

LEGAL NOTICES

The Uniformed Services Employment and Reemployment Rights Act (USERRA)

USERRA provides for, among other employment rights and benefits, continuation of medical, dental and voluntary vision coverage to a covered Employee and covered dependents, during a period of active service or training with any of the Uniformed Services. The Act provides that a covered Employee may elect to continue such coverages in effect at the time the Employee is called to active service.

The maximum period of coverage for the Employee and the covered Employee's dependents under such an election shall be the lesser of:

- the 24-month period beginning on the date the person's absence begins; or
- the period beginning on the date the covered Employee's absence begins and ending on the day after the date on which the covered Employee fails to apply for or return to a position of employment as follows:
 - for service of less than 31 days, no later than the beginning of the first full regularly scheduled work period on the first full calendar day following the completion of the period of service and the expiration of eight hours after a period allowing for the safe transportation from the place of service to the covered Employee's residence or as soon as reasonably possible after such eight-hour period;
 - for service of more than 31 days but less than 181 days, no later than 14 days after the completion of the period of service or as soon as reasonably possible after such period;
 - for service of more than 180 days, no later than 90 days after the completion of the period of service; or
 - for a covered Employee who is hospitalized or convalescing from an illness or injury incurred in or aggravated during the performance of service in the Uniformed Services, at the end of the period that is necessary for the covered Employee to recover from such illness or injury. Such period of recovery may not exceed two years.



A covered Employee who elects to continue health plan coverage under the Plan during a period of active service in the Uniformed Services may be required to pay not more than 102% of the full premium under the plan associated with such coverage for the employer's other Employees, except that in the case of a covered Employee who performs service in the Uniformed Services for less than 31 days, such covered Employee may not be required to pay more than the Employee share, if any, for such coverage. Continuation coverage cannot be discontinued merely because activated military personnel receive health coverage as active duty members of the Uniformed Services, and their family members are eligible to receive coverage under the Department of Defense's managed health care program, TRICARE.

In the case of a covered Employee whose coverage under a health plan was terminated by reason of services in the Uniformed Services, the pre-existing exclusion and waiting period may not be imposed in connection with the reinstatement of such coverage upon reemployment under this Act. This applies to the covered Employee who is reemployed and any dependent whose coverage is reinstated. The waiver of the pre-existing exclusion shall not apply to illness or injury which occurred or was aggravated during performance of service in the Uniformed Services.

"Uniformed Services" shall include full time and reserve components of the United States Army, Navy, Air Force, Marines, Coast Guard, Army National Guard, the commissioned corps of the Public Health Service, and any other category of persons designated by the President in time of war or emergency.

If you are a covered Employee called to a period of active service in the Uniformed Service, you should check with the Plan Administrator for a more complete explanation of your rights and obligations under USERRA. In the event of a conflict between this provision and USERRA, the provisions of USERRA, as interpreted by us or your former employer, will apply.

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REQUIRED GOVERNMENT AND REGULATORY SECTION

- **Grandfathered Status:**

The CHEIBA Trust believes the CHEIBA Trust Plan is a “grandfathered health plan” under the Patient Protection and Affordable Care Act (the Affordable Care Act). As permitted by the Affordable Care Act, a grandfathered medical plan can preserve certain basic medical coverage that was already in effect when that law was enacted. Grandfathered medical plans must comply with certain other consumer protections in the Affordable Care Act; for example, the elimination of lifetime limits on benefits. Questions regarding which protections apply, which protections do not apply to a grandfathered medical plan and what might cause a plan to change from grandfathered medical plan status can be directed to your Human Resources/Benefits Office.



NOTE: For additional information on Healthcare Reform, visit www.HealthCare.gov.

Reminders



WOMEN’S HEALTH AND CANCER RIGHTS ACT

All health plans offered through the CHEIBA Trust provide coverage for certain reconstructive services under the Women’s Health and Cancer Rights Act. These services include:

- reconstruction of the breast upon which a mastectomy has been performed
- surgery/reconstruction of the other breast to produce a symmetrical appearance
- prostheses
- treatment related to physical complications during all stages of mastectomy, including lymph edemas

Refer to your certificate of coverage for specific information on coverage. The plans may apply deductibles and copayments consistent with other coverage provided.

