

**APPENDIX C TO SUMMARY PLAN DESCRIPTION
CONTINUATION OF COVERAGE AFTER THE
OCCURRENCE OF CERTAIN EVENTS THAT CAUSE
LOSS OF GROUP HEALTH COVERAGE UNDER THE PLAN**

This Appendix C is a part of the Summary Plan Description. Cross-references in this Appendix C to the main body of the Summary Plan Description are identified with a Roman numeral.

1. Introduction to COBRA Continuation Coverage

The following information about your right to continue your medical, dental, or vision benefits coverage (as applicable) in the Plan is important. Please read it very carefully.

COBRA continuation coverage is a temporary extension of group health coverage under the Plan under certain circumstances when coverage otherwise would end. **This Appendix C 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 otherwise would lose your group health coverage under the Plan. It also can become available to your spouse and dependent children, if they are covered under the Plan, when they otherwise would lose their group health coverage under the Plan.

The Plan Administrator will determine the extent to which COBRA may apply, within the terms of the Plan. Please contact the Plan Administrator for more details.

2. What benefits under the Plan and what Employers are subject to COBRA continuation coverage?

COBRA applies to your medical, dental, and/or vision benefits. It does not cover life insurance, dependent life insurance, accidental death and dismemberment, short term disability, or long term disability benefits, except to the extent that such benefits may provide benefits for medical care subject to COBRA, if any. The Plan's continuation coverage procedures will comply with any additional requirements that may be mandated by applicable law.

COBRA does not apply to Employers with less than 20 employees as determined under the regulations; however, the equivalent of Federal coverage shall be provided regardless of the Federal 20 employee threshold. Employers with less than 20 employees that offer the equivalent of COBRA continuation coverage, shall not be subject to COBRA penalties or requirements. Except as stated with respect to the 20 employee threshold and otherwise specified in this document, the Plan provides no greater COBRA rights than what COBRA requires - nothing in this Summary Plan Description is intended to expand your rights beyond COBRA's requirements. Participants, spouses, or dependents may contact the Employer to see if COBRA applies to them.

3. What is "COBRA continuation coverage"?

COBRA continuation coverage is a continuation of the benefit coverage under the Plan when coverage otherwise would end because of a life event known as a "**qualifying event.**" Specific qualifying events are listed in Question and Answer 6.

After a qualifying event occurs and any required notice of that event is properly provided to the Employer, COBRA continuation coverage must be offered to each person losing coverage for that benefit who is a "qualified beneficiary."

4. Who is a "qualified beneficiary" eligible for continuation coverage under COBRA?

Continuation coverage under COBRA only is available for "**qualified beneficiaries.**" A covered employee, spouse, and dependent children could become qualified beneficiaries and would be entitled to elect COBRA if benefit coverage under the Plan is lost because of the qualifying event (defined in Question and Answer 6). The term "covered employee" can include non-employee Directors, if Director coverage is offered by the Employer, and retirees, if Retiree coverage is offered by the Employer. (See Appendices D and R as applicable for more information on Director and Retiree coverage.)

A child born to, adopted by, or placed for adoption with a covered employee during a period of COBRA continuation coverage is considered to be a qualified beneficiary provided that, if the covered employee is a qualified beneficiary, the covered employee has elected COBRA continuation coverage for himself or herself. The child's COBRA continuation coverage begins when the child is enrolled in the benefit under the Plan, whether through special enrollment or open enrollment, and it lasts for as long as COBRA continuation coverage lasts for other family members of the employee. To be enrolled in benefits in the Plan, the child must satisfy the otherwise applicable benefit eligibility requirements (for example, regarding age).

A child of the covered employee who is receiving benefits under the Plan pursuant to a Qualified Medical Child Support Order ("QMCSO") received by the Employer during the covered employee's period of employment with the Employer is entitled to the same rights to elect COBRA as an eligible dependent child of the covered employee.

5. How does COBRA continuation coverage compare to my current coverage and who pays for it?

COBRA continuation coverage is the same coverage that the Plan gives to other participants or beneficiaries under that benefit under the Plan who are not receiving COBRA continuation coverage. Each qualified beneficiary who elects COBRA will have the same rights under the Plan with respect to the elected benefit as other participants or beneficiaries covered under that benefit under the Plan elected by the qualified beneficiary, including open enrollment and special enrollment rights. If coverage is modified for similarly-situated participants, then COBRA continuation coverage will be modified in the same way.

Under the Plan, qualified beneficiaries who elect COBRA continuation coverage must pay for COBRA continuation coverage.

6. What are a qualifying events?

If you are an **employee**, you will be entitled to elect COBRA if you lose your group health coverage under the Plan because either one of the following qualifying events happens:

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

If you are the **spouse** of an employee, you will be entitled to elect COBRA if you lose your group health coverage under the Plan because any of the following qualifying events happens:

- Your spouse dies;
- Your spouse's hours of employment are reduced;
- Your spouse's employment ends for any reason other than his or her gross misconduct;
- Your spouse becomes entitled to Medicare benefits (under Part A, Part B, or both); or
- You become divorced or legally separated from your spouse. Also, if your spouse (the employee) reduces or eliminates your group health coverage in anticipation of a divorce or legal separation, and a divorce or legal separation later occurs, then the divorce or legal separation may be considered a qualifying event for you even though your coverage was reduced or eliminated before the divorce or separation.

Under COBRA, Medicare "entitlement" means that a person who is eligible for Medicare actually has become enrolled in Medicare.

If you are the **dependent child** of an employee, you will be entitled to elect COBRA if you lose your group health coverage under the Plan because any of the following qualifying events happens:

- Your parent-employee dies;
- Your parent-employee's hours of employment are reduced;
- Your parent-employee's employment ends for any reason other than his or her gross misconduct;
- Your parent-employee becomes entitled to Medicare benefits (Part A, Part B, or both);
- Your parents become divorced or legally separated; or

- You stop being eligible for coverage under the benefit in the Plan as a "dependent child."

Sometimes, filing a proceeding in **bankruptcy** under Title 11 of the United States Code can be a qualifying event. If a proceeding in bankruptcy is filed with respect to the Employer, and that bankruptcy results in the loss of coverage of any retired employee covered under the Plan, the retired employee will become a qualified beneficiary with respect to the bankruptcy. The retired employee's spouse, surviving spouse, and dependent children also will become qualified beneficiaries if bankruptcy results in the loss of their coverage under the Plan or coverage is substantially reduced within one year before or after the Employer's bankruptcy.

