{stdlongdate} Member ID: {stdMbrPERSLinkID}

{stdMbrFullName}

{stdMbrAdrCorStreet1}

{x stdMbrAdrCorStreet2}

{stdMbrAdrCorCity} {stdMbrAdrCorState} {stdMbrAdrCorZip}

**RE: CONTINUATION OF COVERAGE IN A MEDICAL SPENDING ACCOUNT (COBRA)**

Dear {stdMbrSalutation}:

Your participation in the FlexComp Plan medical spending account ended on {if lintBatchIDEmpTerminationNotices = 27}{EmploymentHeaderEndDate}{endif}{if lintBatchIDCOBRANotice = 155}{SuspendedPlanStartDateLongDate}{endif} due to your separation of employment from {EmployerName}. **Please disregard this notice if:** 1. you transferred employment to another NDPERS covered employer, or 2. you are still employed with your current employer and just experienced a change in your employment.

**Entitlement to COBRA Coverage**

Under provisions of the Consolidated Omnibus Budget Reconciliation Act (COBRA), you have the opportunity to extend your participation in the NDPERS Medical Spending Account to the end of the current plan year. You are eligible for coverage at the same level as was in effect before your termination.

Participants may elect to continue coverage in the Medical Spending Account if they terminate employment for reasons other than gross misconduct or become ineligible due to a reduction in hours of employment. To make this election, a Continuation of Coverage in a Medical Spending Account (COBRA) SFN 53512 must be completed and submitted to NDPERS.If you do not return the election form within 60 days of the date of this notice, you will lose your right to elect continuation coverage. This form can be obtained on the NDPERS website at www.nd.gov/ndpers.

Qualified Beneficiaries Your spouse or dependent(s) may elect to continue coverage in a medical spending account under the following circumstances:

1. Participant’s death.
2. Divorce or legal separation.
3. A dependent child ceases to be a “dependent child” under the group health plan.

Under the law, it is the responsibility of the person seeking continuation coverage to inform NDPERS of a divorce, legal separation or a child losing dependent status within 60 days of the date of the event.

The employer has the responsibility to notify NDPERS of a participant’s death, termination, or reduction in hours of employment.

You will have 60 days from the date of this notice to inform NDPERS that you want continuation coverage.

**Length of COBRA Coverage**

You, your spouse or dependent(s), are eligible to receive continuation coverage until the end of the current plan year in which the qualifying event occurred which is December 31. If you have a balance in your medical spending account after the end of the current plan year, you have the option to have eligible expenses incurred during the “grace period”, from January 1 through March 15 of the new plan year, reimbursed from that remaining balance. You will have until April 30 to submit claims. Any amount remaining in your medical spending reimbursement account after the April 30 claims filing deadline is forfeited.

**COBRA Coverage Premiums**

To continue your coverage, submit the premium amount plus a two percent (2%) administrative fee by the first of each month. You will be notified of the required premium amount upon NDPERS receiving your election to continue participation.

If you fail to pay the premium on time, your coverage will terminate on the last day of the month for which a contribution was received.

Continuation coverage under COBRA is provided subject to your eligibility. NDPERS reserves the right to terminate your COBRA coverage retroactively if you are determined to be ineligible for coverage.

If you have any questions, please call NDPERS at {stdNDPERSPhoneNumber} or {stdNDPERSTollFreePhoneNumber}.

Sincerely,

NDPERS Benefits Division