



7/8/2015

Demo Guy & Family
7100 E. Belleview Ave. Ste 300
Greenwood Village, CO 80111

Dear Demo Guy & Family:

As your life events change, we know how important it is to remain covered by health insurance and that comparing all of the options can be confusing. While continuing your current coverage may be your best option, many Americans want to understand if they are eligible for tax subsidies under the Affordable Care Act to lower the cost of coverage. As part of our service to help you better understand your options and eligibility for subsidies, we have partnered with GoHealth to provide a dedicated website and care center to assist you in exploring your options in addition to coverage under COBRA. GoHealth is the country's most complete online portal for finding health insurance. Please visit www.GoHealth.com/24HourFlex or call 1-888-818-5609 to speak with a GoHealth representative for more information.

On 7/8/2015, you experienced an event of a/an Termination which constitutes a qualifying event under the The Demo Company group health plan(s). As a result, your coverage, and that of your covered dependent(s), if any, will end on the date(s) set forth on the COBRA Continuation Election Form accompanying this letter. Under the provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) this entitles you and your covered dependent(s) if any, to elect to continue coverage (referred to as COBRA coverage) under the plan(s) enrolled as active member(s). Other health coverage alternatives may be available to you through the Health Insurance Marketplace (www.healthcare.gov). The first day of COBRA coverage and the maximum continuation period is determined by plan. Please refer to your COBRA Election Form enclosed to determine your first day of COBRA coverage and maximum continuation period ("Last Day of COBRA").

Health Insurance Marketplace

There may be other coverage options for you and your family. You may elect to buy coverage through the Health Insurance Marketplace (Marketplace). In the Marketplace, you could be eligible for a new kind of tax credit that lowers your monthly premiums right away, and you can see what your premium, deductibles, and out-of-pocket costs will be before you make a decision to enroll. Being eligible for COBRA does not limit your eligibility for coverage for a tax credit through the Marketplace. You may qualify for a special enrollment opportunity for another group health plan for which you are eligible (such as a spouse's plan) as long as you request enrollment within 30 days. For more information about the Marketplace, visit www.healthcare.gov or call 1-800-318-2596.

How to Elect COBRA Coverage

Under COBRA, you have a limited number of days to elect continuation coverage. Your election window is determined by the plan and is calculated from the date your coverage under the plan is lost because of the event described above or the date this notice of your election rights is sent to you, whichever is later. To elect COBRA coverage, you must complete and submit the enclosed election form to 24HourFlex no later than the Election Period End date ("Last Day to Elect") listed on the enclosed COBRA Election Form. COBRA gives you the right to elect coverage independently, you, your spouse or dependent child(ren), if any, may elect single coverage and not include those individuals who do not wish to continue coverage.

In addition to COBRA coverage, other health coverage options may be available to you, such as coverage through the Health Insurance Marketplace at www.healthcare.gov or 1-800-318-2596. You may also be eligible to enroll in coverage through Medicaid or another group health plan (like a spouse's plan), if you request enrollment within 30 days of the loss of coverage

Payment of COBRA Coverage Premiums

The current premium amount and the due date for payment are explained in the enclosed COBRA Election Form. The premium may change in the future. We have used the information supplied by The Demo Company to calculate your maximum continuation period under the plan(s) you were insured prior to your qualifying event. If there is a discrepancy between our calculation and the underwriting insurance carrier, the insurance carrier always governs. Please contact your insurance carrier(s) to determine the exact end of your maximum continuation period.



Length of COBRA Coverage Period

If you and your spouse or dependent child(ren), if any, elect coverage, it can last for a maximum continuation period ("Last Day of COBRA") described in the enclosed COBRA Election Form beginning on the date of your qualifying event, or loss of coverage, whichever is later. The first day of COBRA coverage will be determined by the plan. The continuation period may be extended for the following reasons:

1. Death of employee, divorce, legal separation or change in dependent status

If these events occur during the original maximum continuation period of COBRA coverage, the period of coverage for your spouse and dependent child(ren), if any, may be extended. These events extend the original maximum continuation period of COBRA coverage only if they would have caused your spouse or dependent child(ren), if any, to lose coverage under the plan if the original qualifying event had not occurred. Note that to receive this extension, you and/or your spouse and dependent child(ren), must notify the The Demo Company Plan Administrator within 60 days of the occurrence of these events.

