

Your Benefits Conversion & COBRA Information

This notice contains important information about your right to continue your health care coverage, as well as other health coverage alternatives that may be available to you through the Health Insurance Marketplace. Please read the information contained in this notice very carefully.

Your Medical & Dental Insurance Coverage:

If you are currently enrolled in a Medical or Dental insurance plan, your coverage will cease on the last day of the month in which your employment ends. Your premium deductions for health care coverage are taken out in the month prior to the month of coverage (*for example your April deductions pay for your May coverage*). Therefore, depending on your date of separation, no additional payroll deductions may be necessary on your final paycheck to cover the cost of the final month of coverage.

Your COBRA Rights

You and your covered dependents may have the right to continuation of coverage under your insurance plans beyond the time coverage would ordinarily end. Your rights and obligations regarding continuation of group coverage are explained below.

- **Employee:** As the covered employee, you have the right to choose continuation coverage if you would otherwise lose coverage because of a reduction in your hours of employment or termination of your employment (for reasons other than gross misconduct on your part).
- **Spouse:** As a covered spouse of an employee, you have the right to choose continuation coverage for yourself that you would otherwise lose any of the following reasons: 1) Death of spouse; 2) Termination of spouse's employment (for reasons other than gross misconduct) or reduction in spouse's hours of employment; 3) Divorce or legal separation from spouse; 4) Spouse becoming eligible for Medicare; or 5) Filing of Chapter 11 bankruptcy by employer.
- **Dependent Child:** A covered dependent child has the right to continue coverage if coverage would be lost for any of the following reasons: 1) Death of a parent; 2) Termination of a parent's employment (for reasons other than gross misconduct) or a reduction in a parent's hours of employment; 3) Parents' divorce or legal separation; 4) A parent becoming eligible for Medicare; 5) The child ceasing to be eligible as a dependent under the plan; or 6) Filing of Chapter 11 bankruptcy by employer.

Your COBRA Responsibilities Of Notification

You and your covered dependents are responsible for informing the Human Resources Office of a divorce, legal separation or a child losing dependent status within 60 days of the date of the event. When we have been notified that one of these events has happened, we will in turn provide information regarding continuation coverage. **Participants have 60 days to enroll in COBRA continuation.**

In the case of a loss of coverage due to end of employment or reduction in hours of employment, coverage generally may be continued for up to a total of 18 months. In the case of losses of coverage due to an employee's death, divorce or legal separation, the employee's becoming entitled to Medicare benefits or a dependent child ceasing to be a dependent under the terms of the plan, coverage may be continued for up to a total of 36 months. When the qualifying event is the end of employment or reduction of the employee's hours of employment, and the employee became entitled to Medicare benefits less than 18 months before the qualifying event, COBRA continuation coverage for qualified beneficiaries other than the employee lasts until 36 months after the date of Medicare entitlement. This notice shows the maximum period of continuation coverage available to the qualified beneficiaries. Disabled employees may continue insurance for up to 29 months. An 18-month

extension of coverage will be available to spouses and dependent children who elect continuation coverage if a second qualifying event occurs during the first 18 months of continuation coverage.

In considering whether to elect continuation coverage, you should take into account that you have special enrollment rights under federal law. You have the right to request special enrollment in another group health plan for which you are otherwise eligible (such as a plan sponsored by your spouse's employer) within 30 days after your group health coverage ends because of the qualifying event listed above. You will also have the same special enrollment right at the end of continuation coverage if you get continuation coverage for the maximum time available to you.

Please Note:

All continuation coverage will end for any of the following reasons:

- a qualified beneficiary becomes covered, after electing continuation coverage, under another group health plan that does not impose any pre-existing condition exclusion for a pre-existing condition of the qualified beneficiary (note: there are limitations on plans' imposing a preexisting condition exclusion and such exclusions will become prohibited beginning in 2014 under the Affordable Care Act)
- The premium for continuation coverage is not paid on a timely basis.
- You become eligible for Medicare after election of COBRA.
- Your 18, 29 or 36 month period of continuation ends.
- The employer no longer provides group health coverage for any of its employees.

How Do I Elect COBRA Coverage To Continue My Medical Or Dental Insurance?

- ☐ **Pioneer Medical Plan, Pioneer Dental Plan, Kaiser Medical Plan, Kaiser Dental Plan and/or Willamette Dental Plan, Employee Assistance Plan, Flex Spending Accounts:** COBRA Management Services (CMS) will contact you directly regarding COBRA continuation. You can expect to receive COBRA paperwork within 15 days of the end of your coverage. If you do not receive them within that time, please contact Customer Service at services@cobramanagement.com or (866) 517-7580. Please return the COBRA enrollment form(s) to CMS per their instructions.
- ☐ **Retiring Faculty/Staff:** If you are retiring from the College and are eligible for Medicare, please contact me for information on the College's Medicare supplemental plans in lieu of COBRA continuation.

