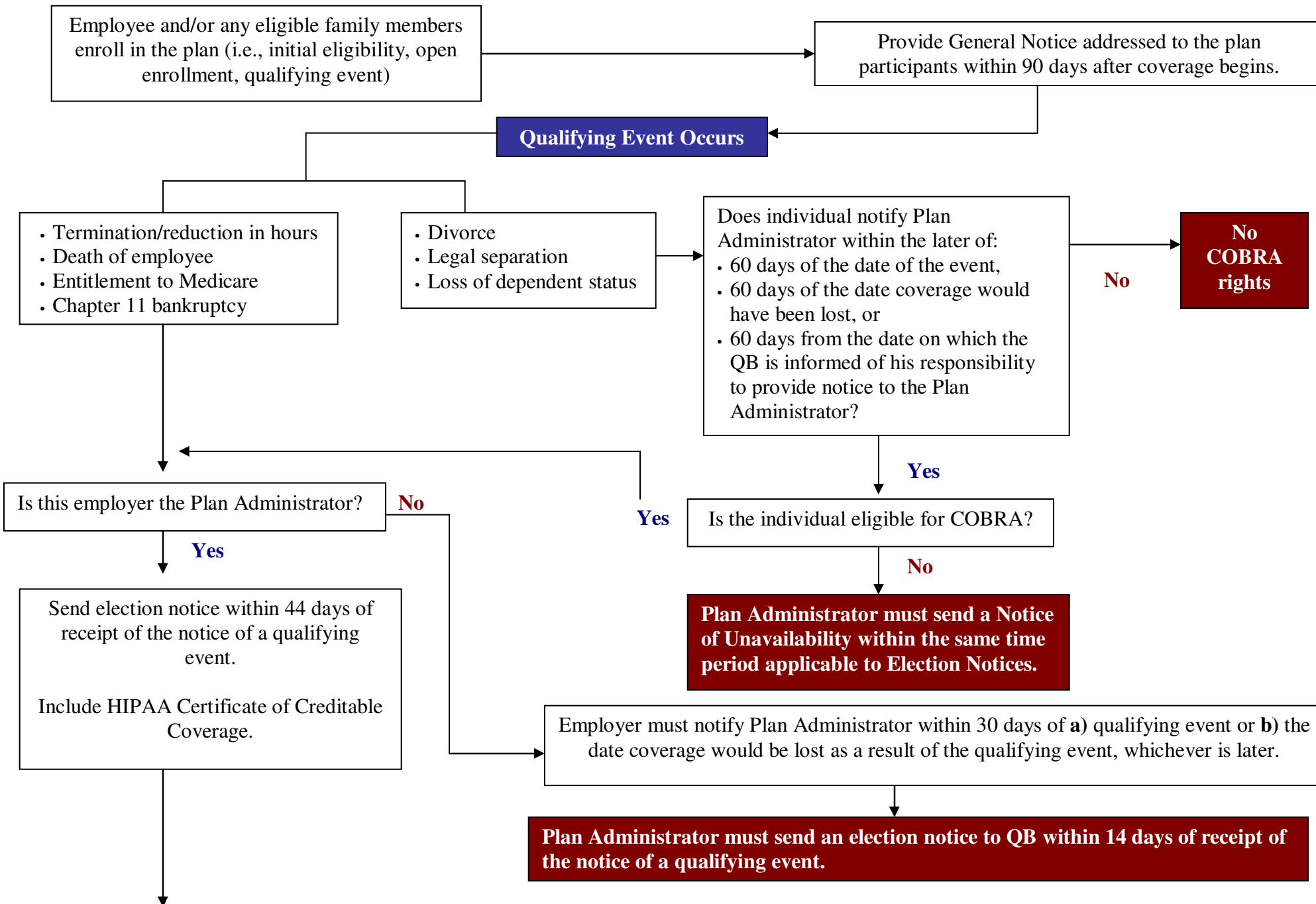