2. Medicare entitlement of employee

If you became entitled to Medicare BEFORE your qualifying event, COBRA laws allow you to remain eligible for up to 18 months of COBRA coverage. However, your spouse and dependent child(ren), if any, may receive extended COBRA coverage for up to the greater of either: (a) 36 months from the date of your Medicare entitlement; or (b) 18 months from the date of your qualifying event, or loss of coverage, whichever is later.

If you become entitled to Medicare AFTER your qualifying event but within the original maximum continuation period of your qualifying event, your spouse and dependent child(ren), if any, may not receive an additional 18 months of COBRA coverage. Note that a person generally has become entitled to Medicare when he or she has applied for Social Security income payments or has filed an application for benefits under Part A or Part B of Medicare.

3. Disability determination

If it is determined that you and/or your spouse or dependent child(ren), if any, were determined to be disabled (by the Social Security Administration) during the first 60 days of COBRA coverage and you are still disabled at the end of your original maximum continuation period of coverage, the original maximum continuation period may be extended for an additional 11 months for all individuals covered under COBRA coverage from the date of the qualifying event. This extension only applies if the The Demo Company Plan Administrator is notified within 60 days of a disability determination and before the end of the original maximum continuation period. Federal law requires that you notify the 24HourFlex Plan Administrator of a determination by the Social Security Administration that you, your spouse, or dependent child(ren) are no longer disabled within 30 days of such a determination. Higher premiums most likely will apply for the 11 additional months. Please contact 24HourFlex for more details regarding premium rates.

4. Bankruptcy filing

If the employer files for bankruptcy reorganization and retiree health coverage is lost within one year before or after the bankruptcy filing, COBRA coverage could continue until the death of a retiree (or a surviving spouse of a deceased retiree) or for 36 months from the retiree's death (after the bankruptcy filing) in the case of the spouse and dependent child(ren).

Newborns and Adoptees

A child who is born to or placed for adoption with you during a period of COBRA coverage will be eligible to become covered under the plan. In accordance with the terms of the The Demo Company group health benefits plan and the requirements of Federal law, these qualified beneficiaries can be added to COBRA coverage upon proper notification to the The Demo Company Plan Administrator within 30 days of the birth or adoption.

Early Termination of COBRA Coverage

COBRA coverage may terminate early if:

- (1) The required premium payment is not paid when due.

(2) After the date of your COBRA election, you and your spouse or dependent child(ren), if any, become covered under another group health plan that does not contain any exclusion or limitation for any of your pre-existing conditions.



(3) After the date of your COBRA election, you, your spouse or dependent child(ren), if any, become entitled to Medicare benefits.

(4) All of The Demo Company group health plans are terminated.

(5) If coverage is extended an additional 11 months due to disability, a determination that the individual is no longer disabled.

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

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) restricts the extent to which group health plans may impose pre-existing condition limitations. These rules are generally effective for plan years beginning after June 30, 1997. HIPAA coordinates COBRA's other coverage cut-off rule with these new limits as follows.

If you become covered by another group health plan and that plan contains a pre-existing condition limitation that affects you, your COBRA coverage cannot be terminated. However, if the other plan's pre-existing condition rule does not apply to you by reason of HIPAA's restrictions on pre-existing condition clauses, the The Demo Company group health plan may terminate your COBRA coverage. NOTE: Under the Affordable Care Act, a group health plan must eliminate any pre-existing condition limitations as of the first day of the plan year that begins in 2014.

If you have questions about your HIPAA rights, you may contact your state insurance department or the U.S. Department of Labor, Employee Benefits Security Administration (EBSA) toll-free at 1-888-444-3272 (for free HIPAA publications, ask for publications concerning changes in healthcare laws). You may also contact the CMS publication hotline at 1-800-633-4227 (ask for Protecting Your Health Insurance Coverage). These publications and other useful information are also available on the Internet at <http://dol.gov/ebsa>.