7. When does FMLA leave or military leave result in a COBRA election?

If an employee takes FMLA leave and does not return to work at the end of the FMLA leave, the employee (and the employee's spouse and dependent children, if any) will be entitled to elect COBRA continuation coverage at the end of the FMLA leave, for a benefit under the Plan:

- If they were covered for that benefit under the Plan on the day before the FMLA leave began (or became covered during the FMLA leave); and
- If they will lose coverage for that benefit under the Plan within 18 months of and due to the employee's failure to return to work. (This means that some individuals may be entitled to elect COBRA at the end of an FMLA leave even if they were not covered for that benefit under the Plan during the leave provided they were covered for the benefit on the day before the day the leave began.)

COBRA continuation coverage elected in these circumstances will begin on the last day of the FMLA leave, with the same 18-month maximum coverage period (subject to extension or early termination) generally applicable to the COBRA qualifying events of termination of employment and reduction of hours. See Questions and Answers 23 and IV.B.1.

See Section IV.B.2 or the Plan Administrator for information about military leave.

8. How does trade adjustment assistance affect COBRA elections?

Special COBRA election rights apply to individuals eligible for certain payments (including eligible alternative recipients) under the Trade Act of 1974 who lost group health plan coverage due to a job loss. These individuals are entitled to a second opportunity to elect COBRA continuation coverage (if they did not already elect COBRA continuation coverage) during a special second election period. This special second election period lasts for 60 days or less. It is the 60-day period beginning on the first day of the month in which the individual becomes eligible for the trade adjustment assistance, but only if the election is made within the 6 months immediately after the individual's group health plan coverage ended. If you qualify or may qualify, contact the Employer using the Plan contact information provided in Question and Answer 29. **Contact the Employer promptly after qualifying or you will lose the right to elect COBRA during a special second election period.**

9. When is COBRA continuation coverage available and who must give notice of qualifying events?

The Plan will offer COBRA continuation coverage to qualified beneficiaries **only after proper notice has been provided** to the Plan Administrator.

- **Employer Notice to the Plan Administrator:** When the qualifying event is the **end of employment (other than for gross misconduct), reduction of hours of employment, or death of the employee; the employee's becoming entitled to Medicare benefits (under Part A, Part B, or both); or the commencement of a proceeding in bankruptcy with respect to the Employer**, the Employer must notify the Plan Administrator of the qualifying event. The qualified beneficiaries will be notified of the right to elect COBRA continuation coverage. You need not notify the Employer of any of these qualifying events.

- **You Must Give Notice of Some Qualifying Events:** When the qualifying event is **divorce or legal separation of the employee and spouse or a dependent child's losing eligibility for coverage as a dependent child**, a COBRA election will be available to you only if you (the employee or the qualified beneficiary) notify the Employer in writing within 60 days after the later of:
 - The date of the qualifying event; and
 - The date on which the qualified beneficiary loses (or would lose) coverage under the terms of the Plan as a result of the qualifying event.

Note: You may have additional notification obligations, e.g., if certain qualifying events occur after you have elected COBRA continuation coverage. See the discussion at Questions and Answers 24 and 25.

10. What steps must I follow in giving notice of a qualifying event?

In providing notice of a qualifying event, you must use the Plan's form "**Notice of Qualifying Event**," and you must follow the procedures specified in the Question and Answer 29. If these procedures are not followed or if the notice is not provided in writing to the Employer during the 60-day notice period, **you will lose your right to elect COBRA**. You may obtain a copy of the form from the Employer.

11. How is COBRA continuation coverage provided and do qualified beneficiaries have an independent right to elect coverage?

Once the Plan Administrator receives notice that a qualifying event has occurred, any applicable COBRA continuation coverage will be offered to each of the qualified beneficiaries. The length of the coverage varies depending upon the individual's situation. Important information on the length of the coverage is provided in the Questions and Answers that follow in this Appendix C.

Each qualified beneficiary will have an independent right to elect COBRA. For example, the employee's spouse may elect COBRA even if the employee does not. COBRA may be elected for only one, several, or for all dependent children who are qualified beneficiaries. Covered employees and spouses (if the spouse is a qualified beneficiary) may elect COBRA on behalf of all of the qualified beneficiaries, and parents may elect COBRA on behalf of their children.

Any qualified beneficiary for whom **COBRA is not elected within the 60-day election period** specified in the Plan's COBRA election notice **will lose his or her right to elect COBRA continuation coverage.**

12. If I am enrolled in one or more group health benefits, what coverages are available?

If you or your eligible family members qualify for such continuation coverage, the medical, dental, and vision benefits will be treated as separate coverages for purposes of COBRA. Accordingly, as an example, assume an employer offers medical, dental, and vision benefits, and at the time of the qualifying event, an active employee had elected both medical and dental coverage, but not vision coverage. Under COBRA, the employee may be able to elect to continue coverage for either medical or dental coverage or both, but cannot elect vision coverage.

13. What if I have other group health coverage or am entitled to Medicare?

Qualified beneficiaries who are entitled to elect COBRA may do so even if they have other group health plan coverage or are entitled to Medicare benefits (Part A, Part B, or both) on or before the date on which COBRA is elected. Under COBRA, Medicare "entitlement" means that a person who is eligible for Medicare actually has become enrolled in Medicare. Note that it is important to enroll in Medicare Parts A and B to avoid gaps in coverage. Continuation coverage is provided secondary to Medicare unless otherwise required by law. However, as discussed in more detail in Question and Answer 25, a qualified beneficiary's COBRA continuation coverage will terminate automatically if, after electing COBRA, he or she becomes entitled to Medicare benefits (with respect to medical benefits) or becomes covered under other group health plan coverage for a benefit (medical, dental, or vision) covered under COBRA (but only after any applicable preexisting condition exclusions of that other plan have been exhausted or satisfied).

14. What notification obligations arise if a qualified beneficiary becomes entitled to Medicare?

When you complete the **Election Form**, you must notify the Employer if any qualified beneficiary has become entitled to Medicare (Part A, Part B, or both) and, if so, the date of Medicare entitlement. If you become entitled to Medicare (or first learn that you are entitled to Medicare) after submitting the **Election Form**, immediately notify the Employer of the date of your Medicare entitlement in writing at the address and in the manner specified in Question and Answer 17 for submission of the **Election Form**.

