



INDIANA UNIVERSITY

UNIVERSITY HUMAN RESOURCES

**PARTICIPANT RIGHTS &
RESPONSIBILITIES UPON
TRANSFER OR TERMINATION**

Graduate Appointees, Fellowship Recipients and Postdoctoral Fellows

JANUARY 2016

Foreword

Indiana University provides a variety of benefit plans for its Graduate Appointees, Fellowship Recipients and Postdoctoral Fellows, including life, as well as medical and dental coverage. This booklet describes participant rights and responsibilities associated with termination of coverage for each of these benefit plans.

Upon termination from the University or transfer to an ineligible class or position, active participation in insurance and medical and dental care ceases. However, participants in these plans have certain rights and privileges.

This booklet provides an overview of each benefit plan, the opportunities available after participation ceases, and contacts and follow-up actions that are required to take advantage of any residual value that these benefit plans may provide. Follow-up is the responsibility of each enrollee after coverage ceases. Some actions must take place within specific time frames, e.g. 30 days for conversion of insurance policies and 60 days for COBRA medical and dental plan continuation.

Material in this booklet is for informational purposes only and is not intended to serve as a legal interpretation of benefits. Indiana University reserves the right to amend or terminate all or any part of its benefit program. The information in this booklet describes termination rights and responsibilities for plans as of January 1, 2016.

Benefit plan customer service contacts are listed in each plan description. Participants may also direct questions to the University Human Resources office. The University Human Resources Web site is an additional resource for customer service phone numbers.

hr.iu.edu

Section I. Insurance Plans

GROUP LIFE INSURANCE COVERAGES

Group Life Insurance Plans Summary

Basic Life Insurance. Indiana University provides Basic Life Insurance to eligible enrollees. The amount of coverage is \$20,000 for eligible enrollees under 65. The benefit is reduced for those ages 65 and older. Indiana University pays the cost of this coverage.

Basic Accidental Death & Dismemberment Insurance. The university provides Basic AD&D Insurance to eligible enrollees in an amount equal to the enrollee's Basic Life benefit. Accident Insurance Benefits will reduce the same as the Life Insurance Benefits.

Eligibility

Basic Life and Accidental Death & Dismemberment insurance is available to all eligible Graduate Appointees, Fellowship Recipients and Postdoctoral Fellows. The policy is underwritten by Anthem Life Insurance, Policy Number 00241681.

Discontinuation of Participation

Participation ends on the date that the enrollee:

- terminates from the university; or
- ceases to be a member of the eligible class for coverage; or
- ceases to make any required contributions.

Rights and Privileges After Participation Ends

All terminated enrollees who were covered by the Basic Life and AD&D Insurance have conversion privileges as explained below.

Conversion of Life Insurance

Enrollee Conversion. When life insurance coverage ceases under this group policy due to one of the circumstances set forth below, coverage may be converted to an individual life insurance policy without providing proof of good health.

- *Enrollee terminates or ceases to be in an eligible class for coverage:* the amount of individual life insurance purchased may not be more than the amount for which the enrollee was insured under this Group policy when coverage ceased.

The enrollee must make application for an individual policy and pay the first premium for that policy within 31 days after the date life insurance coverage ends under the IU-sponsored Basic Life and AD&D Insurance Policy.

Every effort is made to provide a conversion offer upon discontinuation of Basic Life and AD&D Insurance coverage; however, it is the enrollee's responsibility to convert the policy in a timely manner, whether or not a conversion offer is extended at the time of termination.

Customer Service

To obtain information on converting Basic Life and AD&D Insurance to an individual policy, contact University Human Resources at 812-855-0218.

Participant Responsibilities

Summary of actions the participant must take to convert to an individual policy:

- Return the conversion offer application to the address listed on the letter. If a conversion offer is not received, contact University Human Resources at 812-855-0218. In either case, the form must be submitted to the policy underwriter within 31 days after the date on which group coverage terminates.
- Send the initial premium with the conversion form within 31 days after the date that group coverage terminates.
- Pay subsequent premium payments on time.
- Notify the policy underwriter of beneficiary changes.
- Notify the policy underwriter of address and name changes.

Section II. Medical and Dental Plans

Health Care Plan Summary

Indiana University sponsors a comprehensive medical care plan for eligible Graduate Appointees, Fellowship Recipients and Postdoctoral Fellows. Benefits under the plan include medical, prescription drug, mental health/substance abuse, and transplant coverage. The university also sponsors a dental plan.

Eligibility

All Graduate Appointees appointed at 37.5% FTE or greater, all Fellowship Recipients who meet the requirements of award amounts and enrollments and all appointed Postdoctoral Fellows are eligible to participate in IU-sponsored health care plans. Spouses/domestic partners and children who meet the definition of eligible dependents may also be covered by health plans.

Discontinuation of Participation

Participation by the enrollee in an IU-sponsored health care plan ends on the date the enrollee:

- terminates from the university; or
- ceases to be a member of the eligible class for coverage; or
- fails to make required contributions if prior to the date of termination.

A dependent's coverage will terminate on the date of the earliest of the following occurrences:

- the covered dependent ceases to meet the definition of dependent,
- the enrollee's coverage terminates,
- all dependent coverage is discontinued under the plan,
- the enrollee ceases to be in the eligible class,
- a dependent becomes eligible for IU coverage, or
- the enrollee fails to make required contributions if prior to the date of termination.

