

CONTINUATION COVERAGE RIGHTS UNDER COBRA

TO: Members of Foth Companies

Date: January 2016

Introduction

You are receiving this notice because you have recently become covered under a group health plan (the Plan). This notice contains important information about your right to COBRA continuation coverage, which is a temporary extension of coverage under the Plan. **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.**

The right to COBRA continuation coverage was created by a federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). COBRA continuation 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 who are covered under the Plan when they would otherwise lose their group health coverage. 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 the Plan Administrator.

What is COBRA Continuation Coverage

COBRA continuation 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. COBRA continuation coverage must be offered to each person who is a "qualified beneficiary." You, your spouse, and your dependent children could become qualified beneficiaries if coverage under the Plan is lost because of the qualifying event. Under the Plan, qualified beneficiaries who elect COBRA continuation coverage must pay for COBRA continuation coverage.

If you are an employee, you will become a qualified beneficiary if you lose your coverage under the Plan because either one of the following qualifying events happens:

- (1) Your hours of employment are reduced, or
- (2) Your employment ends for any reason other than your gross misconduct.

If you are the spouse of an employee, you may become a qualified beneficiary if you lose your coverage under the Plan because any of the following qualifying events happens:

- (1) Your spouse dies;
- (2) Your spouse's hours of employment are reduced;
- (3) Your spouse's employment ends for any reason other than his or her gross misconduct;
- (4) Your spouse becomes entitled to Medicare benefits (under Part A, Part B, or both); or
- (5) You become divorced or legally separated from your spouse.

Your dependent children may become qualified beneficiaries if they lose coverage under the Plan because any of the following qualifying events happens:

- (1) The parent-employee dies;
- (2) The parent-employee's hours of employment are reduced;
- (3) The parent-employee's employment ends for any reason other than his or her gross misconduct;
- (4) The parent-employee becomes entitled to Medicare benefits (either Part A, Part B, or both);
- (5) The parents become divorced or legally separated; or
- (6) The child stops being eligible for coverage under the plan as a "dependent child."

If the plan offers retiree benefits, filing a proceeding in bankruptcy under title 11 of the United States Code can be a qualifying event. If a proceeding in bankruptcy is filed by the employer sponsoring the Plan, and that bankruptcy results in the loss of coverage of any retired employee covered under the Plan, the retired employee will become a

qualified beneficiary with respect to the bankruptcy. The retired employee's spouse, surviving spouse, and dependent children will also become qualified beneficiaries if bankruptcy results in the loss of their coverage under the Plan.

When is COBRA Coverage Available?

The Plan will offer COBRA continuation coverage to qualified beneficiaries only after the Plan Administrator has been notified that a qualifying event has occurred. When the qualifying event is the end of employment or reduction of hours of employment, death of the employee, if the employer commences a proceeding in bankruptcy, or the employee's becoming entitled to Medicare benefits (under Part A, Part B, or both), the employer must notify the Plan Administrator of the potential qualifying event.

You Must Give Notice of Some Qualifying Events

For the other qualifying events (divorce or legal separation of the employee and spouse or a dependent child's losing eligibility for coverage as a dependent child), you must notify the Plan Administrator within 60 days after either the date of the qualifying event or the date coverage would otherwise be lost under the Plan as a result of the qualifying event, whichever is later. You must provide this notice to: *Human Resources, Krystle Norton, Benefits Specialist, 920-497-2500 or benefits@foth.com*

How is COBRA Coverage Provided?

Once the Plan Administrator 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 continuation coverage. Covered employees may elect COBRA continuation coverage on behalf of their spouses, and parents may elect COBRA continuation coverage on behalf of their children.