15. What steps are required to elect COBRA continuation coverage?

To elect COBRA, you or the qualified beneficiary must complete the **Election Form** that is part of the Plan's COBRA election notice and submit it to the Employer. An election notice will be provided to qualified beneficiaries at the time of a qualifying event. You or other qualified beneficiaries also may obtain a copy of the **Election Form** from the Employer.

16. How much time is allowed to make the COBRA continuation coverage election?

Under Federal law, a qualifying beneficiary must have **60 days** after the date of the COBRA election notice provided at the time of the qualifying event to decide whether to elect COBRA under the Plan.

17. How is the COBRA continuation coverage Election Form completed and submitted?

The qualified beneficiary must mail, fax (if the Employer has provided a fax number in Section II.A), or hand deliver the completed **Election Form** to:

- Human Resources Department, Employer (see Section II.A for Employer address and, if provided, fax number).

The Election Form must be completed in writing. The following are **not** acceptable as COBRA elections and will **not** preserve COBRA rights:

- Oral communications regarding COBRA continuation coverage, including in-person or telephone statements about an individual's COBRA continuation coverage; and
- Electronic communications, including e-mail. (See Section II.A to see if faxed communications are allowed.)

If mailed, your election must be postmarked; if faxed (if the Employer has provided a fax number in Section II.A), your election must be electronically transmitted; and if hand-delivered, your election must be received by the individual at the address specified above, no later than 60 days after the date of the COBRA election notice provided to you at the time of your qualifying event or, if later, no later than 60 days after the date that the benefit coverage terminates. **If you do not submit a completed election form by this due date, you will lose your right to elect COBRA.**

18. What if I file an Election Form rejecting COBRA, but later change my mind?

If you reject COBRA before the due date, you may change your mind as long as you furnish a revised completed **Election Form** before the due date. However, COBRA continuation coverage will not be provided retroactively. In such a case, COBRA continuation coverage will be provided only from the date the waiver is revoked. Thus, for example, the qualified beneficiary may have

a gap in coverage between the date that Plan coverage is lost due to a qualifying event and the date the waiver is revoked and COBRA continuation coverage becomes effective.

Also, note that the maximum length of COBRA continuation coverage generally may be shorter in the event COBRA continuation coverage is elected after revocation of a waiver since the coverage periods typically are measured from the later of the date of the qualifying event or the date of the loss of coverage, and not the date of the waiver. (Note: for qualifying events occurring prior to October 1, 2005, the coverage period typically was measured from the date of the qualifying event.) See the Employer for more information.

19. Do I have to send payments with my COBRA continuation coverage Election Form?

No. You do not have to send any payment with your **Election Form** when you elect COBRA. Important additional information about payment for COBRA continuation coverage is included in other Questions and Answers in this Appendix C.

20. If I decide not to elect COBRA, could this affect my future rights?

Yes. In considering whether to elect COBRA, you should take into account that a failure to elect COBRA may affect your future rights under Federal law. Some special considerations include the following:

- You can lose the right to avoid having preexisting condition exclusions applied to you by other group health plans if you have more than a 63-day gap in health coverage, and election of COBRA may help you not have such a gap.
- You can lose the Federal guaranteed conversion rights to purchase individual health insurance policies that do not impose such preexisting condition exclusions if you do not get COBRA continuation coverage for the maximum time available to you.

You should take into account that you may have special enrollment rights under Federal law. You may have the right to request special enrollment in another group health plan for which you are otherwise eligible (such as a plan sponsored by your spouse's employer) within 30 days after your group health coverage under the Plan ends because of one of the qualifying events listed in Question and Answer 6. You also may have the same special enrollment right at the end of COBRA continuation coverage if you get COBRA continuation coverage for the maximum time available to you.

As a general matter, these Federal rights may apply only to medical benefits offered under this Appendix. See Section IV.E of the Summary Plan Description for more information.

21. What is the cost of COBRA continuation coverage?

Each qualified beneficiary is required to pay the entire cost of COBRA continuation coverage as

determined by the Plan Administrator, in accordance with applicable law. The Employer may charge an administrative fee in addition to the amount of the required contribution. However, the amount a qualified beneficiary may be required to pay may not exceed 102 percent (or, in the case of an extension of COBRA continuation coverage due to a disability, 150 percent) of the cost of the group health benefit (including both Employer and employee contributions) for coverage of a similarly situated participant or beneficiary who is not receiving such COBRA continuation coverage. The amount of your COBRA premiums may change from time to time during your period of COBRA continuation coverage and will most likely increase over time. You will be notified of COBRA premium changes.

The Trade Act of 2002 created a new tax credit for certain individuals who become eligible for trade adjustment assistance and for certain retired employees who are receiving pension payments from the Pension Benefit Guaranty Corporation ("eligible individuals"). Under the new tax provisions, eligible individuals can take a tax credit equal to 65% of premiums paid for qualified health insurance, including COBRA continuation coverage. If you have questions about these new tax provisions, you may call the Health Coverage Tax Credit Customer Contact Center toll-free at 1-866-628-4282. TTD/TTY callers may call toll-free at 1-866-626-4282. More information about the Trade Act also is available at www.doleta.gov/tradeact/2002act_index.asp.

22. How is payment made for COBRA continuation coverage?

(a) General. All COBRA premiums must be paid by check, unless otherwise allowed by the Employer in Section II.A. Your first payment and all monthly payments for COBRA continuation coverage must be mailed or hand-delivered (unless otherwise allowed under Section II.A) to:

- Human Resources Department, Employer (see Section II.A for Employer address).

If mailed, your payment is considered to have been made on the date that it is postmarked. If hand-delivered, your payment is considered to have been made when it is received by the individual at the address specified in the bullet above. You will not be considered to have made any payment by mailing or hand delivering a check or by other method if allowed under Section II.A if your check is returned due to insufficient funds or your payment otherwise is not made.

(b) First Payment. If you elect COBRA, you do not have to send any payment with the **Election Form**. However, you must make your first payment for COBRA continuation coverage not later than 45 days after the date of your election. (The date of your election, if mailed, is the date your **Election Form** is postmarked; if the **Election Form** is faxed (if the Employer has provided a fax number in Section II.A), the date it is electronically transmitted; or if hand-delivered, the date your **Election Form** is received by the individual at the address specified for delivery of the **Election Form**.) See Question and Answer 17.

Your first payment must cover the cost of COBRA continuation coverage from the time your coverage under the Plan otherwise would have terminated up through the end of the month before the month in which you make your first payment.