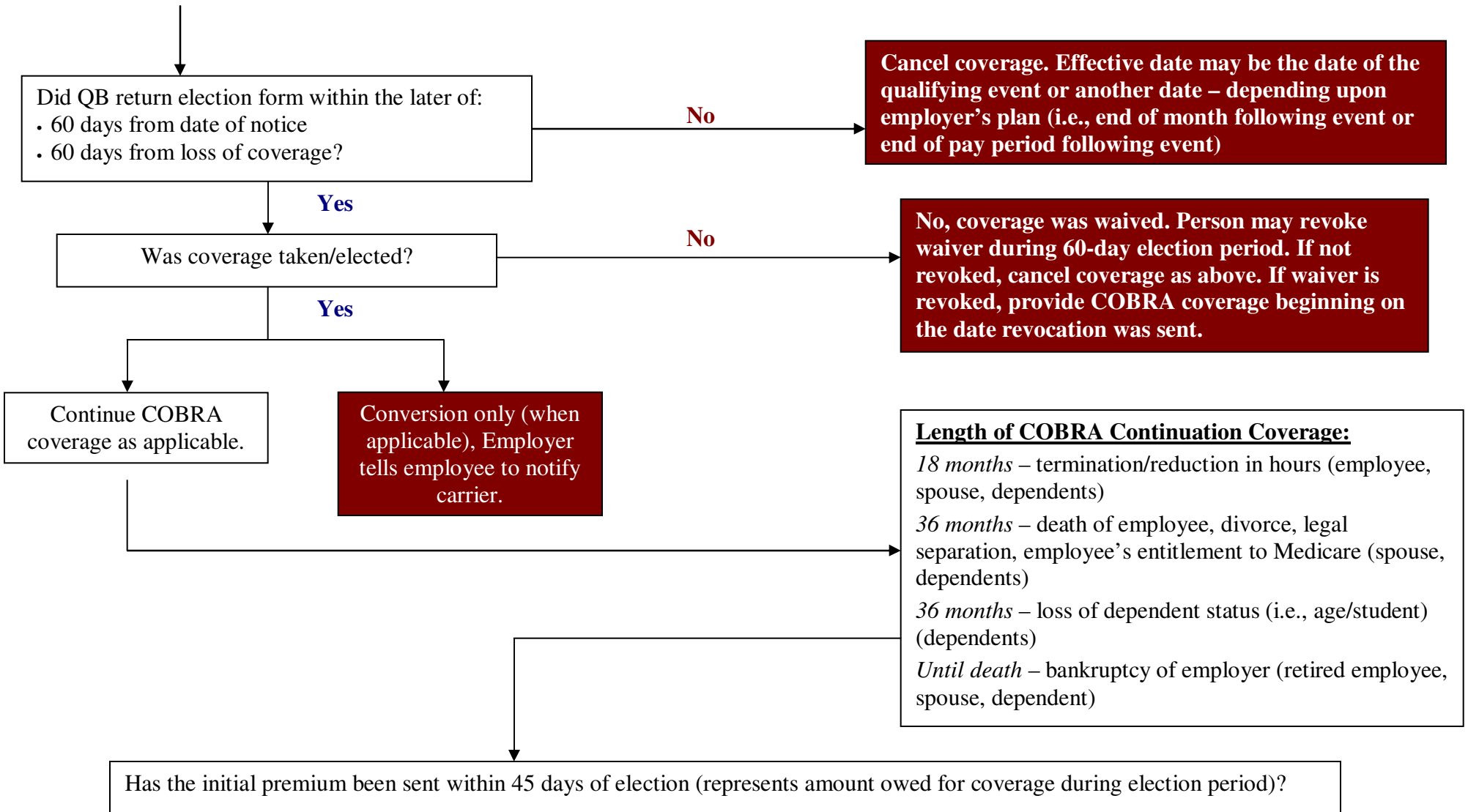