COBRA continuation coverage is a temporary continuation of coverage. When the qualifying event is the death of the employee, the employee's becoming entitled to Medicare benefits (under Part A, Part B, or both), your divorce or legal separation, or a dependent child's losing eligibility as a dependent child, COBRA continuation coverage lasts 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. For example, if a covered employee becomes entitled to Medicare 8 months before the date on which his employment terminates, COBRA continuation coverage for his spouse and children 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). When the qualifying event is a reduction in work hours due to military leave of more than 30 days, continuation coverage is granted under USERRA for 24 months. Otherwise, when the qualifying event is the end of employment or reduction of the employee's hours of employment, COBRA continuation coverage generally lasts for only up to a total of 18 months. There are two ways in which this 18-month period of COBRA continuation coverage can be extended.

Disability extension of 18-month period of continuation coverage

If you or anyone in your family covered under the Plan is determined by the Social Security Administration to be disabled and you notify the Plan Administrator in a timely fashion, you and your entire family may be entitled to receive up to an additional 11 months of COBRA continuation coverage, for a total maximum of 29 months. The disability must be determined to have started at some time before the 60th day of COBRA continuation coverage and must last at least until the end of the 18-month period of continuation coverage. In order to receive this extension, you must provide the Plan Administrator with a copy of the determination by the Social Security Administration within 60 days of the date of the determination by the Social Security Administration, the date of the qualifying event, or the date that coverage would otherwise be lost under the Plan as a result of the qualifying event, whichever is later, but in no event later than the end of the original 18 month period of continuation coverage. You must provide this notice to: The COBRA Administrator, UMR, 1-800-207-1824.

Second qualifying event extension of 18-month period of continuation coverage

If your family experiences another qualifying event while receiving 18 months of COBRA continuation coverage, the spouse and dependent children in your family can get up to 18 additional months of COBRA continuation 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 continuation coverage if the employee or former employee dies, becomes entitled to Medicare benefits (under Part A, Part B, or both), 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.

If You Have Questions

Questions concerning your Plan or your COBRA continuation coverage 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 Employee 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 Plan Administrator 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 the Plan Administrator.

Plan Contact Information

The name of the group health plan is: *Foth & Van Dyke, LLC*

The Plan Administrator:
Krystle Smits
Benefits Specialist
2121 Innovation Court
De Pere, WI 54115
Phone: 920-497-2500
FAX: 920-496-6639
Email: benefits@Foth.com

COBRA Administrator:
UMR
P.O. Box 1206
Wausau, WI 54402-1206
Phone: 800-207-1824
Email: mycobra@umr.com

All questions concerning COBRA continuation coverage can be directed to The COBRA administrator; all other questions concerning the Plan should be directed to the Plan Administrator.



NOTICE OF A COBRA QUALIFYING EVENT

For certain types of COBRA qualifying events, you must submit notification to Human Resources in writing within 60 days of the date of the qualifying event or the date coverage is lost, whichever is later.

Use this form as the notification of the occurrence of any of the qualifying events shown below.

1. Divorce/legal separation
2. Termination of domestic partnership
3. Dependent's ceases to be eligible as a 'dependent child'
4. Employee becomes covered under Medicare
5. Birth of a child/adoption
6. Loss of coverage under spouse's plan

Note: Failure to provide notice of these events within the 60-day time limit will result in COBRA continuation coverage being forfeited.

Only qualified beneficiaries can elect COBRA continuation coverage. A qualified beneficiary is generally an employee or family member who is eligible for and enrolled in a group health/dental plan on the day before the qualifying event.

Questions concerning your COBRA continuation should be addressed to Teri Parins in Human Resources.

Member Information:	_____	(M.I.)	_____
	(First)		(Last)
	____ - ____ - ____		____ / ____ / ____
	(Social Security Number)		(Date of Birth)

Describe the Qualifying Event:	_____

Date of Event:	_____

Addition of a Dependent: (Birth/Adoption)	_____	(M.I.)	_____
	(First)		(Last)
	____ - ____ - ____		____ / ____ / ____
	(Social Security Number)		(Date of Birth)

Return completed form to:

Krystle Smits, Benefits Specialist
 2121 Innovation Court
 De Pere, WI 54115
 FAX: 920-496-6639
 Benefits@Foth.com