

UNIVERSITY OF WISCONSIN
SERVICE CENTER

November 2, 2009

Buck E Badger
123 State St
Madison, WI 53706

Person ID: 123456
SS#: xxx-xx-1234
UDDS: A56005

We are required by Federal law to provide you with this information. It explains premium assistance for COBRA continuation coverage under the American Recovery and Reinvestment Act of 2009 (ARRA). You may be eligible to receive up to a 65% premium reduction towards some insurance premiums for up to nine months if you continue these benefits through COBRA continuation provisions and meet the COBRA premium assistance eligibility requirements. **We are required to provide you this information, even though you may not be eligible for the premium assistance.**

Under current ARRA provisions, in order to be eligible for COBRA premium assistance, your coverage under COBRA must be effective **prior** to January 1, 2010. State Group Health premiums are paid two months in advance of coverage and all other plans are paid one month in advance of coverage. Please note that it is possible to be ineligible for premium assistance for health insurance but eligible for it under optional plans for which you have paid the full premium as an employee. Please see the enclosed continuation forms or contact the benefits office listed below to confirm when your coverage under COBRA will begin.

Federal legislation was recently introduced to extend the COBRA premium assistance program but it is not known if or when this legislation will be passed. If an extension is passed and you either become eligible for assistance or you become eligible for additional assistance, we will contact you immediately regarding your options.

Enclosed you will find the following information:

- Benefit premium rate sheets
- Continuation election form(s)
- *Summary of the COBRA Premium Reduction Provisions under ARRA*
- *COBRA Continuation Conversion Supplemental Notice.*
- *Request for Treatment as an Assistance Eligible Individual (form ET-2314)*
- *Enrollment Information for COBRA and/or Premium Assistance*
- *Questions and Answers about Involuntary Terminations*
- *Important Information about Your COBRA Continuation Coverage Rights*
- *Participant Notification form*

Below is a list of benefit plans which you may be eligible to continue through COBRA provisions. You may elect to continue all, none or some of the plans listed below. If you are eligible for COBRA premium assistance, you are eligible for up to a 65% premium reduction for up to nine months of COBRA coverage. If you are not eligible for assistance, you are still eligible to continue your benefits through COBRA but will be required to pay the total premium. See enclosed premium rate sheets for monthly premium information.

Plan Name	Coverage Level
Dean Health Plan	Family
OptumHealth Vision	Employee + Family
EPIC Dental & Excess Medical	Employee + 1
Anthem DentalBlue Supplemental Plan	Single

If you wish to enroll in COBRA continuation coverage, you must do so within 60 days of the date of this notice or within 60 days of the benefit plan coverage end date, whichever is later. Instructions are enclosed.

If you have questions, please contact us at the number or email listed below. If you apply for COBRA premium assistance, send all completed forms and applications to the address listed below:

Office of Human Resources
UW-Madison
21 N Park St, Suite 5101
Madison, WI 53715
(608) 262-5650 and benefits@ohr.wisc.edu

Important Information

Premium Assistance Eligibility Requirements

In order to be considered an “**Assistance Eligible Individual** (AEI)” and qualify for a 65% benefit premium reduction, you must be a qualified beneficiary who meets all of the following criteria:

1. Is eligible for COBRA continuation coverage as a result of Federal or State law at any time during the period beginning September 1, 2008 and ending December 31, 2009;
2. Elects COBRA coverage when first offered (or during the additional 60-day election period);
3. Eligibility to enroll in COBRA is due to an involuntary termination of employment between September 1, 2008 and December 31, 2009;
4. Must not be eligible for Medicare; AND
5. Must not be eligible for coverage under any other group health plan, such as a plan sponsored by another employer or by a spouse, domestic partner or parent’s employer. Once you become eligible for other group health insurance, you are eligible to continue your benefits through COBRA provisions, but you are no longer eligible to receive COBRA premium assistance towards the premium of any of the continued benefits.

The premium reduction is limited to “Assistance Eligible Individuals” who are defined as **qualified beneficiaries** under **Federal** law. A **qualified beneficiary** generally is an individual covered by a group health plan on the day before a qualifying event (e.g. involuntary termination) who is an employee, a spouse of an employee under Federal law, or a dependent child of the employee under Federal law. In addition, any child born to or placed for adoption with a covered employee during the period of COBRA coverage is considered a qualified beneficiary. State law and plan contracts may allow you to cover other dependents who are not qualified beneficiaries under Federal law. These other dependents are eligible to continue coverage under COBRA, but they are not eligible for COBRA premium assistance. Dependents who are not qualified beneficiaries under Federal law are non-Assistance Eligible Individuals (non-AEI). If you continue coverage that includes a non-AEI(s), you may not be eligible for the full 65% premium reduction. Contact the office listed on the front page of this letter for more information about how continuing coverage for a non-AEI(s) affects the amount of COBRA premium assistance available to you.

Benefit Applications

If you change the plan type or coverage level when you apply for COBRA continuation coverage, you will need to submit a completed enrollment application with the applicable COBRA continuation form for that plan. Applications are available online at the UW Service Center forms page: www.bussvc.wisc.edu/uwpc/uwpc-forms-order.html or you may contact the office listed on the front of this letter for a paper application(s).

For Detailed Information about COBRA Premium Reduction Provisions

- The Department of Labor COBRA website: www.dol.gov/ebsa/cobra.html
- The Department of Health and Human Services COBRA website: www.cms.hhs.gov/COBRAContinuationofCov/
- UW System Administration COBRA Subsidy website: www.uwsa.edu/hr/benefits/ins/2009COBRA.html

Requirement if You Become Eligible for Other Group Health Insurance and/or Medicare

If you are an “Assistance Eligible Individual” and you begin receiving COBRA premium assistance, you will lose your eligibility for assistance as soon as you become **eligible** for coverage under another group health insurance plan and/or Medicare. Once you become eligible for other coverage, you are required to submit a Participant Notification form to both your former employer and plan(s). This form is included in this packet and is also available online at: www.uwsa.edu/hr/benefits/ins/partnotify.pdf

Appeal Information

If your former employer determines that you are not eligible for the COBRA premium reduction, you may appeal the decision to the U.S. Department of Health and Human Services and request an expedited review of the denial. The Department must make the determination within 15 business days of receipt of a completed request for review. An online appeal form is available at: www.ContinuationCoverage.net. Send your appeal to:

MAXIMUS Federal Services, Inc.
COBRA Continuation Coverage Assistance Appeals Project
800 Cross Keys Office Park, First Floor - Suite 820
Fairport, New York 14450