

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

To: All Postdoctoral Scholars enrolled in the University of Rochester Postdoctoral Benefit Program and all enrolled adult dependents of above

Introduction

You are receiving this notice because you have recently, or will become covered under the University of Rochester Postdoctoral 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 the University of Rochester 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. The Plan provides no greater COBRA rights than what COBRA requires – nothing in this notice is intended to expand your rights beyond COBRA's requirements.

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. You can learn more about many of these options at www.Healthcare.gov or 1-800-318-2596, or if you reside in New York State, at <https://nystateofhealth.ny.gov/> or 1-855-355-5777. 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, 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. (Certain newborns, newly adopted children, and alternate recipients under QMCSOs may also be qualified beneficiaries. This is discussed in more detail in separate paragraphs below). Under the Plan, qualified beneficiaries who elect COBRA must pay for COBRA coverage.

Who Is Entitled to Elect COBRA?

If you are an eligible Postdoctoral Scholar, 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 appointment ends for any reason other than your gross misconduct.

If you are the spouse of a Postdoctoral Scholar, 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 appointment ends for any reason other than his or her gross misconduct; or
- You become divorced or legally separated from your spouse. Also, if your spouse (the Postdoctoral Trainee) 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;
- Your spouse becomes entitled to Medicare benefits (under Part A, Part B, or both).

A person enrolled as the Postdoctoral Scholar's dependent child will be entitled to elect COBRA if he or she loses group health coverage under the Plan because any of the following qualifying events happens:

- The parent-Postdoctoral Scholar dies;
- The parent-Postdoctoral Scholar's hours of employment are reduced;
- The parent-Postdoctoral Scholar's employment ends for any reason other than his or her gross misconduct;
- The parent-Postdoctoral Scholar 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."

For opposite sex or same-sex domestic partner or partner's child:

While not required under COBRA, the University of Rochester Postdoctoral Scholar Benefit Program health carriers have agreed to provide continuation coverage for same-sex domestic partners, or a partner's eligible child. Coverage may continue for a certain period of time at specified monthly rates if you or your eligible family members lose group medical and/or dental coverage because you die, because your relationship with a same-sex partner ends, or because a partner's child is no longer eligible for coverage. Call Garnett-Powers & Associates for more information.

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 event has occurred. When the qualifying event is the end of appointment or reduction of hours of employment, death of the Postdoctoral Scholar, or the Postdoctoral Scholar becoming entitled to Medicare benefits (Part A, Part B, or both) the University must notify Garnett-Powers & Associates of the qualifying event and the Plan will offer COBRA coverage to qualified beneficiaries. You need not notify Garnett-Powers & Associates of any of these qualifying events.

You Must Give Notice of Some Qualifying Events

For the other qualifying events (divorce or legal separation of the Postdoctoral Scholar 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. In providing this notice, you must use the Plan's form entitled "Notice of Qualifying Event Form" (you may obtain a copy of this form from Garnett-Powers & Associates at no charge) and you must follow the notice procedures specified in the box at the end of this notice entitled "Notice Procedures." If these procedures are not followed, or if the notice is not provided to Garnett-Powers & Associates during the 60-day notice period, **THEN ALL QUALIFIED BENEFICIARIES WILL LOSE THEIR RIGHT TO ELECT COBRA.** You must provide this notice to:

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

Electing COBRA: 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 Postdoctoral Scholar 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.**

How Long Does COBRA Coverage Last?

COBRA coverage is a temporary continuation of coverage. When the qualifying event is the death of the Postdoctoral Scholar, the Postdoctoral Scholar becomes eligible to Medical benefits (under Part A, Part B, or both) the covered Postdoctoral Scholar'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.

When the qualifying event is the end of appointment or reduction of the Postdoctoral Scholar's hours of employment, and the Postdoctoral Scholar became entitled to Medicare benefits less than 18 months before the qualifying event, COBRA coverage under the Plan's Medical, Dental and Vision components for qualified beneficiaries (other than the Postdoctoral Scholar) who lose coverage as a result of the qualifying event can last until up to 36 months after the date of Medicare entitlement. For example, if a covered Postdoctoral Scholar becomes entitled to Medicare 8 months before the date on which his appointment terminates, COBRA coverage for his spouse and children who lost coverage as a result of his termination 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 (36 months minus 8 months). This COBRA coverage period is available only if the covered Postdoctoral T Scholar becomes entitled to Medicare within 18 months BEFORE the termination or reduction of hours.

Otherwise, when the qualifying event is the end of appointment or reduction of the Postdoctoral Scholar's hours of employment, COBRA coverage under the Plan's Medical, Dental and Vision components generally can last for only up to a total of 18 months.

The COBRA coverage periods described above are maximum coverage periods. COBRA coverage can end before the end of the maximum coverage periods described in this notice for several reasons, which are described in the Plan's summary Plan description.

There are two ways (described in the following paragraphs) in which the period of COBRA coverage resulting from a termination of employment or reduction of hours can be extended.

Disability extension of COBRA 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.

This extension is available only for qualified beneficiaries who are receiving COBRA coverage because of a qualifying event that was the covered Postdoctoral Scholar's termination of employment (end of appointment) or reduction of hours. The disability must have to have started at some time before the 61st day after the covered Postdoctoral Scholar's termination of employment or reduction of hours and must last at least until the end of the period of COBRA coverage that would be available without the disability extension (generally 18 months, as described above.)