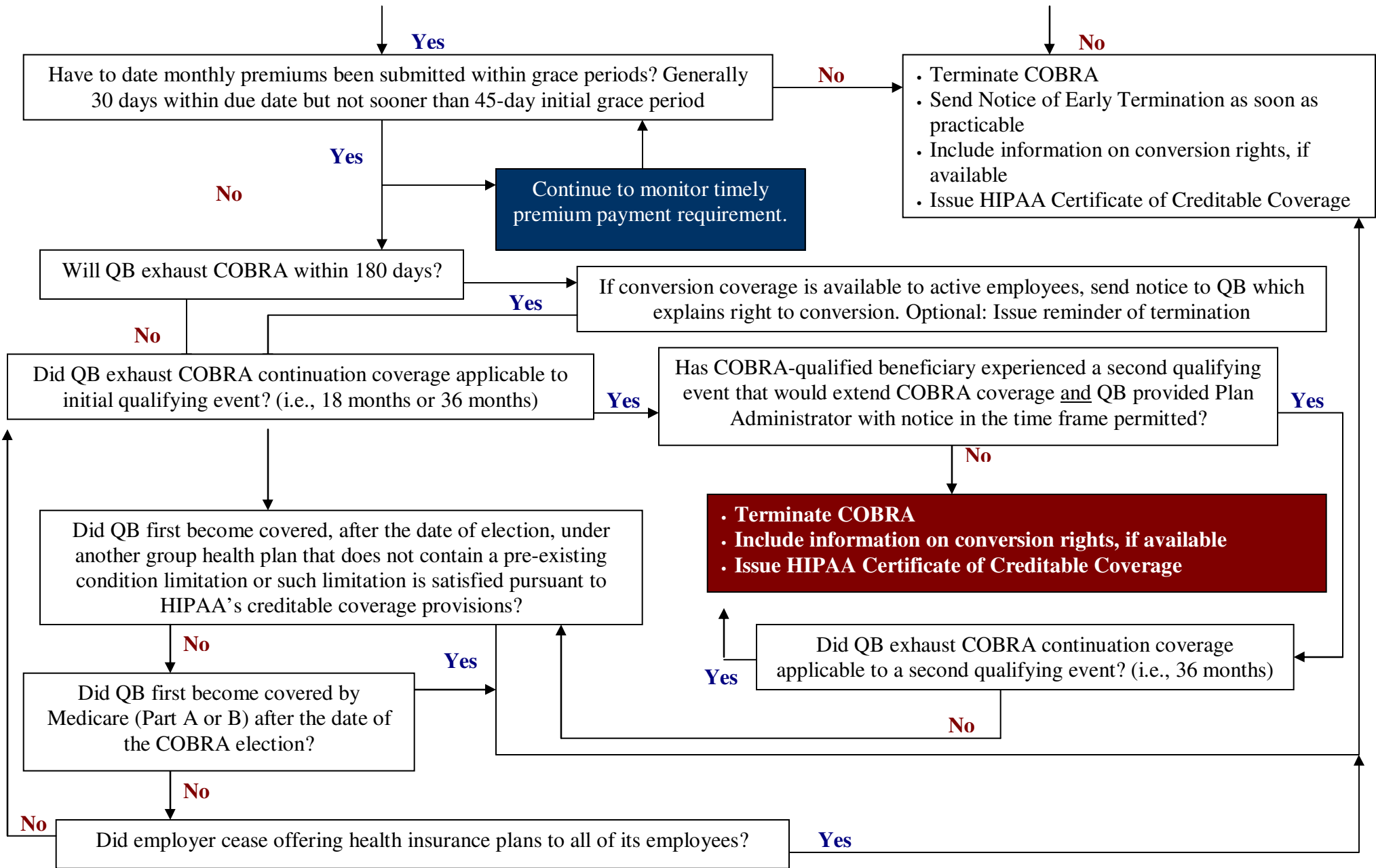
COBRA Administration Flow Chart



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COBRA Administration Flow Chart, page 3 of 3



COBRA Flow Chart – Special Rules for Disabled Qualified Beneficiaries

If a QB is determined disabled by the Social Security Administration (SSA) as of the date of the qualifying event or within 60 days of the original qualifying event, all QBs within the family are entitled to a total of 29 months of COBRA continuation coverage.

The QB must notify the Plan Administrator within the original 18-month COBRA continuation period and within 60 days of the later of a) the date of the SSA's determination, b) the date on which the qualifying event occurs, c) the date on which the QB would lose coverage under the plan, or d) the date on which the QB is informed of his responsibility to notify the Plan Administrator.

A QB is required to notify the Plan Administrator within 30 days of a SSA determination that the QB is no longer disabled. So long as the disabled QB is on the plan, the Plan Administrator may charge 150% of applicable premiums for months 19-29.

Federal COBRA applies to employers with 20 or more employees. This outline is provided as a courtesy to our clients. It is intended to summarize COBRA administration requirements. Please consult your attorney, the Department of Labor, the Department of the Treasury, or the Department of Health & Human Services for specific details.