Example: Sue's employment terminates on September 30, and she loses coverage on September 30. Sue elects COBRA on November 15. Her initial premium payment equals the premiums for October and November and is due on or before December 30, the 45th day after the date of her COBRA election.

You are responsible for making sure that the amount of your first payment is correct. You may contact the Employer using the contact information provided in Question and Answer 28 to confirm the correct amount of your first payment. Claims for reimbursement under indemnity or reimbursement arrangement benefits will not be processed or paid prior to the time you have elected COBRA and made the first payment for it. If benefits are provided under a health option that provides health services within the meaning of the COBRA regulations, use of the facility will be deemed a constructive COBRA election unless otherwise provided.

If you do not make your first payment for COBRA continuation coverage in full within 45 days after the date of your election, you will lose all COBRA rights under the Plan.

(c) Monthly Payments. After you make your first payment for COBRA continuation coverage, you will be required to make monthly payments for each subsequent month of COBRA continuation coverage. The amount due for each month for each qualified beneficiary will be disclosed in the election notice provided to you at the time of your qualifying event.

Under the Plan, each of these monthly payments for COBRA continuation coverage is due on the first day of the month for that month's COBRA continuation coverage. If you make a monthly payment on or before the first day of the month to which it applies, your COBRA continuation coverage under the Plan will continue for that month without any break. The Employer will not send periodic notices of payments due for these coverage periods (that is, we will not send a bill to you for your COBRA continuation coverage - it is your responsibility to pay your COBRA premiums on time).

Although monthly payments are due on the first day of each month of COBRA continuation coverage, you will be given a grace period of 30 days after the first day of the month to make each monthly payment. Your COBRA continuation coverage will be provided for each month as long as payment for that month is made before the end of the grace period for that payment. However, if you pay a monthly payment later than the first day of the month to which it applies, but before the end of the grace period for the month, your coverage under the Plan will be suspended as of the first day of the month and then retroactively reinstated (going back to the first day of the month) when the monthly payment is received. This means that any claim you submit for benefits while your coverage is suspended may be denied and may have to be resubmitted once your coverage is reinstated.

If you fail to make a monthly payment before the end of the grace period for that month, you will lose all rights to COBRA continuation coverage under the Plan.

23. How long does COBRA continuation coverage last?

COBRA continuation coverage is a temporary continuation of coverage. The COBRA continuation coverage periods described in this Question and Answer are maximum coverage periods. COBRA continuation coverage can end before the end of the maximum coverage period for several reasons, which are described in Question and Answer 25.

- **36 months:** When benefit coverage under the Plan is lost due to a qualifying event that is the death of the employee, the employee's becoming entitled to Medicare benefits (under Part A, Part B, or both), the covered employee's divorce or legal separation, or a dependent child's losing eligibility as a dependent child, COBRA continuation coverage **for qualified beneficiaries other than the employee** generally can last for **up to a total of 36 months** from the later of the date of the qualifying event or the date of loss of coverage due to such qualifying event. (Note: for qualifying events occurring prior to October 1, 2005, the coverage period generally was measured from the date of the qualifying event.)
- **18 months extended 36 months:** When benefit coverage under the Plan is lost due to a qualifying event that is the end of employment or reduction of the employee's hours of employment, and the employee became entitled to Medicare benefits **before the later of the date of the qualifying event or the date of loss of coverage due to such qualifying event**, COBRA continuation coverage **for qualified beneficiaries other than the employee** who lose coverage as a result of the qualifying event generally can last until **the later of: up to 36 months after the date of the employee's Medicare entitlement;** or up to 18 months after the later of the date of the qualifying event or the date of loss of coverage due to such qualifying event.

Example: An Employer offers medical benefits. If a covered employee becomes entitled to Medicare 8 months before the date on which his employment terminates (assume that coverage is lost on the same date employment terminates), COBRA continuation coverage under the Plan's medical benefits for his spouse and children who lost coverage as a result of his termination of employment can last up to 36 months after the date of Medicare entitlement, which is equal to 28 months after the date of the qualifying event/loss of coverage (36 months minus 8 months).

This COBRA continuation coverage period generally is available **only if the covered employee becomes entitled to Medicare within 18 months before the termination or reduction of hours/loss of coverage.**

- **18 months:** When benefit coverage under the Plan is lost due to the end of employment (other than for gross misconduct) or reduction of the employee's hours of employment, COBRA continuation coverage generally can last for only **up to a total of 18 months** from the later of the date of the qualifying event or the date of loss of coverage due to such qualifying event. See Question and Answer 24 for information on extensions of the 18-

month period. (Note: for qualifying events occurring prior to October 1, 2005, the coverage period generally was measured from the date of the qualifying event.)

24. When can there be an extension of the maximum coverage period?

(a) General. If the qualifying event that resulted in your COBRA election was the covered employee's termination of employment or reduction of hours, an extension of the maximum period of coverage may be available if a qualified beneficiary is **disabled** or a **second qualifying event occurs**. You must notify the Employer of a disability or a second qualifying event in order to extend the period of COBRA continuation coverage.

Failure to provide notice of a disability or second qualifying event will eliminate the right to extend the period of COBRA continuation coverage. (These extension opportunities do not apply to a period of COBRA continuation coverage resulting from other qualifying events, such as, but not limited to, a covered employee's death, divorce, or legal separation or a dependent child's loss of eligibility.)

(b) Disability Extension. If a qualified beneficiary is determined by the Social Security Administration to be disabled and you notify the Employer in a timely fashion, all of the qualified beneficiaries in your family may be entitled to receive up to an additional 11 months of COBRA continuation coverage, for a total maximum of 29 months. This extension is available only for qualified beneficiaries who are receiving COBRA continuation coverage because of a qualifying event that was the covered employee's termination of employment or reduction of hours. The disability must have started at some time before the 61st day of COBRA continuation coverage and must last at least until the end of the period of COBRA continuation coverage that would be available without the disability extension (generally 18 months, as described in Question and Answer 23). Each qualified beneficiary will be entitled to the disability extension if one of them qualifies.

The disability extension is available only if you notify the Employer in writing of the Social Security Administration's determination of disability within 60 days after the latest of:

- The date of the Social Security Administration's disability determination;
- The date of the covered employee's termination of employment or reduction of hours; and
- The date on which the qualified beneficiary loses (or would lose) coverage for the benefit under the terms of the Plan as a result of the covered employee's termination of employment or reduction of hours.

