-COBRA (1-877-292-6272) (858-314-5108 International Only) about any payments you sent that were not applied to your account.

BenefitConnect | COBRA does not send monthly billing statements. It is your responsibility to ensure timely full payments. You can review your account online at any time while your COBRA coverage is active.

ASSISTANCE WITH PAYING FOR COBRA

What is the Health Coverage Tax Credit (HCTC)?

The Health Coverage Tax Credit (HCTC) is a tax credit that pays 72.5% of qualified health insurance premiums for eligible individuals and their families. Eligible individuals include trade-adjustment assistance recipients and eligible Pension Benefit Guaranty Corporation pension payees. The credit can be used to pay premiums for various types of health coverage, including COBRA coverage.

For questions about the HCTC, contact the IRS or navigate to www.irs.gov/credits-deductions/individuals/hctc.

What is the Health Insurance Premium Payment Program (HIPPP)?

HIPPP is a Medicaid program that allows a recipient to receive assistance from their state's Medicaid program with the cost of private health insurance, including COBRA. Contact your state's Medicaid office to determine whether you are eligible for assistance with COBRA premiums.

NOTICE PROCEDURES

How do I keep the plan informed of address changes and other events?

In order to protect your and your family's rights, you must keep BenefitConnect | COBRA informed in writing of any changes impacting yourself or your family, including changes in your address and the addresses of family members.

Please refer to the grid below for important time frames and other information. You should also keep a copy of any notices you send.

Action/Event	Deadline to Provide Notice
Change of address of any qualified beneficiary	Date of address change
Add individual to coverage due to Family Status Change	Within 60 days of the event – refer to Electing COBRA Coverage
Employee is eligible for Medicare <i>before</i> loss of coverage due to employment termination or reduction of hours	With COBRA coverage election – refer to Medicare extension – spouse and dependents only
Second qualifying event	Within 60 days of the second qualifying event – refer to Second Qualifying Event
One or more qualified beneficiaries becomes covered under another group health plan or Medicare	Within 60 days of effective date of other coverage – refer to Duration of COBRA coverage
Request for disability extension	Within 60 days of specified event(s) – refer to Disability Extension
Social Security Administration determines that qualified beneficiary is no longer disabled	Within 30 days after the Social Security Administration's determination – refer to Disability Extension

How to notify BenefitConnect | COBRA:

BenefitConnect | COBRA is responsible for administration of COBRA continuation coverage. You may contact us as follows:

- By phone: 1-877-29-COBRA (1-877-292-6272) (858-314-5108 International Only)

All notices must be timely. If BenefitConnect | COBRA is not timely notified, you and all qualified beneficiaries will lose the right to COBRA coverage.

Notification sent by mail should include:

- The name of the employer
- The name and address of the employee who is (or was) covered under the Plan
- The name(s) and address(es) of all qualified beneficiary(ies) who lost coverage as a result of the qualifying event
- In cases of a second qualifying event or a Family Status Change, the nature of the qualifying event and the date it happened.
- The signature, name, address, and telephone number of the person providing the notification
- Any additional information required for the type of notice you are providing

ADDITIONAL INFORMATION AND RESOURCES

Who do I contact if I have questions about my options or about enrolling in COBRA coverage?

BenefitConnect | COBRA at 1-877-29-COBRA (1-877-292-6272) (858-314-5108 International Only).

Para ayuda en español, por favor llame al Centro de Servicio de COBRA al 1-877-292-6272.

How can I obtain more information about my rights under the Plan?

This notice does not fully describe COBRA coverage or other rights under the Plan. More information is available in your Summary Plan Description. If you have any questions concerning the information in this notice, your rights to coverage, or if you want a copy of your Summary Plan Description, contact BenefitConnect | COBRA.

Where can I learn more about COBRA?

For more information about your rights under ERISA, including COBRA, the Patient Protection and Affordable Care Act, the Health Insurance Portability and Accountability Act (HIPAA), and other laws affecting group health plans, visit the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) website at www.dol.gov/ebsa or call their toll free number at 1-866-444-3272. Information specific to COBRA can be found at www.dol.gov/dol/topic/health-plans/cobra.htm. For more information about health insurance options available through the Health Insurance Marketplace, and to locate a person in your area who can assist you with different options, visit www.HealthCare.gov.