

## SUMMARY OF MATERIAL MODIFICATIONS No. 9

This modification is made as of February 17, 2009, by **Cornell College** to the **Cornell College Employee Health and Welfare Plan**. All other terms and provisions of the Plan remain unaltered and in effect.

The following text is **added** as the **"second paragraph"** to the **"Cost of COBRA Coverage"** section of the Plan and the **"Continuation of Coverage Under Federal Law – COBRA"** section in the Summary Plan Description.

### **Temporary Premium Reduction**

The federal stimulus package, which was enacted as the American Recovery and Reinvestment Act of 2009 (ARRA) temporarily reduces the premium for COBRA coverage for eligible individuals. COBRA coverage (Consolidated Omnibus Budget Reconciliation Act of 1985) allows certain people to extend employer group health coverage, if they would otherwise lose the coverage due to certain qualifying events.

Individuals who are eligible for COBRA coverage because of their own or a family member's termination from employment that occurred from September 1, 2008 through December 31, 2009 and elect COBRA, may be eligible to pay a reduced premium. Eligible individuals pay only 35 percent of the COBRA premiums under their plans for up to nine months. This premium reduction is generally available for continuation coverage under the Federal COBRA provisions, as well as for group health insurance coverage under state continuation coverage laws.

Special rules apply for HIPAA's pre-existing condition rules during this extended election period. These rules begin on the date of the qualifying event and ending on the beginning of the period of coverage. These rules are disregarded for purposes of the 63-day break in creditable coverage rules of HIPAA.

If an individual was offered Federal COBRA continuation coverage as a result of an involuntary termination of employment that occurred at any time from September 1, 2008 through February 16, 2009, and he or she declined COBRA coverage at that time or elected COBRA and later discontinued it, he or she may have another opportunity to elect COBRA coverage and pay a reduced premium.

For questions regarding the participants rights and obligations under this Plan, contact the Plan Administrator.