

COBRA

Summary Plan Description

Under a federal law called the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), you and/or your dependents may be eligible to continue health care coverage at group rates if your coverage ends. COBRA coverage is available in certain instances, called “qualifying events,” where coverage under the IQVIA Health Care Plan (medical, prescription drug, dental, vision and in some instances the health care flexible spending account) would otherwise end. For example, COBRA coverage is available to you and your covered dependents if you are terminated, or if your hours are reduced to the extent that you no longer qualify for IQVIA health care coverage.

The coverage described in this section may change as permitted or required by changes in any applicable law.

For More Information

The following information is intended to inform you of your rights and obligations under the continuation coverage provisions of COBRA. For more information, contact the COBRA administrator at the phone number listed in “Contacting the COBRA Administrator” on page 103. You don’t have to show that you’re insurable to choose COBRA coverage. However, you do have to pay the entire premium. COBRA coverage is provided subject to your eligibility for coverage as described below. IQVIA reserves the right to terminate your coverage retroactively if it’s determined that you’re ineligible under the terms of any of the IQVIA health plans.

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AT A GLANCE

Qualifying or Other Event	Who Is Eligible for COBRA Coverage	Duration of COBRA Coverage
You leave employment	You and your covered dependents	Up to 18 months
You have a reduction in hours below the level required to meet the benefit eligibility criteria	You and your covered dependents	Up to 18 months
You, your spouse or dependent child is eligible for Social Security disability when eligible for COBRA, or becomes disabled within the first 60 days after an 18-month COBRA coverage period begins	You and your covered dependents	Up to 29 months*
You die	Your covered dependents	Up to 36 months
You and your spouse become divorced or legally separated	Your spouse; also your dependents if a decree causes them to lose coverage	Up to 36 months
You become enrolled in Medicare (Part A, Part B or both)	Your spouse and dependents	Up to 36 months
Your dependent child is no longer an eligible dependent (for example, due to age limit)	Your dependent child	36 months
You or your spouse gives birth to or adopts a child while covered under COBRA	Your dependent child	Remainder of the COBRA coverage period. (Child is considered a qualified beneficiary.)

* To be eligible for the additional 11 months of COBRA coverage, you're required to provide proof of eligibility for Social Security disability benefits within 60 days of the determination period and prior to the end of the 18-month COBRA coverage period.

If you have questions about COBRA coverage, contact the COBRA administrator, Mercer Marketplace at 888-264-9180.

WHO IS ELIGIBLE FOR COBRA

Enrollment Requirements

In order to be eligible for COBRA you must be enrolled in the Health Care Plan on the date of the qualifying event.

If you or a qualified beneficiary is covered by any of the IQVIA Health Care Plan options on the day before a qualifying event, you have the right to choose COBRA coverage if you lose that coverage because:

- Your work hours are reduced.
- You're terminated from employment.
- The employer files for Chapter 11 Bankruptcy.
- The coverage is lost due to Medicare entitlement.

If you're enrolled in the IQVIA Health Care Plan and don't return to work following a leave of absence qualifying under the Family and Medical Leave Act of 1993 (FMLA), the event that will trigger COBRA coverage is the earlier of the date that you indicate you won't be returning to work following the leave or the last day of the FMLA leave period.

If you're the spouse of an eligible employee and you're covered by the IQVIA Health Care Plan on the day before a qualifying event, you're considered a qualified beneficiary.

That means you have the right to choose COBRA coverage for yourself if you lose coverage under the IQVIA Health Care Plan because of any of the following qualifying events:

- Your spouse dies.
- Your spouse's employment is terminated or your spouse's work hours are reduced.
- You divorce or legally separate from your spouse.
- Your spouse becomes entitled to Medicare.
- IQVIA files for Chapter 11 Bankruptcy.

If you're a dependent child of an employee and you're covered under the IQVIA Health Care Plan on the day before a qualifying event, you're also considered a qualified beneficiary. This means you have the right to COBRA coverage if you lose coverage under the IQVIA Health Care Plan because of any of the following qualifying events:

- The employee dies.

