

AFTRA Health Plan – Notice of COBRA Rights

Under COBRA you may elect to continue your group health coverage under the AFTRA Health Plan at your own expense if one of the following “qualifying events” occurs:

- Termination of employment (except in the case of gross misconduct) or reduction of hours
- Death of an employee
- Insufficient earnings in covered employment
- Divorce or Legal Separation
- Loss of dependent child status

Continuation Period

If your qualifying event is a termination of employment, reduction in hours or insufficient earnings and you elect COBRA coverage, your health coverage will continue for up to 18 months from your loss of coverage, except as provided below. This 18-month period can be extended:

- for up to 29 months from your loss of coverage, if the Social Security Administration determines that you are disabled within the first 60 days of your COBRA coverage. To qualify for this 29-month period of extended benefits, you must notify the AFTRA H&R within 60 days of the disability determination.
- for up to 36 months from your loss of coverage, if during the first 18 months of COBRA coverage, there is another qualifying event, such as a divorce, legal separation, death of the participant, the participant’s enrollment in Medicare, or a dependent’s ceasing to be an eligible dependent under the Plan’s age limits.

If your qualifying event is a divorce or legal separation, the death of the participant, or a dependent child’s ceasing to meet the definition of eligible dependent under the Plan, and you elect COBRA coverage, your coverage will continue for up to 36 months from your loss of coverage, except as described below.

If the participant enrolls in Medicare Part A or B and within 18 months from that date incurs a termination of employment or a reduction in hours or has insufficient earnings, the participant’s eligible dependents may continue coverage for up to 36 months from the participant’s Medicare enrollment date.

When Continuation Coverage Terminates

COBRA coverage will terminate prior to the end of the maximum periods described above if:

- you fail to make the premium payment on time, as described below; or
- you become covered by another group plan (provided the new plan contains no restrictions for pre-existing conditions which affect the covered individual); or
- you enroll in Medicare; or
- you are no longer disabled under the extended coverage for 29 months as determined by Social Security; or
- you commit fraud, or for another reason for which active participants would also lose their coverage; or
- the AFTRA Health Plan is terminated.

In addition, your COBRA coverage under the AFTRA Health Plan will terminate if your employer withdraws from the AFTRA Health Plan and makes group health plan coverage available under another plan to a class of employees previously covered under this Health Plan. In that case, your employer will have to offer to continue your COBRA coverage under that other plan.

COBRA Election Form

If you decide to continue coverage, the enclosed “COBRA Election Form” must be postmarked no later than 60 days after the later of: 1) the date of your loss of coverage due to the qualifying event as indicated on the Form; or 2) the date of the notice as indicated on the Form. If the “COBRA Election Form” is not received within the 60-day period, you will not receive continued benefits.

If you choose to waive coverage, you can revoke the waiver as long as you file the Election Form within the same 60-day period.

Premium Payment

It is your responsibility to pay your monthly premium on time each month. Checks must be made payable to the **AFTRA Health Fund**, and mailed to **PO Box 13681, Newark, NJ 07188-3681**. The monthly premium is subject to change. Your benefits will be the same as those for active participants and may be changed by plan amendment at any time.

Coverage becomes effective on your termination of coverage date as indicated on the “COBRA Election Form.” You are required to pay the initial premium within 45 days of returning your election form, and you must include payment for all months between your loss of coverage date and your payment. No claims incurred during this period will be processed or paid before the initial premium is received. Once the premium is received, claims incurred any time since the qualifying event will be processed.

IMPORTANT

After the initial payment, premiums for subsequent months of COBRA continuation coverage are due by the first of the month. There will not be any invoices. However, you will be given a grace period of 30 days. *Failure to pay a monthly premium before the end of the grace period for that month will result in a loss of coverage. Once continuation coverage is lost, it cannot be reinstated.*

For more detailed information about your COBRA rights, including assistance regarding your premiums that is available under certain circumstances, please refer to enclosed Summary of Premium Reduction Provisions, as well as the Health Plan’s Summary Plan Description, 2005 Edition, and its amendments or AFTRA H&R Web site at www.aftrahr.com. A Summary Plan Description can be requested by contacting Participant Services at 1-800-562-4690.

enc.: COBRA Election Form
Summary of the COBRA Premium Reduction Provision under ARRA
Request for Treatment as an Assistance Eligible Individual.