

NOTIFICATION FORM

Company Name

Street Address

City, State, Zip

The Consolidated Omnibus Budget Reconciliation Act (COBRA) was signed into law on April 7, 1986 as Public law 99-272. You may be eligible for coverage under the provisions of this legislation. Please read the attached information carefully so that you can make an informed choice about the benefits available to you.

Federal law allows former employees and dependents to continue health insurance coverage under certain circumstances. You must pay the full contribution cost for that coverage to the group employer, including the portion usually paid by the employer. The employer may also charge an additional 2% of the premium as a handling expense.

If you elect to continue coverage for you (and your dependents where applicable), you can obtain the amount of the monthly contribution payable on the first of the month from the group employer to whom the payment will be made.

There are some requirements to coverage, which you should be aware of:

- Continuation of coverage must be elected within 60 days of eligibility.
- Coverage may be stopped for an employee who obtains coverage under another group plan or Medicare, or does not pay the required premium.
- Coverage for a dependent may be stopped if the spouse remarries and has other group coverage, becomes entitled to Medicare, or does not pay the required premium.
- The premium must be paid within 45 days after the election to continue coverage and must be paid retroactive to the qualifying event.
- You must notify your employer in the event of divorce or if a dependent child is about to lose coverage because of age within 60 days of occurrence.
- Coverage under COBRA may be stopped if the employer ceases to maintain any group health plan.
- Coverage under COBRA may be stopped for cause on the same basis as active employees.

At the time the extension of coverage expires, you will be allowed to enroll in an individual conversion health plan if your plan allows such conversions for similarly situated active employees.