Paying Your COBRA Premium

You are responsible for the full cost of continuation coverage as outlined on the next page. If your premiums are not received in a timely manner, your continuation coverage will end without further notification. The only exception is your first premium payment for continuation coverage, since COBRA law allows you up to 45 days from the date of your election to make that first payment. However, to avoid any confusion regarding your coverage status, it is best to make your decision early regarding continuation of coverage, and to send your payments on time.

***COBRA Premiums
(Effective April 1, 2014 - March 31, 2015)***

| | Pioneer Medical | Kaiser Medical | Pioneer Dental | Willamette Dental | Kaiser Dental |
|------------------|-----------------|----------------|----------------|-------------------|---------------|
| One Party | \$561.65 | \$484.63 | \$54.12 | \$41.51 | \$56.93 |
| Two Party | \$1,123.47 | \$969.26 | \$108.29 | \$83.03 | \$113.86 |
| Family | \$1,567.85 | \$1,356.97 | \$151.58 | \$124.90 | \$159.40 |

There may be other coverage options for you and your family. When you have a qualifying event, such as loss or change of job, you may be eligible to buy coverage through the Health Insurance Marketplace. In the Marketplace, you could be eligible for a new kind of tax credit that lowers your monthly premiums right away, and you can see what your premium, deductibles, and out-of-pocket costs will be before you make a decision to enroll. Being eligible for COBRA does not limit your eligibility for coverage for a tax credit through the Marketplace. Additionally, you may qualify for a special enrollment opportunity for another group health plan for which you are eligible (such as a spouse's plan), even if the plan generally does not accept late enrollees, if you request enrollment within 30 days.

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, visit the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) website at www.dol.gov/ebsa or call their toll-free number at 1-866-444-3272. For more information about health insurance options available through a Health Insurance Marketplace, visit www.healthcare.gov or www.coveroregon.com

Accessing Your Retirement Funds

Please call a TIAA-CREF representative at **1-800-842-2776** to discuss your distribution options. You have several options to manage the funds on your retirement accounts, including:

1. You may leave your money with TIAA-CREF indefinitely unless your account is worth less than \$1,000.00 (if this is the case, and you don't move your funds out of TIAA-CREF, then TIAA-CREF will be contacting you around the end of the Summer.)
2. Roll the funds into an IRA.
3. Roll the funds into another tax-deferred retirement plan, such as a 403(b), 401(k) or 457(b). Call TIAA-CREF at 1-800-842-2776 or [go online](#) to request a cash withdrawal form. Please complete the form and be sure to put the details of your new account with your new retirement plan information in the rollover section. You may skip the employer authorization section as the Human Resource Office will have already updated your information with TIAA-CREF online. Return your form back to TIAA-CREF and they will work with your new retirement plan for the rest of the transfer.
4. Make a cash withdrawal within 120 days of your termination date. There will be a **10-12.5% penalty** incurred and **20% withheld if you are under 59 ½** for federal taxes at the time of withdrawal. State income taxes would also be applicable

Retiring Faculty/Staff: If you are planning to retire please contact our Lewis & Clark TIAA-CREF consultant Yasemin Under at 503-452-6981 or yunder@tiaa-cref.org to schedule an appointment. She will be happy to speak with you about the details of your retirement benefits and goals.

College Paid and Voluntary Life Insurance

If you are eligible, your life insurance coverage ends on the last day of the month in which your employment ends. You have the option to convert your group life insurance and supplemental life insurance coverage to an individual policy by submitting an application and paying the first premium within 31 days of the end of your coverage. Proof of health is not required. The application for conversion of group life insurance is enclosed. Please complete and **return to LifeMap (Regence Life & Health) at PO BOX 1271 E-3A, Portland, OR 97208.**

Flexible Spending Accounts

Health Care Spending Account

Upon your final month of employment (, your participation in the Health Flexible Spending Account will cease, and no further salary redirection contributions will be contributed on your behalf except that on your final paycheck, unless you choose to continue participation by continuing on an *after-tax basis* through COBRA. Therefore, you can continue to use your account through the last day of the month of your termination. If you wish to continue participation in the Allegiance Healthcare Spending Accounts through COBRA, you must continue paying your normal monthly contribution, plus a 2% administrative

fee, by check. Contributions are due by the 30th day of each month. If you do not choose to continue Personal Choice plan participation, you will not be able to submit claims for services provided in any month following the month in which you made your final contribution to your spending account. However, you will be able to submit claims for health care expenses that were incurred before the end of your employment. COBRA Management will be sending you information regarding your account if you wish to continue payments.

Dependent Care Spending Account

You will still be able to request reimbursement for qualifying dependent care expenses for the remainder of the Plan Year from the balance remaining in your dependent care account at the time of termination of employment except that on your final paycheck, unless you choose to continue participation by continuing on an *after-tax basis* through COBRA. If you wish to continue participation in the Allegiance Dependent Care Spending Accounts through COBRA, you must continue paying your normal monthly contribution, plus a 2% administrative fee, by check. However, you may submit claims for dates of service from April 1, 2013 through your termination date. COBRA Management will be sending you information regarding your account if you wish to continue payments.