- The employee's employment is terminated or the employee's work hours are reduced.
- The employee divorces or legally separates (this includes reducing or dropping your coverage in anticipation of a divorce or separation that occurs later).
- The employee becomes entitled to Medicare.
- You cease to be a "dependent child" under the IQVIA Health Care Plan.
- IQVIA files for Chapter 11 Bankruptcy.

Note: The qualified beneficiary's right to elect COBRA is independent of your rights.

If a covered employee or spouse elect COBRA coverage and then have a child (either by birth, adoption or placement for adoption)

during that period of COBRA coverage, the new child is a qualified beneficiary. In accordance with the terms of the IQVIA Health Care Plan and the requirements of federal law, these qualified beneficiaries can be added to COBRA coverage by calling the COBRA administrator with the new child's birth, adoption or placement for adoption at the telephone number listed under "Contacting the COBRA Administrator" on page 103, within 30 days of the event. This notice should include information about you or the qualified beneficiary receiving COBRA coverage and the new child who will be receiving COBRA coverage. The COBRA administrator may ask you to provide documentation supporting the new child's birth, adoption or placement for adoption.

If you fail to notify the COBRA administrator within 30 days of the event in accordance with the terms of the IQVIA Health Care Plan, you will not be offered the option to elect COBRA coverage for the new child.

Your Duties

Under the law, you must notify IQVIA of a divorce, legal separation or child's loss of dependent status under the IQVIA Health Care Plan within 60 days from the latest of:

- The date of the divorce, legal separation or loss of dependent status.
- The date coverage is lost because of the qualifying event.
- The date on which you were informed of the responsibility to provide the notice and the procedures for providing such notice.

The notice must include information about you or the qualified beneficiary requesting COBRA coverage and the qualifying event that gave rise to the individual's right to COBRA coverage. In addition, you or the qualified beneficiary must provide IQVIA with documentation supporting the occurrence of the qualifying event. Acceptable documentation includes the documents listed below and any other supporting documentation approved by the plan administrator:

- Divorce – a copy of the divorce decree.
- Legal separation – a copy of the separation agreement.
- Child no longer qualifying as a dependent – completion of the Certification of Legal Tax Dependency of Child form.

Remember, in the case of divorce, legal separation or ineligibility of a dependent child, you are responsible for notifying IQVIA within 60 days. If you do not provide notice and all required documentation, you may lose your right to elect COBRA coverage.

Timing

If you fail to provide notice along with supporting documentation to IQVIA during this 60-day period, any covered dependent who loses coverage will lose the right to elect COBRA coverage.

When IQVIA is notified that one of these events has occurred, the COBRA administrator in turn will notify the affected individual that he/she has the right to choose COBRA coverage.

IQVIA's Duties

IQVIA has contracted with Triad to administer COBRA. IQVIA will notify Triad of the qualifying event. Qualified beneficiaries will be notified by Triad of the right to elect COBRA coverage if they lose coverage because of any of the following events:

- The employee dies.
- The employee's employment is terminated or the employee's work hours are reduced.
- IQVIA experiences a bankruptcy under Title 11 of the U.S. Code.

ENROLLING FOR COBRA COVERAGE

Important!

A qualified beneficiary who doesn't choose COBRA coverage within the time period described here, loses the right to elect it.

To elect or inquire about COBRA coverage, contact the COBRA administrator. (See "Contacting the COBRA Administrator" on page 103 for more information.)

Under the law, you must elect COBRA coverage within 60 days from the date you would lose your active coverage because of one of the events described in this Benefits Handbook or, if later, 60 days after you receive notice of your right to elect COBRA coverage. A qualified beneficiary who doesn't choose COBRA coverage within the time period described above loses the right to elect it. You and your covered dependents will be required to reimburse the IQVIA Health Care Plan for any claims mistakenly paid after the date coverage would normally have ended.