You also must provide this notice before the end of the initial (18-month) period of COBRA continuation coverage in order to be entitled to a disability extension.

In providing this notice, you must use the Plan's form "**Notice of Disability**" and you must follow the procedures specified in Question and Answer 29. If these procedures are not followed or if

the notice is not provided in writing to the Employer during the 60-day notice period and before the end of the initial (18-month) period of COBRA continuation coverage, **then there will be no disability extension of COBRA continuation coverage.** You may obtain a copy of the form from the Employer.

(c) Second Qualifying Event Extension. An extension of coverage will be available to spouses and dependent children who are receiving COBRA continuation coverage if a second qualifying event occurs during the 18 months (or, in the case of a disability extension, the 29 months) following the later of the covered employee's termination of employment or reduction of hours or loss of coverage due to such qualifying event. The maximum amount of COBRA continuation coverage available when a second qualifying event occurs is 36 months.

Such second qualifying events may include the death of a covered employee, divorce, or legal separation from the covered employee, the employee becomes entitled to Medicare benefits (under Part A, Part B, or both), or a dependent child's ceasing to be eligible for coverage as a dependent under the Plan, but do not include a bankruptcy qualifying event. The eligible events can be a second qualifying event only if they would have caused the qualified beneficiary to lose coverage under the Plan if the first qualifying event had not occurred.

This extension due to a second qualifying event is available only if you notify the Employer in writing of the second qualifying event within 60 days after the later of:

- The date of the second qualifying event; and
- The date on which the qualified beneficiary would lose coverage under the terms of the Plan as a result of the second qualifying event (if it had occurred while the qualified beneficiary was still covered under the Plan).

In providing this notice, you must use the Plan's form "**Notice of Second Qualifying Event**" and you must follow the procedures specified in Question and Answer 29. If these procedures are not followed or if the notice is not provided in writing to the Employer during the 60-day notice period, **then there will be no extension of COBRA continuation coverage due to a second qualifying event.** You may obtain a copy of the form from the Employer.

25. When can COBRA continuation coverage terminate before the end of the maximum coverage period?

COBRA continuation coverage will automatically terminate for a benefit before the end of the maximum period if:

- Any required premium is not paid in full on time;
- A qualified beneficiary becomes covered, after electing COBRA, under another group health plan for the benefit (medical, dental, or vision) covered under COBRA (but only after any preexisting condition exclusions of that other plan for a preexisting condition of

the qualified beneficiary have been exhausted or satisfied). If the other plan has applicable exclusions, then your COBRA continuation coverage will terminate after the exclusion no longer applies (for example, after a 12-month preexisting condition waiting period expires). This rule applies only to the qualified beneficiary who becomes covered by another group health plan;

- A qualified beneficiary becomes entitled to Medicare benefits (under Part A, Part B, or both) after electing COBRA for medical benefits. This will apply only to the person who becomes entitled to Medicare;
- The Employer ceases to provide any group health coverage for its employees; or
- During a disability extension period, the disabled qualified beneficiary is determined by the Social Security Administration to be no longer disabled. For more information about the disability extension period, see Question and Answer 24.

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

You must notify the Employer in writing within 30 days if, after electing COBRA, a qualified beneficiary becomes entitled to Medicare (Part A, Part B, or both) or becomes covered under other group health plan coverage (but only after any preexisting condition exclusions of that other plan for a preexisting condition of the qualified beneficiary have been exhausted or satisfied). You must use the Plan's form "**Notice of Other Coverage, Medicare Entitlement, or Cessation of Disability**," and you must follow the procedures specified in Question and Answer 29. You may obtain a copy of the form from the Employer.

COBRA continuation coverage will terminate (retroactively if applicable) as of the date of Medicare entitlement (with respect to medical benefits) or as of the beginning date of the other group health coverage for a benefit (medical, dental, or vision) covered under COBRA (after exhaustion or satisfaction of any preexisting condition exclusions for a preexisting condition of the qualified beneficiary). The Employer (or its designee) will require repayment to the Plan of all benefits paid after the termination date, regardless of whether or when you provide notice to the Employer of Medicare entitlement or other group health plan coverage.

If a disabled qualified beneficiary is determined by the Social Security Administration to no longer be disabled, you must notify the Employer of that fact within 30 days after the Social Security Administration's determination. You must use the Plan's form "**Notice of Other Coverage, Medicare Entitlement, or Cessation of Disability**," and you must follow the procedures specified in Question and Answer 29. You may obtain a copy of the form from the Employer.

If the Social Security Administration's determination that the qualified beneficiary is no longer disabled occurs during a disability extension period, COBRA continuation coverage for all qualified beneficiaries will terminate (retroactively if applicable) as of the first day of the month

that is more than 30 days after the Social Security Administration's determination that the qualified beneficiary is no longer disabled. The Employer (or its designee) will require repayment to the Plan of all benefits paid after the termination date, regardless of whether or when you provide notice to the Employer that the disabled qualified beneficiary is no longer disabled. For more information about the disability extension period, see Question and Answer 24.

26. What if I have other questions?

Questions concerning your Plan or your COBRA rights should be addressed to the contact identified in Question and Answer 28. For more information about your rights under ERISA, including COBRA, the Health Insurance Portability and Accountability Act ("HIPAA"), and other laws affecting group health plans, contact the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration ("EBSA") in your area or visit the EBSA website at www.dol.gov/ebsa. (Addresses and phone numbers of Regional and District EBSA Offices are available through EBSA's website.)

27. Am I required to keep the Plan informed of address changes?

Yes. In order to protect your family's rights, you should keep the Employer informed of any changes in the addresses of family members. You also should keep a copy, for your records, of any notices you send to the Employer.

28. What is the Plan contact information?

You may obtain information about the Plan and COBRA continuation coverage on request from:

- Human Resources Department, Employer (see Section II.A for address, telephone number and, if provided, fax number of Employer).

The contact information for the Plan may change from time to time. The most recent information will be included in the Plan's most recent summary plan description (if you are not sure whether this is the Plan's most recent summary plan description, you may request the most recent one from the Employer).

29. What are the Notice Procedures for the Plan?

The following are the **Notice Procedures** that apply to the Plan.

COBRA CONTINUATION COVERAGE NOTICE PROCEDURES

(a) Notice Procedures for Notice of Qualifying Event

- (1) Deadline.** The deadline for providing this notice is 60 days after the later of:

- The qualifying event (that is, a divorce or legal separation or a child's loss of dependent status); and
- The date on which the covered spouse or dependent child would lose coverage under the terms of the Plan as a result of the qualifying event.

