

GENERAL NOTICE OF COBRA CONTINUATION COVERAGE RIGHTS
(Initial Notice of COBRA Continuation Coverage Rights)

To: All Postdoctoral Fellows and their family members enrolled in the Northwestern University Postdoctoral Fellow Benefit Program (the Plan):

Introduction

You are receiving this notice because you have recently, or will become covered under the Northwestern University Postdoctoral Fellow Benefit Program. The Plan has three group health components, Medical, Dental and Vision, and you may be enrolled in one or more of these components. This notice contains important information about your right to COBRA continuation coverage, which is a temporary extension of group health coverage under the Plan under certain circumstances when coverage would otherwise end. **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.** COBRA (and the description of COBRA coverage contained in this notice) applies only to the group health Plan benefits offered under the Plan (Medical, Dental, and Vision components) and not to any other benefits offered under the Plan, by Northwestern University or by Garnett-Powers & Associates.

The right to COBRA coverage was created by a federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). COBRA coverage can become available to you when you would otherwise lose your group health coverage. It can also become available to other members of your family, as your spouse and dependent children, if they are covered under the Plan, when they would otherwise lose their group health coverage under the Plan. This notice does not fully describe COBRA coverage or other rights under the Plan. 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 Garnett-Powers & Associates, 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. 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 coverage is a continuation of Plan coverage when coverage would otherwise end because of a life event known as a "qualifying event." Specific qualifying events are listed later in this notice. After a qualifying event occurs and any required notice of that event is properly provided to Garnett-Powers & Associates, COBRA coverage must be offered to each person losing Plan coverage who is a "qualified beneficiary." You, your spouse, your eligible domestic partner and your dependent children could become qualified beneficiaries, and would be entitled to elect COBRA if coverage under the Plan is lost because of the qualifying event. Under the Plan, qualified beneficiaries who elect COBRA must pay for COBRA coverage.

If you are an eligible 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 or eligible domestic partner 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/domestic partner dies;
- Your spouse's/domestic partner's hours of employment are reduced;
- Your spouse's/domestic partner's employment ends for any reason other than his or her gross misconduct;
- Your spouse/domestic partner becomes entitled to Medicare benefits (under Part A, Part B, or both); or
- You become divorced or legally separated from your spouse/domestic partner.

Your dependent children will become qualified beneficiaries if they lose group health coverage under the Plan because any of the following qualifying events happens:

- The parent-employee dies;
- The parent-employee's hours of employment are reduced;
- The parent-employee's employment ends for any reason other than his or her gross misconduct;
- The parent-employee becomes entitled to Medicare benefits (Part A, Part B, or both);
- The parents become divorced or legally separated; or
- The child stops being eligible for coverage under the Plan as a "dependent child."

When is COBRA Coverage Available?

The Plan will offer COBRA continuation coverage to qualified beneficiaries only after Garnett-Powers & Associates has been notified that a qualifying life event has occurred. When the qualifying life event is the end of employment or reduction of hours of employment, death of the employee, or the employee becoming entitled to Medicare benefits (Part A, Part B, or both) the employer must notify Garnett-Powers & Associates of the qualifying event.

For the other qualifying events (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 notify Garnett-Powers & Associates in writing within 60 days after the later of: (1) the date of the qualifying event; or (2) 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. You must provide this notice to:

**Garnett-Powers & Associates
23361 Madero, Ste. 240
Mission Viejo, CA 92691
Attn: COBRA Administration**

How is COBRA Coverage Provided?

Once Garnett-Powers & Associates receives notice that a qualifying event has occurred, COBRA continuation coverage will be offered to each of the qualified beneficiaries. Each qualified beneficiary will have an independent right to elect COBRA. Covered trainees 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.

COBRA coverage is a temporary continuation of coverage. When the qualifying event is the death of the trainee, the covered trainee's divorce or legal separation, or a dependent child's losing eligibility as a dependent child, COBRA coverage under the Plan's Medical, Dental and Vision components can last for up to a total of 36 months.

There are also ways in which this 18-month period of COBRA continuation coverage can be extended:

Disability extension of 18-month period of continuation coverage

If a qualified beneficiary is determined by the Social Security Administration to be disabled and you notify Garnett-Powers & Associates 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 coverage, for a total maximum of 29 months. The disability must have to have started at some time before the 60th of COBRA continuation coverage and must last at least until the end of the 18-month period of continuation coverage.

More information regarding notification to Garnett-Powers & Associates of a disability is available by contacting Garnett-Powers & Associates at the contact information provided below.

Second qualifying event extension of 18-month period of continuation coverage

If your family experiences another qualifying event while receiving 18 months of COBRA continuation coverage, the spouse and dependent children in your family can get up to 18 additional months of COBRA continuation coverage, for a maximum of 36 months, if notice of the second qualifying event is properly given to the Plan. This extension may be available to the spouse and any dependent children receiving continuation coverage if the employee or former employee dies, becomes entitled to Medicare benefits (under Part A, Part B, or both), or gets divorced or legally separated, or if the dependent child stops being eligible under the Plan as a dependent child, but only if the event would have caused the spouse or dependent child to lose coverage under the Plan had the first qualifying event not occurred.

Are there other coverage options besides COBRA Continuation Coverage?

Yes. Instead of enrolling in COBRA continuation coverage, there may be other coverage options for you and your family through the Health Insurance Marketplace, Medicaid, or other group health plan coverage options (such as a spouse's plan) through what is called a "special enrollment period." Some of these options may cost less than COBRA continuation coverage. You can learn more about many of these options at www.healthcare.gov.

If You Have Questions

Questions concerning your Plan or your COBRA rights should be addressed to the contact or contacts identified below. 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 Trainee 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.) For more information about the Marketplace, visit www.healthcare.gov.

Keep Your Plan Informed of Address Changes

In order to protect your family's rights, you should keep Northwestern University and Garnett-Powers & Associates informed of any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to Garnett-Powers & Associates.

Plan Contact Information

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

Garnett-Powers and Associates
23361 Madero, Ste. 240
Mission Viejo, CA 92691
Attn: COBRA Administration
Toll Free: 1-877-559-9922
E-mail: NUPFBP@Garnett-Powers.com