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CONTINUATION COVERAGE RIGHTS UNDER COBRA

The right to COBRA continuation coverage was created by a federal law, Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). COBRA continuation coverage may become available to you and your dependents that are covered under the Plan when you would otherwise lose your group health coverage. This notice gives only a summary of your COBRA continuation coverage rights. For more information about your rights and obligations under the Plan and under federal law, you should review the Plan's Summary Plan Description or get a copy of the Plan Document from the HealthSmart COBRA Administrator listed below. COBRA continuation coverage for the Plan is administered by:

HealthSmart
10303 E. Dry Creek Road, Suite 200
Englewood, CO 80112
1-800-423-4445

You are receiving this notice because you are covered under the CHEIBA Trust (the Plan). This notice contains important information about your right to continue your health care coverage in the CHEIBA Trust Employee Benefit Plan as well as other health coverage alternatives that may be available to you through the Health Insurance Marketplace. **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.**

You may have other options available to you when you lose group health coverage. For example, you may be eligible to buy an individual plan through the Health Insurance Marketplace. By enrolling in coverage through the Marketplace, you may qualify for lower costs on your monthly premiums and lower out-of-pocket costs. Additionally, you may qualify for a 30-day special enrollment period for another group health plan for which you are eligible (such as a spouse's plan), even if that plan generally does not accept late enrollees.

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 the notice. COBRA continuation coverage must be offered to each person who is a "qualified beneficiary". A qualified beneficiary is someone who will lose coverage under the Plan because of a qualifying event. Depending on the type of qualifying event, Employees, spouses of Employees, Civil Union Partners, Domestic Partners and dependent children may be qualified beneficiaries. 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 will lose your coverage under the Plan because either one of the following qualifying events occurs:

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

If you are the spouse, Civil Union Partner or Domestic Partner of an Employee, you will become a qualified beneficiary if you will lose your coverage under the Plan because any one of the following qualifying events occurs:

- 1) The Employee dies;
- 2) The Employee's hours of employment are reduced;
- 3) The Employee's employment ends for any reason other than gross misconduct;
- 4) The Employee becomes enrolled in Medicare (Part A, Part B, or both);
- 5) You become divorced or legally separated from your spouse;
- 6) The domestic partnership is terminated; or
- 7) The civil union is dissolved.

Your dependent children and the dependent children of a Civil Union Partner or Domestic Partner will become qualified beneficiaries if they will lose coverage under the Plan because any one of the following qualifying events occurs:

- 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 enrolled in Medicare (Part A, Part B, or both);
- 5) The parents become divorced or legally separated;
- 6) The domestic partnership is terminated;
- 7) The child stops being eligible for coverage under the plan as a "dependent child"; or
- 8) The civil union is dissolved.

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Domestic Partners

All eligibility and coverage for domestic partners and the children of domestic partners is closed effective January 1, 2016, provided however that coverage for any domestic partner and the children of the domestic partnership is effective through December 31, 2016, if such coverage was in effect on December 31, 2015. After December 31, 2016, all coverage for domestic partners and the children of domestic partners is terminated.

When is COBRA Coverage Available?

The Plan will offer COBRA continuation to qualified beneficiaries only after the Plan Administrator has been notified in a timely manner 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, or enrollment of the Employee in Medicare (Part A, Part B, or both), the employer must notify the Plan Administrator of the qualifying event.

Employees 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. The Plan requires you to notify the Plan Administrator in writing within 60 days after the later of the qualifying event or the loss of coverage.

IF YOU, YOUR SPOUSE, CIVIL UNION PARTNER, DOMESTIC PARTNER OR DEPENDENT CHILDREN DO NOT ELECT CONTINUATION COVERAGE WITHIN THIS 60-DAY ELECTION PERIOD, YOU WILL LOSE YOUR RIGHT TO ELECT CONTINUATION COVERAGE.

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, Civil Union Partners and Domestic Partners, and parents may elect COBRA continuation coverage on behalf of their children.** For each qualified beneficiary who elects COBRA continuation coverage, COBRA continuation coverage will begin either (1) on the date of the qualifying event or (2) on the date that Plan coverage would otherwise have been lost, depending on the nature of the Plan.

How long will COBRA Coverage Last?

COBRA continuation coverage is a temporary continuation of coverage. When the qualifying event is the death of the Employee, your divorce or legal separation, or a dependent child losing eligibility as a dependent child, COBRA continuation coverage lasts for up to 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 eight 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 eight 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 or PERA 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 would have 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. This notice should be sent to the HealthSmart COBRA Administrator.

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- **Second Qualifying Event Extension of 18-month Period of Continuation Coverage**

If your family experiences another qualifying event while receiving COBRA continuation coverage, the spouse and dependent children in your family can get additional months of COBRA continuation coverage, up to a maximum of 36 months. This extension is available to the spouse and dependent children if the former Employee dies, or gets divorced or legally separated. The extension is also available to a dependent child when that 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. **In all of these cases, you must make sure that the Plan Administrator is notified of the second qualifying event within 60 days of the second qualifying event. This notice must be sent to the HealthSmart COBRA Administrator.**

Continuation coverage will be terminated before the end of the maximum period if:

- any required premium is not paid in full on time,
- a qualified beneficiary first becomes covered, after electing continuation coverage, under another group health plan,
- a qualified beneficiary first becomes entitled to Medicare benefits (under Part A, Part B, or both) after electing continuation coverage, or
- the employer ceases to provide any group health plan for its employees.

