

NOTICE OF CONTINUATION COVERAGE

The employers participating in the Farm Credit Foundations 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 not chosen, group medical, dental or vision insurance coverage will end.**

If continuation coverage is chosen, the coverage will be identical to the coverage provided under the plans to similarly situated employees or family members. 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 Farm Credit Foundations Benefit Plans (or your employer) no longer provides group medical, dental or vision coverage;
- Premium payment for continuation coverage is not paid; or
- You become covered under another group medical plan that does not exclude or limits your benefits with respect to a pre-existing condition or with a pre-existing condition limit that does not apply because of the new law’s portability provisions.

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.