Continuation coverage under COBRA is provided subject to your eligibility. The The Demo Company Plan Administrator reserves the right to terminate your COBRA coverage retroactively if you are determined to be ineligible for coverage. To be sure that you, your spouse and your dependent child(ren), if any, receive the necessary information concerning your rights, you should keep 24HourFlex informed of any address changes.

If you sign up for COBRA continuation coverage, you can switch to a Marketplace plan during a Marketplace open enrollment period. You can also end your COBRA continuation coverage early and switch to a Marketplace plan if you have another qualifying event such as marriage or birth of a child through something called a "special enrollment period." If you terminate COBRA continuation early without another qualifying event, you'll have to wait to enroll in Marketplace coverage until the next open enrollment period and may be without health coverage in the interim'. When you've exhausted COBRA continuation and the coverage expires, you'll be eligible to enroll in Marketplace coverage through a special enrollment period even if the Marketplace open enrollment has ended. If you sign up for Marketplace coverage instead of COBRA, you cannot switch to COBRA continuation coverage.

Please be advised of your right to obtain a copy of the Summary Plan Description (SPD) for your group health plan by contacting the The Demo Company Human Resource Department at (303) 369-7886. The SPD contains a complete description of your benefits.

This notice is a summary of your COBRA rights. For answers to specific questions, please contact our Customer Service Department at (800) 651-4855 between 7:00 AM to 6:00 PM MST Monday through Friday.

Sincerely,

24HourFlex
(800) 651-4855
www.24hourflex.com

COBRA CONTINUATION COVERAGE ELECTION FORM

The Demo Company



IMPORTANT: PLEASE RETAIN A COPY OF THIS COBRA ELECTION FORM FOR FUTURE REFERENCE. THIS FORM CONTAINS INFORMATION ABOUT YOUR RIGHTS UNDER COBRA.

To continue coverage, you must complete and submit this election form to 24HourFlex no later than the Election Period End date ("Last Day To Elect") listed below. If this election form is not returned within the enrollment period described below for each plan, you will lose your right to elect coverage. After you have elected to continue coverage under COBRA, you must pay the Initial Premium, which includes the premiums for the period of coverage from your First Day of COBRA to the date of your election and any regularly scheduled monthly premiums that become due between your election date and the end of the Initial Premium Payment period. Your Initial Premium Period will end at the end of your Initial Grace Period which is listed below and which is measured as a number of days after the date of your election. To become "fully enrolled" under COBRA, you must "pay your account to current" no later than the end of your Initial Grace Period. You may certainly though "pay to current" and become fully enrolled under COBRA before the end of your Initial Grace Period. **Please note: Once your enrollment form and payment up through the current month are received, group health benefits will be reinstated within 7-10 business days. During this time, you may have a temporary gap in coverage, but the coverage will be reinstated back to your COBRA Start Date.**

If you waive coverage under COBRA before the end of the enrollment period, you can change your mind and continue coverage by submitting your completed election form before the end of the enrollment period described below for each plan.

If you have questions about COBRA or need assistance to complete your election form, please contact our Customer Service Department at (800) 651-4855 between 7:00 AM to 6:00 PM MST Monday through Friday.

Qualified Beneficiary(QB):

Demo Guy
7100 E. Belleview Ave. Ste 300
Greenwood Village, CO 80111

Event Date: 7/8/2015
Event Type: Termination
Second Event: No

COBRA gives you the right to elect coverage independently. You, your spouse or dependent child(ren), if any, may elect single coverage and not include those individuals who do not wish to continue coverage.

Premium Information:

Plan Name	Coverage Level	Monthly Premium
Dental PPO Trial	EE + Spouse	\$40.80
Medical	EE + Family	\$1,020.00
Vision	EE Only	\$5.10
Total Premium:		\$1,065.90

Plan Name	First Day of COBRA	Last Day of COBRA	# Months of COBRA	Last Day To Elect	Initial Grace Period Days	Subsequent Grace Period Days
Dental PPO Trial	8/1/2015	1/31/2017	18	9/30/2015	45	30
Medical	8/1/2015	1/31/2017	18	9/30/2015	45	30
Vision	8/1/2015	1/31/2017	18	9/30/2015	45	30

Election Options (Individuals Enrolled Prior to Qualifying Event):

Please indicate the COBRA continuation coverage you are electing by checking the applicable box(es).