Coverage Options

If you choose COBRA coverage, your coverage will be the same coverage you had immediately before the event and the same coverage that is being provided to similarly-situated beneficiaries. "Similarly situated" refers to a current employee or dependent who hasn't had a qualifying event. You'll have the same opportunity to change coverage as active employees have (e.g., at annual open enrollment). This also means that if the coverage for similarly-situated employees or covered dependents is modified, your coverage will be modified in the same way. Your COBRA rights are provided as required by law. If the law changes, your rights will change accordingly.

Separate Elections

Each qualified beneficiary has the right to elect COBRA coverage. This means that a spouse or dependent child can elect COBRA coverage even if you choose not to and, during annual open enrollment, may elect a different option than the one you choose. However, you or your spouse may elect COBRA coverage on behalf of other qualified beneficiaries, and a parent or legal guardian may elect COBRA coverage on behalf of a minor child.

Cost of COBRA Coverage

Important!

The cost of group health coverage periodically changes. If you elect COBRA coverage, the COBRA administrator will notify you of any changes in the cost.

Under the law, you may be required to pay the full amount of the cost of covering an active employee (and eligible dependents, if applicable) plus a 2% administration fee, for a total of up to 102% of the cost of coverage. If your coverage is extended from 18 months to 29 months because of a disability, you may be required to pay up to 150% of the cost of covering yourself and any covered dependents beginning with the 19th month of coverage.

The cost of group health coverage periodically changes. If you elect COBRA coverage, the COBRA administrator will notify you of any changes in the cost. Premiums are established for a 12-month determination period and may increase during that period:

- If the IQVIA Health Care Plan has been charging less than the maximum permissible amount.
- If the qualified beneficiary increases his or her coverage level.
- In the case of a disability extension.

The initial payment for COBRA coverage is due 45 days from the date of your election. Thereafter, you must pay for coverage on a monthly basis within the 30-day grace period. COBRA coverage doesn't begin until payment is made. If you don't make payments on a timely basis, COBRA coverage will terminate as of the last day of the month for which you made a timely payment.

LENGTH OF COBRA COVERAGE

If elected, COBRA coverage begins on the date your coverage as an active employee ends. For dependents who no longer satisfy the requirements for dependent coverage, COBRA coverage begins on the date their dependent coverage ends. However, coverage won't take effect unless COBRA coverage is elected and the required premium is received by the COBRA administrator. The maximum duration of COBRA coverage depends on the reason you or your covered dependents are eligible for COBRA coverage.

If group health coverage ends because your employment ends or your work hours are reduced, COBRA coverage may continue for you and your covered spouse and dependents for up to 18 months.

COBRA coverage for your covered spouse and dependents may continue for up to 36 months if coverage would otherwise end because:

- You die.
- You divorce or legally separate.
- Your dependent child loses eligibility for coverage.

One exception to the rules above is that COBRA coverage under your health care flexible spending account (FSA) cannot extend beyond the end of the calendar year in which your initial qualifying event occurs. No extensions, including any described "Second Qualifying Events" on page 101, can apply to extend health care FSA COBRA coverage beyond that date.

If your COBRA eligibility is because you are a retired employee and IQVIA files for Chapter 11 Bankruptcy, you and your covered dependents may continue COBRA for the duration of your life, after you die, your spouse or child may continue coverage for an additional 36 months.

SECOND QUALIFYING EVENTS

Your spouse and dependents may have additional qualifying events while they're covered under COBRA. These events can extend their 18-month continuation period up to 36 months. In no event will they have more than 36 months of COBRA coverage measured from the date of the first qualifying event (or loss of coverage). This extension may be available to the spouse and any dependent children receiving COBRA coverage if the employee or former employee dies, or gets divorced or legally separated, or if the dependent child stops being eligible under the IQVIA Health Care Plan as a dependent child. This extension will only be available if the additional event would have caused the spouse or dependent child to lose coverage under the IQVIA Health Care Plan had the first event not occurred. If employment ends or work hours are reduced following enrollment in Medicare, the COBRA coverage period for your spouse and dependent children is 36 months from the Medicare enrollment date or 18 months from the subsequent termination or reduction of hours, whichever is longer.