Continuation coverage may also be terminated for any reason the Plan would terminate coverage of a participant or beneficiary not receiving continuation coverage (such as fraud).

If You Have Questions

If you have questions about your COBRA continuation coverage, you should contact the HealthSmart COBRA Administrator at 1-800-423-4445 or send an email to askcobra@healthsmart.com.

COBRA Premium Payment Guidelines

Generally, each qualified beneficiary may be required to pay the entire cost of continuation coverage. The amount a qualified beneficiary may be required to pay may not exceed 102% of the cost to the group health plan (including both employer and employee contributions) for coverage of a similarly situated plan participant or beneficiary who is not receiving continuation coverage. The required payment guidelines will be provided at the time of COBRA enrollment.

If you elect continuation coverage, you do not have to send any payment with the Election Form. However, you must make your first payment for continuation coverage not later than 45 days after the date of your election. (This is the date the Election Notice is postmarked, if mailed) If you do not make your first payment for continuation coverage in full no later than 45 days after the date of your election, you will lose all continuation coverage rights under the Plan. You are responsible for making sure that the amount of your first payment is correct. You may contact the HealthSmart COBRA Administrator to confirm the correct amount of your first payment.

After you make your first payment for continuation coverage, you will be required to make periodic payments for each subsequent coverage period. The periodic payments may be made on a monthly basis. After the first payment, the periodic payments are due on the first of the month.

Although periodic payments are due on the dates shown above, you will be given a grace period of 30 days after the first day of the coverage period to make each periodic payment. Your continuation coverage will be provided for each coverage period as long as payment for that coverage period is made before the end of the grace period for that payment. If you fail to make a periodic payment before the end of the grace period for that coverage period, you will lose all rights to continuation coverage under the Plan.

The monthly premium for continuation of the Health Care Flexible Spending Account is based on the annual amount you choose to contribute to the account and the number of months remaining under COBRA coverage during the period for which the employee made the election. The Plan may charge additional administrative fees for continued participation.

Keep Your Plan Administrator 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.

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Important HIPAA Information:

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) includes some provisions that may affect decisions you make about your participation in the Group Health Plan under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). These provisions are as follows:

- 1) Under HIPAA, if a qualified beneficiary is determined by the Social Security Administration to be disabled under the Social Security Act at any time during the first 60 days of COBRA coverage, the 11-month extension is available to all individuals who are qualified beneficiaries due to the termination or reduction in hours of employment. The disabled individual can be a covered Employee or any other qualified beneficiary.

However, to be eligible for the 11-month extension, affected individuals must still comply with the notification requirements.

- 2) A child that is born to or placed for adoption with the covered Employee during a period of COBRA coverage will be eligible to become a qualified beneficiary. In accordance with the terms of the employer's group health plan(s) and the requirements of Federal law, these qualified beneficiaries can be added to COBRA coverage upon proper notification to the Plan Administrator of the birth or adoption.

If you have any questions about COBRA, or if you have changed marital status, or you or your spouse have changed addresses, please contact the HealthSmart COBRA Administrator or send an email to askcobra@healthsmart.com.

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IMPORTANT NOTICE FROM THE CHEIBA TRUST ABOUT YOUR PRESCRIPTION DRUG COVERAGE AND MEDICARE (CREDITABLE COVERAGE NOTICE)



Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage through the CHEIBA Trust and prescription drug coverage available for people with Medicare. It also explains the options you have under Medicare prescription drug coverage and can help you decide whether or not you want to join a Medicare drug plan. If you are considering joining, you should compare your current coverage, including which drugs are covered at what cost, with the coverage and costs of the plans offering Medicare prescription drug coverage in your area. At the end of this notice is information about where you can get help to make decisions about your prescription drug coverage. Please share this information with any other family member who is covered under the plan and who may be eligible for Medicare Part D.

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare through Medicare prescription drug plans and Medicare Advantage Plans that offer prescription drug coverage. All Medicare prescription drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.
2. The CHEIBA Trust has determined that the prescription drug coverage offered through the CHEIBA Trust for the HMO/POS, PRIME Blue Priority PPO, Blue Priority HMO, Lumenos 2500 and Custom Plus plans is, on average for all plan participants, expected to pay out as much as the standard Medicare prescription drug coverage pays and is, therefore, considered Creditable Coverage. Because your existing coverage is Creditable Coverage you can keep this coverage and not pay a higher premium (a penalty) if you later decide to enroll in a Medicare prescription drug plan.