Name	Relationship	Date of Birth	SSN
Demo Guy	QB	7/8/1985	xxx-xx-1111

Accept Waive Dental PPO Trial

Accept Waive Medical
 Accept Waive Vision



Miss Demo Spouse
 Accept Waive Dental PPO Trial
 Accept Waive Medical

Junior Demo Dependent Child
 Accept Waive Medical

Alternative Election Options:

Plan Name	Coverage Level	First Day of COBRA	Monthly Premium
Dental PPO Trial	EE + Spouse	8/1/2015	\$40.80
	EE Only	8/1/2015	\$20.40
	Spouse Only	8/1/2015	\$20.40
Medical	Child Only	8/1/2015	\$306.00
	Children Only	8/1/2015	\$510.00
	EE + Child	8/1/2015	\$510.00
	EE + Children	8/1/2015	\$510.00
	EE + Family	8/1/2015	\$1,020.00
	EE + Spouse	8/1/2015	\$612.00
	EE Only	8/1/2015	\$306.00
	Spouse + Child	8/1/2015	\$510.00
	Spouse + Children	8/1/2015	\$510.00
Vision	Spouse Only	8/1/2015	\$306.00
	EE Only	8/1/2015	\$5.10

Completed election forms and premium payments should be remitted directly to the address below. Payment must be in the form of a check or money order. DO NOT send cash.

24HourFlex
 PO Box 2440
 Omaha, NE 68103-2440

[] I have read this form and the notice of my election rights. I understand my rights to elect continuation coverage and would like to take the action indicated above. I understand that if I elect continuation coverage, my continuation coverage will terminate under several circumstances according to COBRA regulations, including: non-payment of premium, the date I or a continued dependent become covered under another Group Health Plan or become entitled to Medicare after the COBRA election, or on the date which this Group Plan ends. I also understand that if I was determined to be disabled by the Social Security Administration within 60 days of my Qualifying Event, I may be eligible for extended continuation coverage and that any break in continued coverage of more than 63 days may cause loss of coverage portability.

I understand that future premiums are due the first of each month. I also understand that failure to pay the required premiums will result in termination of COBRA rights and coverage.

Signature _____ **Date** _____

*NOTE: If signature line is on a second page, be sure to include all pages of the election form. We will not be able to process your election without the entire form.

New Member Login Notice



An integral part of our broad service is offering a Member Self-Service Portal. The Member Portal is designed to give you secure, 24 hour access to manage your continuation under the The Demo Company group health plans. We encourage you to use the powerful tools contained in the Member Portal. Examples of information and tools you'll find on the Member Portal include:

1. View Payment Information (last received and next due)
2. Look up Coverage Information (plans and critical dates)
3. Download copies of all communications we've sent to you
4. Get a form to signup for automatic monthly withdrawals from a checking or savings account (no fees)
- 5. Make Payments Online (VISA, MasterCard, or E-Check) (\$20 convenience fee associated with each payment)**

Below is the registration code you will need to access your online account. Please visit the website listed below and click on the **New user registration** link. Please note you will be asked to supply your social security (SSN) number when creating your account.

Website: <https://portal.24hourflex.com>

Registration Code: WH8ZRmCK

SCHEDULED ACH PREMIUM PAYMENT OPTION

Did you know you can set up scheduled ACH for your monthly payments? To sign up, login to your Member Portal and download the ACH form from the **ACH** tab and send it in for processing (following the directions on the form).

If you have any questions or need help, please contact 24HourFlex at (800) 651-4855 between 7:00 AM to 6:00 PM MST Monday through Friday.

You can now elect online through your Member Portal. Online election is only available until 11:59 PM Central Time on the earliest last day to elect, if applicable. Please visit <https://portal.24hourflex.com> to register and complete your online election.