General Notice of Cobra Continuation Coverage Rights

The Consolidated Omnibus Budget Reconciliation Act (COBRA) gives workers and their families who lose their medical, dental, vision and health care flexible spending account benefits the right to choose to continue such benefits for limited periods of time under certain circumstances. 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 your right to receive coverage.

If coverage stops as a result of:

· Layoff, leave of absence, disability or termination of employment for reasons other than gross misconduct

· Retirement before age 65 if you do not qualify for retiree medical benefits

· A reduction in your regularly scheduled hours

· Divorce or legal separation

· A child no longer qualifying as a family member

· Your death

. . . you and/or your qualified beneficiaries can individually elect to continue coverage under the Montefiore medical, vision, dental and/or health care flexible spending account options you had in effect at the time of the qualifying event. Depending on the type of qualifying event, your spouse, and eligible dependent children may be qualified beneficiaries. Certain newborns, newly-adopted children and alternate recipients under Qualified Medical Child Support Orders (QMCSOs) may also be qualified beneficiaries.

You will have the opportunity to change your options and coverage during the next fall annual benefits election period. At that time, you will receive all the materials you need to make your elections. The decisions you make during the election period will take effect the following January 1.

Notifying the COBRA Administrator of Qualifying Events

You or your family members must notify Montefiore's HR Benefits Office in writing if medical, dental, vision and/or health care flexible spending account coverage will stop due to any of the following events:

· you and your spouse are divorced or legally separated,

   or

· a child no longer qualifies as a dependent.

You must send this written notification within 60 days after the date of the event or the date coverage would stop – whichever is later.

To elect continuation coverage, you must return the COBRA Election Form to the COBRA Administrator within 60 days after:

- You receive notice of your right to continue healthcare coverage

    or

- The date healthcare coverage stops, if later.

If you or a dependent initially waives COBRA continuation coverage, that individual may revoke that waiver during the 60-day COBRA election period. In that case, COBRA coverage will begin on the date you first became eligible provided you pay the required retroactive contributions on a timely basis.

Paying for COBRA Coverage

If you (or your family members) elect continuation coverage, you must pay 102% of the cost of coverage, as determined by the COBRA Administrator. If a disability occurs within the first 60 days of COBRA continuation coverage, the 18-month period for medical coverage may be extended up to 29 months as a result of the disability. The premium for the family may increase to 150% of the cost of coverage for the additional 11 months. While COBRA rates may seem high, you will be paying group premium rates, which are usually lower than individual rates.

You have 45 days after you elect COBRA coverage to pay the premium for the period beginning on the date COBRA coverage begins until the end of the month in which you return the COBRA election form. Claims under COBRA coverage will not be processed for this initial period until payment is received by the COBRA Administrator. After the initial payment, you must pay your monthly COBRA premium on the first day of the month. If not paid within 30 days of the date payment is due, coverage will automatically terminate without further notice. Claims under COBRA coverage will not be processed for any period until full payment is received by the COBRA Administrator.

Duration of COBRA Coverage

The following table shows the longest period of time coverage can be continued.

If you are:	And lose healthcare coverage due to one of the qualifying events shown below:	You can choose continuation of healthcare coverage for up to:
an MMC associate	· layoff, leave of absence (including military leave), or termination of employment (for reasons other than your gross misconduct) · a reduction in your regularly scheduled hours	18 months
	· disability (at the time of termination of coverage or within the first 60 days of continuation coverage)	29 months
a covered spouse	· your spouse is on layoff, leave of absence, or terminates employment (for reasons other than gross misconduct) · a reduction in your spouse's regularly scheduled hours	18 months
	· your spouse is disabled at termination of employment or within the first 60 days of continuation coverage	29 months
	· the death of your spouse · your spouse is disabled · divorce, legal separation, or annulment	36 months
a covered dependent child of an MMC associate	· your parent is on layoff, leave of absence or terminates employment (for reasons other than gross misconduct) · a reduction in your parent's regularly scheduled hours	18 months
	· your parent is disabled at termination of employment or within the first 60 days of continuation coverage	29 months
	· the death of your parent · your parents' divorce, legal separation, or annulment · you no longer qualify as a dependent for medical and dental coverage	36 months

Note: In no case, can COBRA coverage continue for more than 36 months, even if you experience multiple qualifying events.

When the continuation period ends, healthcare benefits stop.

Continuation of healthcare coverage may be cut short if:

·   You or your family members do not make all the required contributions on a timely basis

   or

·   Montefiore terminates all health plans.

Continuation of your Medical coverage will also stop if you or your family members become entitled to Medicare (coverage could continue for those individuals not eligible for Medicare for up to 36 months from the original qualifying event, provided those family members otherwise remain eligible).

If You Have Questions

For more information about your rights and obligations under the Plans and under federal law, you should contact the COBRA Administrator who is responsible for administering COBRA continuation coverage. The COBRA Administrator is:

HealthEquity/Wageworks
PO Box 14053
Lexington, KY 40511
888.678.4881
ATTN: COBRA Department

You may also contact the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA). Addresses and phone numbers of Regional and District EBSA Offices are available through EBSA's website at **www.dol.gov/ebsa**.

Keep Your Program Informed of Address Changes

To protect your family's rights, you must notify the COBRA Administrator in writing of any changes in the addresses of family members. You should also keep a copy of any notices you send to the COBRA Administrator for your records.