

Continuation Coverage Rights Under COBRA

Introduction

You are receiving this notice because you have recently become covered under a group health plan (the Plan). This notice contains important information about your right to COBRA continuation coverage, which is a temporary extension of coverage under the Plan. This notice generally explains COBRA continuation coverage, when it may become available to you and your family, and what you need to do to protect the right to receive it.

The right to COBRA continuation coverage was created by a federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). COBRA continuation coverage can become available to you when you would otherwise lose your group health coverage. It also becomes available to other members of your family who are covered under the Plan when they would otherwise lose their group health coverage. For additional information about your rights and obligations under the Plan and under federal law, you should review the Plan's Summary Plan Description or contact the Plan Administrator.

You may have other options available to you when you lose group health coverage. For example, you may be eligible to buy an individual plan through the Health Insurance Marketplace (www.healthcare.gov). By enrolling in coverage through the Marketplace, you may qualify for lower costs on your monthly premiums and lower out-of-pocket costs. Additionally, you may qualify for a 30-day special enrollment period for another group health plan for which you are eligible (such as a spouse's plan), even if that plan generally doesn't accept late enrollees.

What Is COBRA Continuation Coverage?

COBRA continuation coverage is a continuation of Plan coverage when coverage would otherwise end. In this notice, we describe the events that trigger COBRA continuation coverage and the conditions for COBRA continuation coverage. After a qualifying event, COBRA continuation coverage must be offered to each individual who was covered under the Plan immediately before the qualifying event.

COBRA continuation coverage is available to you and your family if you were covered under the Plan because either one of the following qualifying events happens:

- x Your hours of employment are reduced, or
- x Your employment ends for any reason other than your gross misconduct.

COBRA continuation coverage is also available to you and your family if you were covered under the Plan because any of the following qualifying events happens:

- x Your spouse dies;
 - x Your spouse's hours of employment are reduced;
 - x Your spouse's employment ends for any reason other than his or her gross misconduct;
 - x Your spouse becomes entitled to Medicare or Medicaid.
- or

x You become divorced or legally separated from your spouse.

because any of the following qualifying events happen:

- x The parent employee dies;
- x The parent employee's hours of employment are reduced;
- x The parent employee's employment ends for any reason other than his or her gross misconduct;
- x The parent (both);
- x The parents become divorced or legally separated; or
- x The child stops being eligible for coverage under the plan as a "dependent child."