Long Term Disability and AD&D Insurance

If you are eligible, your long term disability and AD&D insurance coverage ends on the last day of the month in which your employment ends. These insurance plans do not have a conversion option.

Long Term Care Insurance

If you and/or your spouse are currently enrolled in long term care, **please contact John Hancock** directly at 1-800-711-9704 or **Genworth** at 800-416-3624 to continue the coverage through direct billing. Another resource is our partner in Long Term Care: Long Term Care Solutions: 1-877-286-2852.

Vacation & Sick Leave

Vacation pay will be paid out to you on your final paycheck, assuming all final paperwork has been submitted by your department. You are not paid out for unused sick leave.

Employee Assistance Program

You and your family may continue access to through Cascade Centers, for up to eighteen months at your own expense. COBRA election forms are enclosed. COBRA Management will be sending you information regarding your account if you wish to continue participation.

Questions?

Please do not hesitate to contact HR with any questions or concerns at 503.768.6234.

Life Insurance Options When Coverage Terminates

Your Life Insurance coverage with Lewis & Clark College provides you with Portability or Conversion to continue your Basic and/or Voluntary Life Insurance through LifeMap Assurance Company upon termination and/or reduction of benefits.

Portability and Conversion are options that allow you to continue your Life Insurance without supplying Evidence of Insurability (answering medical questions). Both options require election within 31 days of the loss of coverage. See your Group Life Insurance Certificate of Coverage and your Group Voluntary Life Insurance Certificate of Coverage for the policy provisions.

Portability - is a continuance of the Group Life Policy.

- The monthly premium for Basic Life Insurance is based on the Group rate.
- The monthly premium for Voluntary Life Insurance is the rate being charged at the time that loss of coverage occurs and is subject to increases based on age graded rates (5 year age categories).
- The person electing Portability must be under age 70.
- You may port the amount of Life Insurance coverage in force at the time of loss, subject to a minimum of \$10,000 and a maximum of \$500,000, for the Basic and Voluntary Life Insurance combined.
- Your Spouse/State Certified Domestic Partner may port the amount of Voluntary Life Insurance coverage in force at the time of loss to a maximum of \$500,000.
- Your Dependent Child(ren) may port all or part of the Voluntary Life Insurance coverage amount in force at the time of loss.
- Portability is available for you, your Spouse/State Certified Domestic Partner and your covered Dependent Child(ren) when:
 - Termination of coverage is due to reasons other than your disability; your retirement; or military leave of absence; or
 - You cease to be in an eligible class for reasons other than disability.
- Portability is available for your Spouse to elect when termination of coverage is due to becoming widowed, divorced, legally separated from you, or your state certified domestic partnership is terminated.

If you or your insured Dependents cease to qualify for Portability Insurance, you may be eligible to elect a Conversion Policy in accordance with the following Conversion details.

Please contact LifeMap Assurance Company at 1-888-777-9368, extension 7309, to obtain a Request for Portability of Life Insurance Form and Premium Calculation Sheet.

All Coverage Underwritten by LifeMap Assurance Company™

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Conversion - is an Individual Whole Life Policy that will build cash value.

- The annual premium rate is based on the applicant's age at date of issue.
- You, your covered Spouse/State Certified Domestic Partner and/or your Dependent Child(ren) may convert all or part of your Basic or Voluntary Life Insurance coverage amount in force at the time of loss.
- Minimum conversion is \$1,000 of coverage.
- The enclosed Application for Conversion of Group Life Insurance form contains the annual premium rate information.
- If more than one individual is applying, additional applications can be located and printed from the LifeMap Assurance Company website @ LifeMapCo.com.
- Conversion is available for you when:
 - Your employment terminates;
 - Your membership in an eligible class terminates;
 - You, your Spouse/State Certified Domestic Partner or your Dependent Child(ren) cease to be eligible according to the eligibility provisions of the Policy;
 - You retire;
 - Your benefits are terminated or reduced due to age (amount converted can only be the amount lost due to the reduction schedule); or
 - The Group Policy terminates and you have been insured under this Policyholder for five years prior to termination of insurance. The conversion amount is then limited to the lesser of;
 - the amount of insurance coverage which ended under the Policy; or
 - \$10,000.

The completed Conversion and/or Portability application and initial premium must be submitted to LifeMap Assurance Company within 31 days of the loss of Life Insurance coverage. LifeMap Assurance Company will contact Lewis & Clark College for the information in Employer Section of the form. Upon acceptance you will receive notification and billing information from LifeMap Assurance Company.

Please contact LifeMap Assurance Company at 1-888-777-9368, extension 7309, for questions regarding enrollment for Portability or Conversion of Life Insurance coverage.