(2) Delivery. You must mail, fax (if the Employer has provided a fax number in Section II.A), or hand deliver this notice to:

- Human Resources Department, Employer (see Section II.A for Employer address and, if provided, fax number).

Your notice must be in writing (using the Plan's form described in Question and Answer 29(a)(3)) and must be mailed, faxed (if the Employer has provided a fax number in Section II.A), or hand-delivered. Oral notice, including notice by telephone, is not acceptable. Faxed notices are not acceptable unless the Employer has provided a fax number in Section II.A. Other electronic (including e-mailed) notices are not acceptable.

If mailed, your notice must be postmarked no later than the deadline described in Question and Answer 29(a)(1). If faxes are allowed (see above), your faxed notice must be electronically transmitted no later than the deadline described in Question and Answer 29(a)(1). If hand-delivered, your notice must be received by the individual at the address specified above no later than the deadline described in Question and Answer 29(a)(1).

(3) Required Form and Information. You must use the Plan's form "Notice of Qualifying Event" to notify the Employer of a qualifying event (that is, a divorce or legal separation or a child's loss of dependent status), and all of the applicable items on the form must be completed. (You may obtain a copy of the form from the Employer.)

Your notice must contain the following information:

- The name of the Plan (Welfare Benefit Plan of (specify your Employer));
- The name and address of the employee or former employee who is or was covered under the Plan;
- The name(s) and address(es) of all qualified beneficiary(ies) who lost coverage due to the qualifying event (divorce, legal separation, or child's loss of dependent status);
- The qualifying event (divorce, legal separation, or child's loss of dependent status);
- The date that the divorce, legal separation, or child's loss of dependent status happened; and
- The signature, name, and contact information of the individual sending the notice.

If you are notifying the Employer of a divorce or legal separation, your notice must include a copy of the decree of divorce or legal separation.

If your coverage is reduced or eliminated and later a divorce or legal separation occurs, and you are notifying the Employer that your Plan coverage was reduced or eliminated in anticipation of the divorce or legal separation, you must provide notice within 60 days of the divorce or legal separation in accordance with these **Notice Procedures for Notice of Qualifying Event** and must in addition provide evidence satisfactory to the Employer that your coverage was reduced or eliminated in anticipation of the divorce or legal separation.

If you provide a written notice that does not contain all of the information and documentation required by these **Notice Procedures for Notice of Qualifying Event**, such a notice will nevertheless be considered timely if all of the following conditions are met:

- The notice is mailed, faxed (if the Employer has provided a fax number in Section II.A), or hand-delivered to the individual and address specified in Question and Answer 29(a)(2);
- The notice is provided by the deadline described in Question and Answer 29(a)(1);
- From the written notice provided, the Employer is able to determine that the notice relates to the Plan;
- From the written notice provided, the Employer is able to identify the covered employee and qualified beneficiary(ies), the qualifying event (the divorce, legal separation, or child's loss of dependent status), and the date on which the qualifying event occurred; and
- The notice is supplemented in writing with the additional information and documentation necessary to meet the Plan's requirements (as described in these **Notice Procedures for Notice of Qualifying Event**) within 15 business days after a written or oral request from the Employer for more information (or, if later, by the deadline for the **Notice of Qualifying Event** described in Question and Answer 29(a)(1)).

If any of these conditions is not met, the incomplete notice will be rejected and COBRA will not be offered. If all of these conditions are met, the Plan will treat the notice as having been provided on the date that the Plan receives all of the required information and documentation but will accept the notice as timely.

The covered employee (that is, the employee or former employee who is or was covered under the Plan), a qualified beneficiary with respect to the qualifying event, or a representative acting on behalf of either may provide the notice. A notice provided by any of these individuals will satisfy any responsibility to provide notice on behalf of all qualified beneficiaries who lost coverage due to the qualifying event described in the notice.

If your notice was regarding a child's loss of dependent status, you must, if the Employer requests it, provide documentation of the date of the qualifying event that is satisfactory to the Employer

(for example, a birth certificate to establish the date that a child reached the limiting age, a marriage certificate to establish the date that a child married, or a transcript showing the last date of enrollment in an educational institution). This will allow the Employer to determine if you gave timely notice of the qualifying event and were consequently entitled to elect COBRA. If you do not provide satisfactory evidence within 15 business days after a written or oral request from the Employer that the child ceased to be a dependent on the date specified in your **Notice of Qualifying Event**, his or her COBRA continuation coverage may be terminated (retroactively if applicable) as of the date that COBRA continuation coverage would have started. The Employer (or its designee) will require repayment to the Plan of all benefits paid after the termination date.

(b) Notice Procedures for Notice of Disability

(1) Deadline. The deadline for providing this notice is 60 days after the latest of:

- The date of the Social Security Administration's disability determination;
- The date of the covered employee's termination of employment or reduction of hours; and
- The date on which the qualified beneficiary would lose coverage under the terms of the Plan as a result of the termination of employment or reduction of hours.

Your **Notice of Disability** also must be provided before the end of the initial (18-month) period of COBRA continuation coverage.

(2) Delivery. You must mail, fax (if Employer has provided a fax number in Section II.A), or hand deliver this notice to:

- Human Resources Department, Employer (see Section II.A for the Employer address and, if provided, fax number).

Your notice must be in writing (using the Plan's form described in Question and Answer 29(b)(3)) and must be mailed, faxed (if Employer has provided a fax number in Section II.A), or hand-delivered. Oral notice, including notice by telephone, is not acceptable. Faxed notices are not acceptable unless Employer has provided a fax number in Section II.A. Other electronic (including e-mailed) notices are not acceptable.

If mailed, your notice must be postmarked no later than the deadline described in Question and Answer 29(b)(1). If faxes are allowed (see above), your notice must be electronically transmitted no later than the deadline described in Question and Answer 29(b)(1). If hand-delivered, your notice must be received by the individual at the address specified above no later than the deadline described in Question and Answer 29(b)(1).

(3) Required Form and Information. You must use the Plan's form "**Notice of Disability**" to notify the Employer of a qualified beneficiary's disability, and all of the applicable items on the form must be completed. (You may obtain a copy of the form from the Employer.)

