

Association Master Trust

COBRA and NJ State Continuation Law

Notices

I. General Notice (Full Version) If you are subject to the Federal COBRA provisions a General Notice will be sent to all qualified beneficiaries, not just covered employees, who experienced a qualifying event at any time from September 1, 2008 through December 31, 2009, regardless of the type of qualifying event, AND who either have not yet been provided an election notice or who were provided an election notice on or after February 17, 2009 that did not include the additional information required by ARRA. This full version includes information on the premium reduction as well as information required in a COBRA election notice.

The forms for completion by your former employee included in the General Notice (Full Version) are:

COBRA Continuation Election Form – (Form 1a) This form allows for your former employee to elect COBRA continuation under the plan. You, the employer, must sign and date the form at the bottom and forward a copy of the form to AMT.

Form for Switching COBRA Continuation Coverage – (Form 1) This allows a former employee to switch to a lower cost plan option if your company provides more than one plan, and that the former employee was previously covered under the higher cost option plan. They can not switch to a higher level plan from a lower cost plan. You, the employer, must sign and date the form at the bottom and forward a copy of the form to AMT.

Request for Treatment as an Assistance Eligible Individual – (Form 2 and 2a) The former employee will complete this form if they believe that they are eligible for the government subsidy. You, the employer, must review the form and determine if they are assistance eligible. If they are assistance eligible you must reduce the COBRA billing to the former employee by 65% and seek reimbursement via the payroll tax credit mechanisms established by the law, or by other means allowed by IRS or DOL. You are required to remit the full amount due to AMT as presented on our billing statement. Complete the shaded area of the form, sign and date, and forward a copy to AMT.

Participant Notification – (Form 3) This form allows the COBRA participant who is paying reduced COBRA premiums to inform you of their eligibility for Medicare or other group health coverage. Please forward this form to AMT upon receipt.

II. General Notice (Abbreviated Version) The Abbreviated Version of the General Notice includes the same information as the Full Version above regarding the availability of the premium reduction and other rights under ARRA, but does not include the COBRA coverage election information. It will be sent in lieu of the full version to individuals who experienced a qualifying event during on or after September 1, 2008, have already elected COBRA coverage and still have it.

The forms for completion by your former employee included in the General Notice (Abbreviated Version) are:

All the forms included in the Full Version reviewed above, except the COBRA Continuation Election Form

COBRA Continuation Election Form is not included in this Notice as those former employees receiving this notice have already elected COBRA continuation and are still covered under the plan.

III. Alternative Notice The Alternative Notice will be sent to persons who became eligible for continuation coverage under New Jersey law. Generally, these are employer groups with less than 20 employees. Continuation coverage requirements vary among States, so we will modify this model notice as necessary to conform to New Jersey's State law.

The forms for completion by your former employee included in the Alternative Notice are:

All the forms included in the General Notice Full Version reviewed above are applicable.

IV. Notice in Connection with Extended Election Periods If you are subject to the Federal COBRA provisions, we will send the Notice in Connection with Extended Election Periods to any assistance eligible individual (or any individual who would be an assistance eligible individual if a COBRA continuation election were in effect) who:

Had a qualifying event at any time from September 1, 2008 through February 16, 2009; and

Either did not elect COBRA continuation coverage, or who elected it but subsequently discontinued COBRA.

The forms for completion by your former employee included in the Notice in Connection with Extended Election Periods are:

All the forms in the General Notice – Full Version (described above) are applicable.