

C O B R A

Important Information: Notice of Expiration of Period of Premium Assistance

This notice has important information about the end of your right to premium assistance for COBRA continuation coverage under the Plan, as well as about other health coverage options that may be available to you, including Medicaid or coverage through the Health Insurance Marketplace^{®1}. To sign up for Marketplace coverage, visit www.HealthCare.gov or call 1-800-318-2596 (TTY: 1-855-889-4325). You may be able to get coverage through Medicaid or the Health Insurance Marketplace[®] that costs less than COBRA continuation coverage, now that the premium assistance is ending. People in most states use www.HealthCare.gov to apply for and enroll in Marketplace coverage; if your state has its own Marketplace platform, you can find contact information here: www.HealthCare.gov/marketplace-in-your-state/.

Please read the information in this notice very carefully before you make your decision.

Why am I getting this notice?

You're getting this notice because your premium assistance for continuation coverage under the plan or policy is ending either due to the expiration of your maximum period of continuation coverage or end of the premium assistance period.

If I continue on COBRA continuation coverage, how long will the coverage last?

Your COBRA eligibility end date is noted on your COBRA Qualifying Event notice available at www.flores247.com. Continuation coverage may end before the date noted on your Qualifying Event notice in certain circumstances, like failure to pay premiums, fraud, or if you become covered under another group health plan.

Are there other coverage options besides COBRA continuation coverage?

Yes. Now that your premium assistance is expiring, there may be other more affordable coverage options for you and your family through the Health Insurance Marketplace[®], Medicare, or other group health plan coverage options (such as a spouse's plan) through what is called a "special enrollment period." Additionally, you may apply for and, if eligible, enroll in Medicaid at any time. Some of these options may cost less than COBRA continuation coverage. If you're eligible for Medicare, consider signing up during its special enrollment period to avoid a coverage gap when your COBRA coverage ends and a late enrollment penalty.

If you have not yet exhausted COBRA continuation coverage, you should compare your other coverage options with COBRA continuation coverage and choose the coverage that is best for you. For example, if you move to other coverage you may pay more out of pocket than you would under COBRA continuation coverage because the new coverage may impose a new deductible. It's important that you choose carefully between maintaining COBRA continuation coverage and other coverage options, because once you've made your choice, it can be difficult or impossible to switch to another coverage option until the next available open enrollment period.

You may qualify for a special enrollment period to enroll in Marketplace coverage when your COBRA continuation coverage and/or your premium assistance ends. You may be able to get coverage through Medicaid or the Health Insurance Marketplace[®] that costs less than COBRA continuation coverage without premium assistance. You can learn more about the Marketplace below.

What is the Health Insurance Marketplace[®]?

The Health Insurance Marketplace[®] offers "one-stop shopping" to find and compare private individual health insurance options. In the Marketplace, you could be eligible for a subsidy that lowers your monthly premiums and for cost-sharing reductions that lower your out-of-pocket costs for deductibles, coinsurance, and copayments right away, and you can see what your subsidized premium, deductibles, and out-of-pocket costs will be before you make a decision to enroll. Through a Marketplace you can also learn if you may qualify for free or low-cost coverage from [Medicaid](#) or the [Children's Health Insurance Program \(CHIP\)](#). People in most states use www.HealthCare.gov to apply for and enroll in Marketplace coverage; if your state has its own Marketplace platform, you can find contact information for your State Marketplace here: <https://www.healthcare.gov/marketplace-in-your-state/>.

Coverage through Medicaid or the Marketplace may cost less than COBRA continuation coverage. Being offered COBRA continuation coverage won't limit your eligibility for Medicaid. In addition, if you have been offered COBRA continuation coverage because you are a former employee of the employer offering the coverage, the offer of coverage won't limit your eligibility for Marketplace coverage or for a subsidy or a premium tax credit to help pay for your Marketplace coverage. However, you won't be eligible for a premium tax credit, or advance payments of the premium tax credit, during any month that you're enrolled in COBRA continuation coverage. Therefore, if you qualify for a special enrollment period to enroll in Marketplace coverage and also qualify for advance payment of the premium tax credit that you would like to use, you should end your COBRA continuation coverage before your Marketplace coverage starts.

