

Notice to Employers regarding COBRA

The Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA), as amended, is a Federal Law that requires employers of **20 or more** employees (both full- and part-time, on a typical business day) to offer continuance of in-force major medical or dental coverage to certain employees or dependents.

Your primary responsibilities as an employer are to:

- immediately notify employees/dependents of their right to continue coverage after a qualifying event (examples: termination of employment, retirement, death of employee, divorce or legal separation from the employee, loss of dependent status under the plan provisions and loss of coverage due to Medicare).
- provide the employees or dependents with a COBRA application and ensure it is returned to Sun Life Financial within the proper time frame.
- bill for and collect the appropriate premium from the continued persons.
- notify continued persons of any plan, benefit or rate changes.
- notify continued persons if you change carriers or terminate the plan.
- **consult your legal representative for any questions, problems or concerns in relation to your liability under this law.**

Notice to Employers regarding ERISA

The Employee Retirement Income Security Act (ERISA), a federal statute, requires that certain employers provide their employees with a Summary Plan Description (SPD). This document must outline the provisions of the employer's benefit plan and explain a participant's statutory rights and the claims review procedure, as well as include certain administrative information. The group insurance certificates furnished by Union Security Life Insurance Company of New York may be incorporated into an SPD prepared by an employer for distribution to its employees.

At minimum, ERISA mandates that the SPD include the following administrative information which is not provided in our group certificate. The listed information and instructions should not be considered universally comprehensive, as the requirements for each employer's plan may be different. The plan information includes, but is not limited to:

- **Name of the plan, and if different, the name by which the plan is commonly known**—ABC Company Employee Life Benefit Plan
- **Type of Administration**—Insurance Contract
- **Plan Administrator**—Usually the employer, not always. List name, address and phone number.
- **Plan Sponsor**—Usually the employer, not always. List name, address and phone number.
- **Employer ID No.**—A nine-digit number assigned by the IRS to the Plan Sponsor.
- **Plan No.**—A three-digit number, first digit must be a 5. Assigned to the plan by the Plan Sponsor.
- **Agent for Service of Process**—Provide street address where agent may be served. You must also state service may be made upon the plan administrator or a plan trustee, if any.
- **Eligibility**—Provide a general description of which employees are covered and any waiting period.
- **Funding**—Provide information on how coverage is paid for and the percentages to be contributed by the employer and the employees.
- **Trustees**—If applicable, list name, title and address of the principle place of business of each trustee.
- **Collective Bargaining Agreements**—If applicable, provide sufficient information to identify collective bargaining agreement and where copies of the agreement can be obtained.
- **Recordkeeping**—State whether records are kept on a calendar, policy or fiscal-year basis.
- **Ending Date of Plan Year**

Consult your legal representative for any questions, problems or concerns in relation to your liability under this law.

Group Insurance policies, including prepaid dental products, are underwritten or provided by Union Security Life Insurance Company of New York (Fayetteville, NY) and administered by Sun Life and Health Insurance Company (U.S.) (Lansing, MI).

© 2016 Sun Life Assurance Company of Canada, Wellesley Hills, MA 02481. All rights reserved. Sun Life Financial and the globe symbol are registered trademarks of Sun Life Assurance Company of Canada. Visit us at www.sunlife.com/us.

Union Security Life Insurance Company of New York

Administered by: **Sun Life Financial** 2323 Grand Boulevard Kansas City Missouri 64108
T 888.901.6377

KC4188NY (08/2016)