

To Member and/or any Covered Individuals,

This notice contains IMPORTANT UPDATES about an extension of certain timeframes that may affect your rights to healthcare coverage, portability, continuation of group health plan coverage under COBRA, and the time for plan participants to file or perfect benefit claims or appeals of denied claims.

Please read the information contained in this notice very carefully. If you need further information about the contents of this notice, please contact HealthEquity toll-free at the number indicated in the enclosed letter.

Under the guidance provided by the Department of Labor (DOL) Employee Benefits Security Administration (EBSA) Disaster Relief Notice 2020-01 and the Notice of Extension of Certain Timeframes for Employee Benefit Plans, Participants, and Beneficiaries Affected by the COVID-19 Outbreak (“Joint Notice”), certain time periods in which participants can enroll mid-year in group health plan coverage, elect and pay for COBRA continuation coverage, submit benefit claims, and file appeals or request external review for adverse benefits determinations are extended.

These provisions are in effect for a relief period (hereinafter referred to as the “Tolling Period”) ending the earlier of: (1) sixty (60) days following a yet-to-be announced end of the National Emergency (or such other date announced by the Agencies in a future notice); or (2) for deadlines that fall on or after March 1, 2020, **one year from the date the individual’s deadline period would have commenced, which will vary by individual.**

Generally, these deadlines are suspended and resume at the end of the Tolling Period.

As of March 1, 2021, any deadline periods in progress were tolled for one year. When that year is up, the deadline periods start to run again. For deadlines on or after March 1, 2020, the deadline period is extended for one year, unless the National Emergency ends sooner, as described above.

These extensions apply to all group health plans, disability and other employee welfare benefit plans and employee pension benefit plans subject to the Employee Retirement Income Security Act of 1974 (ERISA) and the Internal Revenue Code. However, this guidance states that the Department of Health and Human Services “concur[s]” with the relief and will essentially adopt a non-enforcement policy to extend similar timeframes to non-federal governmental group health plans and health insurance issuers offering coverage in connection with a group health plan.

- HIPAA Special Enrollment Period – The 30-day period (or 60-day period, in some cases) to exercise special enrollment rights in a group health plan following birth, adoption, or placement for adoption of a child; marriage; loss of other health coverage; or eligibility for a state premium assistance subsidy. (For example: If you gave birth on February 15, 2020, you would be subject to a one-year Tolling Period that started March 1, 2020. Your one-year maximum Tolling Period would end February 28, 2021. Your deadline period would start running again March 1, 2021 for the balance of the time you had not used [16 days]. You may exercise your special enrollment rights until March 16, 2021.)
- COBRA Qualifying Event and Disability Extension Notices – The 60-day deadline by which you must notify us of divorce or legal separation, a dependent child that ceases to be an eligible dependent under the terms of the plan), or a Social Security disability determination used to extend COBRA coverage. (For example: If you lost coverage due to a divorce effective June 1, 2020, your one-year maximum Tolling Period would end May 31, 2021. Your deadline period would start running again on June 1, 2021. You must notify us of your dependent qualifying event no later than 60 days from June 1, 2021 [which is July 31, 2021].)
- COBRA Elections – The 60-day deadline in which to elect COBRA continuation coverage. (For example: If you would have had 60 days from July 1, 2020 to elect COBRA [or August 30, 2020], your one-year

maximum Tolling Period would end June 30, 2021, you must elect COBRA no later than 60 days from July 1, 2021 [which is August 30, 2021].)

- **COBRA Premium Payments** – If you have elected COBRA, the 45-day (for the initial premium payment) and 30-day (for subsequent monthly payments) deadlines to pay COBRA premiums (For example: If you would have had 45 days from September 16, 2020 to make your initial COBRA premium payment [or October 31, 2020], you must make your initial COBRA premium payment no later than 45 days from September 16, 2021 [which is October 31, 2021].)
- **Benefit Claims and Appeals** – The deadline under the plan by which participants may file a benefit claim (under the terms of the plan) and the deadlines for appealing an adverse benefit determination or requesting an external review also will be extended by at least a year, where the deadline was on or after March 1, 2020. Please consult your plan documents for benefit claim and appeal deadlines.

IMPORTANT: The tolling periods contemplated in the examples above would end earlier than one year if the President declares the COVID-19 national emergency has ended. In this case, the Tolling Period would end 60 days after the declared end of the National Emergency and the otherwise applicable deadline period would start/resume.

IMPORTANT: COBRA will not be effective – and your claims will not be paid – unless and until you have both: (1) elected COBRA and (2) paid your applicable COBRA premiums. If you have yet to elect COBRA coverage, or if you have elected but have not paid premiums in full, you should consider carefully any claims that may have been incurred versus required COBRA premiums and ensure that any elections and premium payments are timely made. For questions regarding coverage through the Health Insurance Marketplace, please go to www.HealthCare.gov or call 800.318.2596. If you would like information regarding affordable alternatives to COBRA, please contact our affiliate company HealthCompare at 855-837-6593 or online at stayingcovered.com.

This is a general summary of the provisions of the relief referenced herein. For more information, please consult the EBSA's Disaster Relief Information for Workers and Families (<https://www.dol.gov/agencies/ebsa/workers-and-families/disaster-relief>) and the HealthEquity "COVID-19 Information" site (<https://healthequity.com/cares/>). Please contact HealthEquity if you have questions or need further assistance.