

NOTICE OF CONTINUATION COVERAGE

The employers participating in the Farm Credit Foundation Benefit Plans voluntarily offer employees and their families extended medical, dental and vision coverage (called "**Continuation Coverage**") at group rates in certain instances where coverage under the group plans would otherwise end. This notice is intended to summarize the continuation coverage provisions.

A covered employee under one of the group medical, dental or vision plans may choose this continuation coverage if losing group coverage for any reason other than gross misconduct.

A covered spouse of an employee under a group medical, dental or vision plan may choose continuation coverage if he/she loses group coverage under the plans for any of the following reasons:

- Death of the employee; or
- Divorce or legal separation from the employee.

A covered dependent child who is covered under a group medical, dental or vision plan may choose continuation coverage if he/she loses group coverage under the plans for any of the following reasons:

- Death of the employee;
- Parent's divorce or legal separation; or
- The dependent ceases to be a "dependent child" under the group plans.

The employee or a family member is responsible for informing their employer of a divorce, legal separation, or a child losing dependent status under the group medical, dental or vision plan or a Social Security determination of disability **within 31 days of the event**. When the employer is notified that one of these events has occurred, a notification for continuation coverage will be provided. If the employee or covered dependents are presently covered under another group plan, such as the spouse's, they may not enroll in continuation coverage unless the other group plan excludes or limits the benefits with respect to a pre-existing condition.

An employee or covered dependent has **60 days** from the date group coverage is lost to elect and pay for continuation coverage. **Coverage must be continuous**, therefore, the first payment would cover from the date group medical, dental or vision coverage is lost to the present.

If continuation coverage is chosen, the coverage will be identical to the coverage provided under the plans to similarly situated employees or family members. If you, your spouse or covered dependent is enrolled in Medicare, Social Security Disability or is on Long Term Disability, the Farm Credit Foundations' coverage will be secondary to Medicare. Continuation coverage may be maintained for up to 18 months for terminated employees and up to 36 months for ineligible dependents.

A newborn infant or child placed for adoption with the covered employee will be entitled to receive continuation coverage as a qualified beneficiary having independent continuation rights. You will have to inform your employer that you have a newborn infant or child under 18 who has been placed with you for adoption to ensure that they may be added to your continuation coverage.

Continuation coverage may end for any of the following reasons:

- Eighteen (18) months of continuation expires for terminated employees;
- Thirty-six (36) months of continuation expires for ineligible dependents;
- The employee/participant's entitlement to Medicare/Medicaid;
- The Farm Credit Foundation Benefit Plans (or your employer) no longer provides group medical, dental or vision coverage; or
- Premium payment for continuation coverage is not paid.

An eligible employee may elect coverage under the Farm Credit Foundations **Retiree Medical Plan** if the employee meets the eligibility conditions (age 55 at time of termination with 10 years of service). If continuation coverage is elected the employee waives access to coverage under the Farm Credit Foundations Retiree Medical Plan.

Proof of insurability is not needed to choose continuation coverage.

The monthly premium for continuation coverage will be required by the 25th of the preceding month.

Access to Health Insurance Marketplace that costs less than continuation coverage.

The Marketplace offers “one-stop shopping” to find and compare private health insurance options. In the Marketplace, you could be eligible for a new kind of tax credit that lowers your monthly premiums and cost-sharing reductions (amounts that lower your out-of-pocket costs for deductibles, coinsurance, and copayments) right away, and you can see what your premium, deductibles, and out-of-pocket costs will be before you make a decision to enroll. Through the Marketplace you’ll also learn if you qualify for free or low-cost coverage from Medicaid or the Children’s Health Insurance Program (CHIP). You can access the Marketplace for your state at www.HealthCare.gov.

When can I enroll in Marketplace coverage?

You always have 60 days from the time you lose coverage to enroll in the Marketplace. That is because losing your coverage is a “special enrollment” event. After 60 days your special enrollment period will end and you may not be able to enroll, so you should take action right away. In addition, during what is called an “open enrollment” period, anyone can enroll in Marketplace coverage.