The disability extension is available only when you notify Garnett-Powers & Associates in writing of the Social Security Administration's determination of disability within 60 days after the latest of:

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

You must also provide this notice within 18 months after the covered Postdoctoral Scholar's termination of employment (end of appointment) or reduction of hours in order to be entitled to a disability extension. In providing this notice, you must use the Plan's form entitled "Notice of Disability Form." You may obtain a copy of this form from Garnett-Powers & Associates at no charge. You must follow the procedures specified in the box at the end of this notice entitled "Notice Procedures." If these procedures are not followed or if the notice is not provided to Garnett-Powers & Associates during the 60-day notice period and within 18 months after the covered Postdoctoral Scholar's termination of employment or reduction of hours, THEN THERE WILL BE NO DISABILITY EXTENSION OF COBRA COVERAGE.

Second qualifying event extension of COBRA coverage

If your family experiences another qualifying event while receiving COBRA coverage because of the covered Postdoctoral Scholar's termination of employment or reduction of hours (including COBRA coverage during a disability extension period as described above), the spouse and dependent children receiving COBRA coverage can get up to 18 additional months of COBRA 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 COBRA coverage if the Postdoctoral Scholar or former Postdoctoral Scholar dies 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. (This extension is not available under the Plan when a covered Postdoctoral Scholar becomes entitled to Medicare after his or her termination of employment or reduction of hours.)

This extension due to a second qualifying event is available only if you notify Garnett-Powers & Associates in writing of the second qualifying event within 60 days after the date of the second qualifying event. In providing this notice, you must use the Plan's form entitled "Notice of Second Qualifying Event Form." You may obtain a copy of this form from Garnett-Powers & Associates at no charge. You must follow the procedures specified at the end of this notice entitled "COBRA Notice Procedures." If these procedures are not followed, or if the notice is not provided to Garnett-Powers & Associates during the

60-day notice period, THEN THERE WILL BE NO EXTENSION OF COBRA COVERAGE DUE TO A SECOND QUALIFYING EVENT.

Some State Contracted Plans

Certain states have adopted laws that may make you eligible to continue your coverage past the end of your Federal COBRA eligibility period. Please check with your insurance carrier providing your COBRA Continuation Coverage for more information.

More Information About Individuals Who May Be Qualified Beneficiaries

Children born to or placed for adoption with the covered Postdoctoral Scholar during COBRA coverage period

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

Alternate recipients under QMCSOs

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

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 Postdoctoral 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.)

Keep Your Plan Informed of Address Changes

In order to protect your family's rights, you should keep the University of Southern California 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: 1-800-261-7109
Email: UC_Cobra@garnett-powers.com

This 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 do not have a copy, you may request one from Garnett-Powers & Associates).

Cobra Notice Procedures

When electing COBRA continuation coverage, if your notice is late or if you do not follow these notice procedures, you and all related qualified beneficiaries will lose the right to elect COBRA (or will lose the right to an extension of COBRA coverage, as applicable).

Notices Must Be Written and Submitted on Plan Forms: Any notice that you provide must be in writing and must be submitted on the Plan's required form (the Plan's required forms are described above in this notice, and you may obtain copies from Garnett-Powers & Associates without charge). Oral notice, including notice by telephone, is not acceptable. Electronic (including e-mailed or faxed) notices are not acceptable.

How, When, and Where to Send Notices: You must mail or hand-deliver your notice to:

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

If mailed, your notice must be postmarked no later than the last day of the applicable notice period. If hand-delivered, your notice must be received by the individual at the address specified above no later than the last day of the applicable notice period. (The applicable notice periods are described in the paragraphs above entitled "You Must Give Your Notice of Some Qualifying Events," "Disability extension of COBRA coverage," and "Second qualifying event extension of COBRA coverage.")

Information Required for All Notices: Any notice you provide must include: (1) the name of the Plan (the University of Rochester Postdoctoral Benefit Program); (2) the name and address of the Postdoctoral Scholar who is (or was) covered under the Plan; (3) the name(s) and address(es) of all qualified beneficiary(ies) who lost coverage as a result of the qualifying event; (4) the qualifying event and the date it happened; and (5) the certification, signature, name, address, and telephone number of the person providing the notice.

Additional Information Required for Notice of Qualifying Event: If the qualifying event is 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 if you are notifying Garnett-Powers & Associates that your Plan coverage was reduced or eliminated in anticipation of the divorce or legal separation, your notice must include evidence satisfactory to Garnett-Powers & Associates that your coverage was reduced or eliminated in anticipation of the divorce or legal separation.

Additional Information Required for Notice of Disability: Any notice of disability that you provide must include: (1) the name and address of the disabled qualified beneficiary; (2) the date that the qualified beneficiary became disabled; (3) the names and addresses of all qualified beneficiaries who are still receiving

COBRA coverage; (4) the date that the Social Security Administration made its determination; (5) a copy of the Social Security Administration's determination; and (6) a statement whether the Social Security Administration has subsequently determined that the disabled qualified beneficiary is no longer disabled.

Additional Information Required for Notice of Second Qualifying Event: Any notice of a second qualifying event that you provide must include: (1) the names and addresses of all qualified beneficiaries who are still receiving COBRA coverage; (2) the second qualifying event and the date that it happened; and (3) if the second qualifying event is a divorce or legal separation, a copy of the decree of divorce or legal separation.

Who May Provide Notices: The covered Postdoctoral Scholar (i.e. the Postdoctoral Scholar or former Postdoctoral Scholar who is or was covered under the Plan), a qualified beneficiary who lost coverage due to the qualifying event described in the notice, or a qualified representative acting on behalf of either may provide notices. 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.