Individuals can enroll in a Medicare prescription drug plan when they first become eligible for Medicare and each year from October 15th through December 7th. However, if you lose your current creditable prescription drug coverage, through no fault of your own, you will be eligible for your two-month Special Enrollment Period (SEP) to join a Medicare drug plan.

If you decide to join a Medicare drug plan, your CHEIBA Trust coverage will be affected.

If you do decide to join a Medicare drug plan and drop your CHEIBA Trust prescription drug coverage, be aware that you and your dependents may not be able to get this coverage back.

You should also know that if you drop or lose your coverage with the CHEIBA Trust and don't join a Medicare drug plan within 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty) to join a Medicare drug plan later.

If you go 63 continuous days or longer without creditable prescription drug coverage, your monthly premium may go up at least 1% of the Medicare base beneficiary premium per month for every month that you did not have that coverage. For example, if you go nineteen months without creditable coverage, your premium may consistently be at least 19% higher than the Medicare base beneficiary premium. You may have to pay this higher premium (a penalty) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following October to join.

For more information about this notice or your current prescription drug coverage, please reference the Multi-Option Plan Summary included in the back pocket of the Benefit Booklet or contact your Human Resources/Benefits Office for further information. NOTE: You will receive this notice annually and at other times in the future such as before the next period you can join a Medicare drug plan, and if this coverage through the CHEIBA Trust changes. You also may request a copy of this notice at any time.

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For more information about your options under Medicare prescription drug coverage:

More detailed information about Medicare plans that offer prescription drug coverage is in the “Medicare & You” handbook. You’ll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare prescription drug plans. For more information about Medicare prescription drug coverage:

- Visit www.medicare.gov
- Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the "Medicare & You" handbook for their telephone number) for personalized help,
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

For people with limited income and resources, extra help paying for Medicare prescription drug coverage is available. Information about this extra help is available from the Social Security Administration (SSA) on the web at www.socialsecurity.gov, or you can call them at 1-800-772-1213 (TTY 1-800-325-0778).

REMEMBER: Keep this Creditable Coverage notice. If you decide to join one of the Medicare drug plans, you may be required to provide a copy of this notice when you join to show whether or not you have maintained creditable coverage and, therefore, whether or not you are required to pay a higher premium (a penalty).

<p>Date: 11/1/2015 Name of Entity/Sender: Adams State University Contact--Position/Office: Human Resources/ Benefits Office Address: 208 Edgemont Blvd. Alamosa, CO 81101 Phone Number: 719-587-7990</p>	<p>Date: 11/1/2015 Name of Entity/Sender: Fort Lewis College Contact--Position/Office: Human Resources/ Benefits Office Address: 1000 Rim Drive Durango, CO 81301-3999 Phone Number: 970-247-7428</p>
<p>Date: 11/1/2015 Name of Entity/Sender: Auraria Higher Education Center Contact--Position/Office: Human Resources/ Benefits Office Address: Campus Box C, PO Box 173361 1201-5th Street, #370 Denver, CO 80217-3361 Phone Number: 303-556-3384</p>	<p>Date: 11/1/2015 Name of Entity/Sender: Metropolitan State University of Denver Contact--Position/Office: Human Resources/ Benefits Office Address: Campus Box 47, PO Box 173362 Student Success Building 890 Auraria Parkway, Suite 310 Denver, CO 80217-3362 Phone Number: 303-556-3120</p>
<p>Date: 11/1/2015 Name of Entity/Sender: Colorado School of Mines Contact--Position/Office: Human Resources/ Benefits Office Address: 1500 Illinois Street Golden, CO 80401 Phone Number: 303-273-3052</p>	<p>Date: 11/1/2015 Name of Entity/Sender: University of Northern Colorado Contact--Position/Office: Human Resources/ Benefits Office Address: Carter Hall, Rm. 2002 Campus Box 54 Greeley, CO 80639 Phone Number: 970-351-2718</p>
<p>Date: 11/1/2015 Name of Entity/Sender: Colorado State University - Pueblo Contact--Position/Office: Human Resources/ Benefits Office Address: 2200 Bonforte Boulevard Pueblo, CO 81001 Phone Number: 719-549-2441</p>	<p>Date: 11/1/2015 Name of Entity/Sender: Western State Colorado University Contact--Position/Office: Human Resources/ Benefits Office Address: 600 N. Adams Street Taylor Hall, Room 321 Gunnison, CO 81231 Phone Number: 970-943-3140</p>
<p>Date: 11/1/2015 Name of Entity/Sender: Colorado State University – Global Campus Contact--Position/Office: Human Resources/ Benefits Office Address: 7800 East Orchard Road, #200 Greenwood Village, CO 80111 Phone Number: 720-279-0168</p>	