Your notice must contain the following information:

- The name of the Plan (Welfare Benefit Plan of (specify your Employer));
- The name and address of the employee or former employee who is or was covered under the Plan;
- The initial qualifying event that started your COBRA continuation coverage (the covered employee's termination of employment or reduction of hours);
- The date that the covered employee's termination of employment or reduction of hours happened;
- The name(s) and address(es) of all qualified beneficiary(ies) who lost coverage due to the termination or reduction of hours and who are receiving COBRA continuation coverage at the time of the notice;
- The name and address of the disabled qualified beneficiary;
- The date that the qualified beneficiary became disabled;
- The date that the Social Security Administration made its determination of disability;
- A statement as to whether or not the Social Security Administration has subsequently determined that the qualified beneficiary is no longer disabled; and
- The signature, name, and contact information of the individual sending the notice.

Your **Notice of Disability** must include a copy of the Social Security Administration's determination of disability.

If you provide a written notice to the Employer that does not contain all of the information and documentation required by these **Notice Procedures for Notice of Disability**, such a notice will nevertheless be considered timely if all of the following conditions are met:

- The notice is mailed, faxed (if the Employer has provided a fax number in Section II.A), or hand-delivered to the individual and address specified in Question and Answer 29(b)(2);
- The notice is provided by the deadline described in Question and Answer 29(b)(1);
- From the written notice provided, the Employer is able to determine that the notice relates to the Plan and a qualified beneficiary's disability;

- From the written notice provided, the Employer is able to identify the covered employee and qualified beneficiary(ies) and the date on which the covered employee's termination of employment or reduction of hours occurred; and
- The notice is supplemented in writing with the additional information and documentation necessary to meet the Plan's requirements (as described in these **Notice Procedures for Notice of Disability**) within 15 business days after a written or oral request from the Employer for more information (or, if later, by the deadline for the **Notice of Disability** described in Question and Answer 29(b)(1)).

If any of these conditions is not met, the incomplete notice will be rejected and COBRA will not be extended. If all of these conditions are met, the Plan will treat the notice as having been provided on the date that the Plan receives all of the required information and documentation but will accept the notice as timely.

The covered employee (that is, the employee or former employee who is or was covered under the Plan), a qualified beneficiary who lost coverage due to the covered employee's termination or reduction of hours and is still receiving COBRA continuation coverage, or a representative acting on behalf of either may provide the notice. A notice provided by any of these individuals will satisfy any responsibility to provide notice on behalf of all qualified beneficiaries who may be entitled to an extension of the maximum COBRA continuation coverage period due to the disability reported in the notice.

(c) Notice Procedures for Notice of Second Qualifying Event

(1) Deadline. The deadline for providing this notice is 60 days after the later of:

- The date of the second qualifying event (that is, a divorce or legal separation, the covered employee's death, or a child's loss of dependent status); and
- The date on which the covered spouse or dependent child would lose coverage under the terms of the Plan as a result of the second qualifying event (if this event had occurred while the qualified beneficiary was still covered under the Plan).

(2) Delivery. You must mail, fax (if the Employer has provided a fax number in Section II.A) or hand deliver this notice to:

- Human Resources Department, Employer (see Section II.A for the Employer address and, if provided, fax number).

Your notice must be in writing (using the Plan's form described in Question and Answer 29(c)(3)) and must be mailed, faxed (if Employer has provided a fax number in Section II.A), or hand-delivered. Oral notice, including notice by telephone, is not acceptable. Faxed notices are not acceptable unless Employer has provided a fax number in Section II.A. Other electronic (including e-mailed) notices are not acceptable.

If mailed, your notice must be postmarked no later than the deadline described in Question and Answer 29(c)(1). If faxes are allowed (see above), your notice must be electronically transmitted no later than the deadline described in Question and Answer 29(c)(1). If hand-delivered, your notice must be received by the individual at the address specified above no later than the deadline described in Question and Answer 29(c)(1).

(3) Required Form and Information. You must use the Plan's form "Notice of Second Qualifying Event" to notify the Employer of a second qualifying event (that is, a divorce or legal separation, the covered employee's death, or a child's loss of dependent status), and all of the applicable items on the form must be completed. (You may obtain a copy of the form from the Employer).

Your notice must contain the following information:

- The name of the Plan (Welfare Benefit Plan of (specify your Employer));
- The name and address of the employee or former employee who is or was covered under the Plan;
- The initial qualifying event that started your COBRA continuation coverage (the covered employee's termination of employment or reduction of hours);
- The date that the covered employee's termination of employment or reduction of hours happened;
- The name(s) and address(es) of all qualified beneficiary(ies) who lost coverage due to the termination or reduction of hours and who are receiving COBRA continuation coverage at the time of the notice;
- The second qualifying event (a divorce or legal separation, the covered employee's death, or a child's loss of dependent status);
- The date that the divorce or legal separation, the covered employee's death, or a child's loss of dependent status happened; and
- The signature, name, and contact information of the individual sending the notice.

If you are notifying the Employer of a divorce or legal separation, your notice must include a copy of the decree of divorce or legal separation.

If you provide a written notice to the Employer that does not contain all of the information and documentation required by these Notice Procedures for Notice Second Qualifying Event, such a notice will nevertheless be considered timely if all of the following conditions are met:

- The notice is mailed, faxed (if the Employer has provided a fax number in Section II.A), or hand-delivered to the individual and address specified in Question and Answer 29(b)(2);
- The notice is provided by the deadline described in Question and Answer 29(c)(1);
- From the written notice provided, the Employer is able to determine that the notice relates to the Plan;
- From the written notice provided, the Employer is able to identify the covered employee and qualified beneficiary(ies), the first qualifying event (the covered employee's termination of employment or reduction of hours), the date on which the first qualifying event occurred, the second qualifying event, and the date on which the second qualifying event occurred; and
- The notice is supplemented in writing with the additional information and documentation necessary to meet the Plan's requirements (as described in these **Notice Procedures for Notice of Second Qualifying Event**) within 15 business days after a written or oral request from the Employer for more information (or, if later, by the deadline for this **Notice of Second Qualifying Event** described in Question and Answer 29(c)(1)).

If any of these conditions is not met, the incomplete notice will be rejected and COBRA will not be extended. If all of these conditions are met, the Plan will treat the notice as having been provided on the date that the Plan receives all of the required information and documentation but will accept the notice as timely.