If you are currently employed by the employer offering the COBRA continuation coverage with premium assistance, you may enroll in Marketplace coverage but you may be ineligible for a subsidy or a premium tax credit for the Marketplace coverage for the period you are offered the COBRA continuation coverage with premium assistance.

When can I enroll in Marketplace coverage?

Marketplace-eligible consumers can enroll in Marketplace coverage if they qualify for a special enrollment period. When your COBRA continuation coverage expires or your employer stops contributing to COBRA, including through your COBRA premium assistance, you may qualify for a special enrollment period to enroll in Marketplace coverage. Under this special enrollment period, Marketplace-eligible consumers have 60 days from the end of their COBRA continuation coverage or the last day of the period for which COBRA continuation coverage is subsidized by an employer or by premium assistance, to select a Marketplace plan through HealthCare.gov. Alternatively, Marketplace-eligible consumers may report the upcoming loss of premium assistance, or the end of their COBRA continuation coverage, and may be eligible to enroll in a new health plan up to 60 days before the event triggering the special enrollment period, to get Marketplace coverage. 60 days after the last day of the period for which COBRA continuation coverage is subsidized by an employer or premium assistance or the end of the COBRA continuation coverage, your special enrollment period will end and you may not be able to enroll, so you should take action right away. In addition, during what is called an "open enrollment" period, Marketplace-eligible consumers can enroll from November 1 – December 15 in Marketplace coverage that starts on January 1. Finally, you can apply for and, if eligible, enroll in Medicaid coverage at any time.

¹ Health Insurance Marketplace[®] is a registered service mark of the U.S. Department of Health & Human Services.

Note that, due to COVID-19, for Marketplaces that use HealthCare.gov, all Marketplace-eligible consumers who are submitting a new application or updating an existing application can access a special enrollment period available at HealthCare.gov from February 15 through August 15, 2021. For more information, please see: www.HealthCare.gov/sep-list/. Marketplace-eligible consumers in states with Marketplaces that do not use the HealthCare.gov platform should consult your Marketplace to find out if you have a special enrollment period available to them. If your state has its own Marketplace platform you can find contact information for your State Marketplace here: <https://www.HealthCare.gov/marketplace-in-your-state/>.

Additionally, under the ARP, individuals and families may be eligible for a temporary increase in their premium tax credit and advance payments of the premium tax credit, for 2021 and 2022, with no one who is eligible paying more than 8.5% of their household income towards the cost of the benchmark plan or a less expensive plan. To find out more about enrolling in the Marketplace, such as when the next open enrollment period will be and what you need to know about qualifying events and special enrollment periods, visit www.HealthCare.gov/coverage-outside-open-enrollment/special-enrollment-period. If your state has its own Marketplace platform, you can find contact information for your State Marketplace here: <https://www.HealthCare.gov/marketplace-in-your-state/>. Note, you may apply for and, if eligible, enroll in Medicaid coverage at any time.

If I am able to and choose to continue on COBRA continuation coverage after the end of premium assistance, can I switch to coverage in the Marketplace after the 60-day special enrollment period ends? What about if I choose Marketplace coverage and want to switch back to COBRA continuation coverage?

If you continue with COBRA continuation coverage after the end of the premium assistance, you can switch to a Marketplace plan during the annual Marketplace open enrollment period or during a special enrollment period. Additionally, if you initially decide to keep COBRA continuation coverage, you may still be able to enroll in Marketplace coverage until the end of a special enrollment period, which is 60 days after your loss of COBRA premium assistance. Depending on your circumstances, you may also qualify for a tax credit if you end your COBRA continuation coverage by the time your Marketplace coverage starts, and you are otherwise eligible. But be careful: if you terminate your COBRA continuation coverage early without another event that qualifies you for a special enrollment period, you'll have to wait to enroll in Marketplace coverage until the next available open enrollment period and could end up without any health coverage in the interim.