Rights and Privileges After Participation Ends

Under federal law, enrollees have the right to continue health care coverage under COBRA, and in the case of termination for reason of military service, under the Uniformed Services Employment and Reemployment Rights Act (USERRA).

COBRA Continuation Coverage. Enrollees and their covered dependents have the opportunity for a temporary extension of health coverage (called COBRA continuation coverage) at group rates in instances where coverage under the plan would otherwise end. The enrollee or dependent is responsible for the entire premium for COBRA coverage, plus a 2% administrative charge.

Enrollees have a right to choose COBRA benefits when coverage is lost due to:

- a reduction in work hours, or
- termination of employment (other than for gross misconduct), including retirement.

Covered dependents also have a right, independent of the enrollee's right, to COBRA coverage. The covered dependent may elect COBRA even if the enrollee does not. A spouse or dependent child covered under an enrollee's IU-sponsored health care plan has the right to elect COBRA continuation if they lose coverage due to:

- the enrollee's death;
- the enrollee's termination (other than for gross misconduct) or reduction in work hours at IU;
- divorce or legal separation from the enrollee;
- the enrollee's entitlement to Medicare; or
- if a covered individual ceases to meet the definition of a dependent.

The university must depend on notice from the enrollee when certain events occur that would qualify the enrollee or dependent for COBRA. Under COBRA regulations, the enrollee or family member has the responsibility to inform Indiana University of these events, such as divorce. Notice must be given within 30 days of the later of the following dates: date of the event, or the date on which coverage would end under the plan because of the event.

When Indiana University determines that an enrollee or dependent has experienced an event that qualifies the enrollee for continuation coverage, IU provides a written notice of COBRA rights and an application for the enrollee and dependents. The enrollee and/or dependents have 60 days from:

- the date of the qualifying event; or
- the date of the COBRA offer letter, whichever is later.

The length of COBRA coverage is between 18 months and a maximum of 36 months depending on the circumstances:

- 18 months when coverage is lost due to termination or reduction in hours;
- 36 months when coverage is lost due to death, divorce, legal separation, or dependent losing eligibility due to age;
- 29 months if the enrollee becomes disabled within 60 days of termination.

If the enrollee does not elect COBRA within 60 days, the option to reinstate coverage under the IU-sponsored health plan ends and there is no coverage beyond the date that the active enrollee's coverage ended. If the enrollee elects COBRA, coverage may also end when:

- premiums are not paid on time;
- the enrollee becomes covered under another group health plan which does not limit coverage for an enrollee's pre-existing condition;
- the enrollee becomes entitled to Medicare;
- IU no longer provides group health coverage to any Graduate Appointee, Fellowship Recipient or Postdoctoral Fellow;
- the enrollee's COBRA coverage was extended due to disability, and there is a final determination that the enrollee is no longer disabled.

In considering whether to elect continuation coverage, take into account that a failure to continue group health coverage will affect future rights under federal law. Also, take into account that there are special enrollment rights under federal law. An enrollee has the right to request special enrollment in another group health plan for which s/he is otherwise eligible (such as a plan sponsored by a spouse's employer) within 30 days after group health coverage ends because of a qualifying event. An enrollee will also have the same special enrollment right at the end of continuation coverage if continuation coverage is maintained for the maximum time available.

COBRA benefits are provided subject to continued eligibility for coverage. Indiana University has the right to terminate COBRA coverage retroactive to the date on which eligibility ends.

USERRA Health Plan Protection

If an enrollee terminates employment in order to perform military service, the enrollee has the right under USERRA to elect to continue existing IU-sponsored health plan coverage including coverage for his or her dependents for up to 24 months while in the military. The university administers this coverage by extending the enrollee COBRA eligibility period to a total of 24 months. The enrollee is responsible for the entire premium plus a 2 percent administration fee.

Even if the enrollee does not elect to continue coverage during military service, he or she has the right to be reinstated in an IU-sponsored health plan upon reemployment, generally without any waiting periods or exclusions except for service-connected illnesses or injuries.

This is an overview of USERRA health plan coverage rights and actual coverage may vary depending on circumstances.

For additional information on USERRA health plan rights, contact VETS at 1-866-4-USA-DOL or visit their web site at <http://www.dol.gov/vets>. An interactive online USERRA Advisor can be viewed at <http://www.dol.gov/elaws/userra.htm>.

Customer Service

Questions about initiating COBRA coverage may be directed to:

COBRA Specialist

University Human Resources

1-812-855-7833

For health claim questions, call the respective health plan claim administrator:

Anthem.....800-345-2460

CIGNA Dental.....800-244-6224

Participant Responsibilities

Summary of actions that the participant must take:

- Notify the university within 30 days of a family status change, such as divorce.

- Notify the university if termination is for military service.
- Submit an application to elect COBRA within 60 days of:
 - the date coverage ended; or
 - the date of the COBRA offer letter, whichever is later.
- Pay initial COBRA premiums to-date within 45 days of electing COBRA.
- Pay monthly COBRA premiums on time.
- During COBRA coverage, notify the university of changes that will affect communications or eligibility, including:
 - address changes;
 - changes in marital status;
 - changes in disability status;
 - entitlement under Medicare; or
 - coverage under another group health plan.

For more information, please contact
University Human Resources at:

hr.iu.edu

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