You must notify the COBRA administrator within 60 days of the second qualifying event in order to be eligible for the 36 months of coverage. The notice must include information about the qualified beneficiary requesting additional COBRA coverage and the qualifying event that created the individual's right to additional COBRA coverage. In addition, the qualified beneficiary must provide the COBRA administrator with documentation supporting the occurrence of the qualifying event. See "Who Is Eligible for COBRA" on page 99 for a list of acceptable documentation.

SPECIAL RULES FOR DISABILITY

The initial 18 months of COBRA coverage may be extended to 29 months if you or covered dependent is determined by the Social Security Administration to be disabled at any time during the first 60 days of the COBRA coverage period. This 11-month extension is available to all family members who have elected COBRA coverage due to the termination of employment or reduction in hours, even to those who aren't disabled, and any dependent child who was born or adopted during the initial period of coverage.

To benefit from the extension, the qualified beneficiary must provide the COBRA administrator with the disability determination within 60 days of the Social Security Administration's determination of disability and before the end of the original 18-month period.

If, during COBRA coverage, the Social Security Administration determines that the qualified beneficiary is no longer disabled, the individual must notify the COBRA administrator within 30 days of the date it is made.

If a qualified beneficiary is receiving COBRA coverage under a disability extension and has another qualifying event during the 29-month continuation period, then the COBRA coverage period extends until 36 months after the date coverage was originally lost. The qualified beneficiary must provide the appropriate notice to the COBRA administrator as described under "Contacting the COBRA Administrator" on page 103.

COBRA AND FMLA

Taking an approved leave under the Family and Medical Leave Act (FMLA) isn't considered a qualifying event that would make you eligible for COBRA coverage. However, a COBRA qualifying event may occur if:

- You or your dependent has a COBRA qualifying event and is covered by the IQVIA Health Care Plan on the day before the FMLA leave begins, or you or your dependent have a COBRA qualifying event during the FMLA leave.
- You don't return to employment at the end of the FMLA leave or you terminate employment during your leave.

Your COBRA coverage may begin on the earlier of the date you inform the COBRA administrator that you're not returning to work, or the end of the leave, (if you don't return to work).

EARLY TERMINATION OF COBRA COVERAGE

The law provides that your COBRA coverage may be cut short before the expiration of the 18-, 29- or 36-month period for any of the following reasons:

- The IQVIA Health Care Plan no longer provides group health coverage to any of its employees.
- The premium for COBRA coverage isn't paid on time (or within the applicable grace period). The initial payment is due 45 days from the date of your election. Then, you must pay for coverage on a monthly basis within the 30-day grace period.
- The qualified beneficiary becomes covered (after the date COBRA coverage is elected) under another group health plan.
- The qualified beneficiary first becomes entitled to Medicare after the date COBRA coverage is elected.
- Coverage has been extended for up to 29 months due to disability, and the Social Security Administration has made a final determination that the individual is no longer disabled.

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) restricts the extent to which group health plans may impose pre-existing condition limitations. If you become covered by another group health plan and that plan contains a pre-existing condition limitation that affects you, your COBRA coverage cannot be terminated early because of your participation in that other plan.

COBRA AND USERRA

If you take a leave of absence that qualifies as a leave under the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA, also referred to as a “military leave”), and COBRA continuation coverage rights are available to you, an election for continuation coverage will be an election to take concurrent COBRA/USERRA medical coverage. You can continue coverage under USERRA for up to 24 months.

CONTACTING THE COBRA ADMINISTRATOR

If you have any questions about COBRA coverage or the application of the law, contact the COBRA administrator at the phone number listed below.

Also, you must notify the COBRA administrator immediately if:

- Your marital status has changed.
- You, your spouse or a dependent has changed address.
- A dependent loses eligibility for dependent coverage under the terms of the IQVIA Health Care plan.

All notices and other communications regarding COBRA coverage and the IQVIA-sponsored group Health Care Plan should be directed to the COBRA administrator, Mercer Marketplace, at 888-264-9180.