The covered employee (that is, the employee or former employee who is or was covered under the benefit under the Plan), a qualified beneficiary who lost coverage due to the covered employee's termination or reduction of hours and is still receiving COBRA continuation coverage, or a representative acting on behalf of either may provide the notice. A notice provided by any of these individuals will satisfy any responsibility to provide notice on behalf of all qualified beneficiaries who may be entitled to an extension of the maximum COBRA continuation coverage period due to the second qualifying event reported in the notice.

If your notice was regarding a child's loss of dependent status, you must, if the Employer requests it, provide documentation of the date of the qualifying event that is satisfactory to the Employer (for example, a birth certificate to establish the date that a child reached the limiting age, a marriage certificate to establish the date that a child married, or a transcript showing the last date of enrollment in an educational institution). This will allow the Employer to determine if you gave timely notice of the second qualifying event and were consequently entitled to an extension of COBRA continuation coverage.

If you do not provide satisfactory evidence within 15 business days after a written or oral request from the Employer that the child ceased to be a dependent on the date specified in your **Notice of Second Qualifying Event**, his or her COBRA continuation coverage may be terminated (retroactively if applicable) as of the date that COBRA continuation coverage would have ended

without an extension due to loss of dependent status. The Employer will require repayment to the Plan of all benefits paid after the termination date.

If your notice was regarding the death of the covered employee, you must, if the Employer requests it, provide documentation of the date of death that is satisfactory to the Employer (for example, a death certificate or published obituary). This will allow the Employer to determine if you gave timely notice of the second qualifying event and were consequently entitled to an extension of COBRA continuation coverage.

If you do not provide satisfactory evidence within 15 business days after a written or oral request from the Employer that the date of death was the date specified in your **Notice of Second Qualifying Event**, the COBRA continuation coverage of all qualified beneficiaries receiving an extension of COBRA continuation coverage as a result of the covered employee's death may be terminated (retroactively if applicable) as of the date that COBRA continuation coverage would have ended without an extension due to the covered employee's death. The Employer (or its designee) will require repayment to the Plan of all benefits paid after the termination date.

(d) Notice Procedures for Notice of Other Coverage, Medicare Entitlement, or Cessation of Disability

(1) Deadline. If you are providing a **Notice of Other Coverage** (a notice that a qualified beneficiary has become covered, after electing COBRA, under another group health plan for a benefit (medical, dental, or vision) covered under COBRA, the deadline for this notice is 30 days after the other coverage becomes effective or, if later, 30 days after exhaustion or satisfaction of any preexisting condition exclusions for a preexisting condition of the qualified beneficiary.

If you are providing a **Notice of Medicare Entitlement** (a notice that a qualified beneficiary has become entitled, after electing COBRA for medical benefits, to Medicare Part A, Part B, or both), the deadline for this notice is 30 days after the beginning of Medicare entitlement (as shown on the Medicare card).

If you are providing a **Notice of Cessation of Disability** (a notice that a disabled qualified beneficiary whose disability resulted in an extended COBRA continuation coverage period is determined by the Social Security Administration to be no longer disabled), the deadline for this notice is 30 days after the date of the Social Security Administration's determination.

(2) Delivery. You must provide these notices to:

- Human Resources Department, Employer (see Section II.A for the Employer address and, if provided, fax number).

Your notice must be provided no later than the deadline described in Question and Answer 29(d)(1).

(3) Required Form and Information. You should use the Plan's form "Notice of Other

Coverage, Medicare Entitlement, or Cessation of Disability" to notify the Employer of any of these events, and all of the applicable items on the form should be completed. You may obtain a copy of the form from the Employer.

Your notice should contain the following information:

- The name of the Plan (Welfare Benefit Plan of (specify your Employer));
- The name and address of the employee or former employee who is or was covered under the Plan;
- The name(s) and address(es) of all qualified beneficiary(ies);
- The qualifying event that started your COBRA continuation coverage;
- The date that the qualifying event happened; and
- The signature, name, and contact information of the individual sending the notice.

If you are providing a **Notice of Other Coverage**, your notice should include:

- The name and address of the qualified beneficiary who obtained other coverage;
- The date that the other coverage became effective (and, if there were any preexisting condition exclusions applicable to the qualified beneficiary, the date that these were exhausted or satisfied); and
- Evidence of the effective date of the other coverage (such as a copy of the insurance card or application for coverage).

If you are providing a **Notice of Medicare Entitlement**, your notice should include:

- The name and address of the qualified beneficiary who became entitled to Medicare;
- The date that Medicare entitlement occurred; and
- If available, a copy of the Medicare card showing the date of Medicare entitlement.

If you are providing a **Notice of Cessation of Disability**, your notice must include:

- The name and address of the disabled qualified beneficiary,
- The date of the Social Security Administration's determination that he or she is no longer disabled; and

- A copy of the Social Security Administration's determination.

The covered employee (that is, the employee or former employee who is or was covered under the Plan), a qualified beneficiary with respect to the qualifying event, or a representative acting on behalf of either may provide the notice. A notice provided by any of these individuals will satisfy any responsibility to provide notice on behalf of all related qualified beneficiaries with respect to the other coverage, Medicare entitlement, or cessation of disability reported in the notice.

If a qualified beneficiary first becomes covered by another group health plan for a benefit (medical, dental, or vision) covered under COBRA after electing COBRA, that qualified beneficiary's COBRA continuation coverage will terminate (retroactively if applicable) as described in Question and Answer 25 regardless of whether or when a **Notice of Other Coverage** is provided.

If a qualified beneficiary first becomes entitled to Medicare Part A, Part B, or both after electing COBRA, that qualified beneficiary's COBRA continuation coverage for medical benefits will terminate (retroactively if applicable) as described in Question and Answer 25 regardless of whether or when a **Notice of Medicare Entitlement** is provided.

If a disabled qualified beneficiary is determined by the Social Security Administration to be no longer disabled, COBRA continuation coverage for all qualified beneficiaries whose COBRA continuation coverage is extended due to the disability will terminate (retroactively if applicable) as described in Question and Answer 25 regardless of whether or when a **Notice of Cessation of Disability** is provided.

30. What are my rights under state law for continuation coverage?

Your rights vary depending on factors including your state of residence. The Employer will notify you if state law becomes applicable to your situation.

31. Should I choose continuation coverage?

You should review the materials carefully and consult your personal advisor for advice on whether electing continuation coverage is beneficial to you.

32. Do I have the right to convert to a personal policy?

Consult the booklets to determine whether you have the conversion rights.

Effective date: Plan Years starting on and after January 1, 2005.

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