Alternatively, once you've exhausted your COBRA continuation coverage, you may be eligible for a special enrollment period, to enroll in Marketplace coverage, if you are Marketplace-eligible, even if Marketplace open enrollment has ended due to your exhaustion of COBRA coverage. For more information on COBRA continuation coverage and the Marketplace, see www.HealthCare.gov/unemployed/cobra-coverage/. If you sign up for Marketplace coverage and terminate your COBRA continuation coverage, you cannot switch back to COBRA continuation coverage.

Can I enroll in another group health plan?

You may be eligible to enroll in coverage under another group health plan (like a spouse's plan), if you request enrollment within 30 days of the end of the maximum period of COBRA continuation coverage. If you have not yet reached the end of the maximum period of COBRA continuation coverage, contact the other group health plan to see when you may be eligible to enroll.

Can I enroll in Medicare instead of COBRA continuation coverage after my group health plan coverage ends?

In general, if you don't enroll in Medicare Part A or B when you are first eligible because you are still employed, after the initial enrollment period for Medicare Part A or B, you have an 8-month special enrollment period² to sign up, beginning on the earlier of: the month after your employment ends; or The month after group health plan coverage based on current employment ends.

If you don't enroll in Medicare Part B and elect COBRA continuation coverage instead, you may have to pay a Part B late enrollment penalty and you may have a gap in coverage if you decide you want Part B later. If you elect COBRA continuation coverage and then enroll in Medicare Part A or B before the COBRA continuation coverage ends, the [Plan or Policy] may terminate your COBRA continuation coverage. However, if Medicare Part A or B is effective on or before the date of the COBRA election, COBRA continuation coverage may not be discontinued on account of Medicare entitlement, even if you enroll in the other part of Medicare after the date of the election of COBRA continuation coverage.

If you are enrolled in both COBRA continuation coverage and Medicare, Medicare will generally pay first (as the primary payer) and COBRA continuation coverage will pay second. Certain COBRA continuation coverage may pay as if secondary to Medicare, even if you are not enrolled in Medicare. For more information visit <https://www.medicare.gov/medicare-and-you>.

What factors should I consider when choosing coverage options? When considering your options for health coverage, you may want to think about:

- **Premiums:** After the ARP premium assistance expires, your previous plan or policy can charge up to 102% of total plan premiums for COBRA continuation coverage (or up to 150% of total plan premiums after 18 months if you choose to extend the COBRA continuation coverage period beyond 18 months due to the disability of a qualified beneficiary). Other options, like coverage on a spouse's plan, Medicaid or through the Marketplace plan, may be less expensive at that point.
- **Provider Networks:** If you're currently getting care or treatment for a condition, a change in your health coverage may affect your access to a particular health care provider. You may want to check to see if your current health care providers participate in a network and whether you will have access to that network through any other option as you consider options for health coverage.
- **Drug Formularies:** If you're currently taking medication, a change in your health coverage may affect your costs for medication – and in some cases, your medication may not be covered by another plan or policy. You may want to check to see if your current medications are listed in drug formularies for other health coverage options.
- **Severance payments:** If you lost your job and got a severance package from your former employer, your former employer may have offered to pay some or all of your COBRA continuation coverage premium payments for a period of time. In this scenario, you may want to contact the Department of Labor at askebsa.dol.gov or 1-866-444-3272 to discuss your options.
- **Service Areas:** Some plans limit their benefits to specific service or coverage areas – so if you move to another area of the country, you may not be able to use your benefits. You may want to see if your plan or policy has a service or coverage area, or other similar limitations.
- **Other Cost-Sharing:** In addition to premiums or contributions for health coverage, you probably pay copayments, deductibles, coinsurance, or other amounts as you use your benefits. You may want to check to see what the cost-sharing requirements are for other health coverage options. For example, one option may have much lower monthly premiums, but a much higher deductible and higher copayments. You may also want to consider whether you have met your deductible or maximum out-of-pocket limit under your COBRA continuation coverage.

² <https://www.medicare.gov/sign-up-change-plans/how-do-i-get-parts-a-b/part-a-part-b-sign-up-periods>. These rules are different for people with End Stage Renal Disease (ESRD).