

**IMPORTANT NOTICE ABOUT AN OPPORTUNITY YOU HAVE UNDER COBRA / VIPER
WITH THE VACE / CIGNA HEALTH PLAN AND VACE / DELTA DENTAL PLAN
April 10, 2009**

The Federal stimulus package, which was enacted into law in February 2009 by Congress as the American Recovery and Reinvestment Act of 2009 (ARRA), temporarily reduces the premium for COBRA or VIPER coverage for eligible individuals. COBRA allows certain people to extend employer-provided group health and / or dental coverage. COBRA applies to employers with 20 or more employees.

Vermont has its own extension of benefits law (VIPER), which applies to employers with less than 20 employees and provides for 6 months of extended coverage. While COBRA covers health and dental benefits, VIPER only covers health benefits.

Individuals who were/are eligible for COBRA coverage due to an **“involuntary”** termination from employment that occurred from September 1, 2008 through December 31, 2009 and who elect COBRA, may be eligible to pay a reduced premium. Eligible individuals pay only 35% of the full COBRA premiums under their plans for up to 9 months.

If the 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 that individual declined to take COBRA at that time, or elected COBRA and later discontinued it, he/she may have another opportunity to elect COBRA coverage and pay a reduced premium.

Individuals who were/are eligible for VIPER coverage due to an **“involuntary”** termination from employment that occurred from February 17, 2009 through December 31, 2009 and who elect VIPER, may be eligible to pay a reduced premium. Eligible individuals pay only 35% of the full VIPER premiums under their plans for up to 6 months.

If the individual was/is offered Vermont VIPER continuation coverage as a result of an **“involuntary”** termination of employment that occurred at any time after February 17, 2009 and that individual declined to take VIPER at that time, or elected VIPER and later discontinued it, he/she may have another opportunity to elect VIPER coverage and pay a reduced premium.

Forms, Q&A's and instructions will be available on the VACE website (www.VACEInsurance.com). The website will indicate which forms are necessary based on whether your previous employer is obligated under COBRA or VIPER.

If you think you might be eligible you should contact your previous employer immediately.

For additional information you can also check www.dol.gov/COBRA or www.bishca.state.vt.us/HcaDiv/consumerpubs_healthcare/tips_COBRA_cont_stimulus.htm