
RIF and Your Health and Life Benefits

Article Purpose

This article contains questions to commonly asked questions about your health and life benefits and the Reduction in Force (RIF) process. Questions included are:

- When will my active employee benefits end?
- I was enrolled in a Commuter Spending Account. Will my account automatically close?
- What is COBRA (Consolidated Omnibus Reconciliation Act) coverage?
- Am I eligible for COBRA subsidy?
- How do I sign up for continuation of coverage through COBRA?
- Do I have any options besides COBRA for health benefits coverage continuation?
- What if I or my dependent(s) are Medicare eligible at the time of COBRA election?
- Am I eligible for retiree benefits?
- Where can I get a letter to give to my spouse/domestic partner's company so I can enroll in their benefits?
- What happens to my 401(k) account?
- Is there anyone I can talk to for counseling?
- What happens to any Voluntary Lifestyle Benefits?

When will my active employee benefits end?

Most of your active coverage (Medical, Prescription Drugs, Dental, Vision, Health Care and Dependent Day Care Flexible Spending Accounts (FSAs) and the Health Savings Account (HSA)), will end at 11:59 p.m. (CST) on the last day of the month in which you terminate employment.

Below are additional benefit plans with end dates:

- Employee Basic Life Insurance and Basic Accidental Death and Dismemberment (AD&D) coverage will end on your termination date.
- If you are enrolled in Employee Supplemental Life, Spouse/Domestic Partner Supplemental Life, Child/ren Supplemental Life, or Supplemental AD&D, your coverage will end as of your termination date.
 - Conversion to an individual policy is available for the life insurance plans and information about converting to an individual policy will be mailed to you by the carrier.
- Short-Term Disability (STD) and Basic Long-Term Disability (LTD) coverage ends at midnight on your termination date. No coverage continuation options are available for Short-Term or Long-Term Disability benefits.
- If you are enrolled in Supplemental Long Term Disability benefits, coverage ends at midnight on your termination date.
- Business Travel Accident (BTA) coverage will end on your termination date.

I was enrolled in a Commuter Spending Account. Will my account automatically close?

Commuter Spending Account for Mass Transit and Parking expenses end on your termination date and only expenses incurred through your termination date can be considered for reimbursement. IRS rules state any unused funds will be forfeited and no refunds issued. Claims must be submitted within 180 days of your termination date.

What is COBRA (Consolidated Omnibus Reconciliation Act) coverage?

COBRA coverage provides a way for workers and their families to temporarily continue their employer-provided health insurance coverage (medical, dental and vision) during situations such as job loss. Former employees (and their eligible dependents) enrolled and covered by the Lumen group health plan at the time of termination will be provided the option under COBRA to elect to continue their coverage, generally for up to 18 months following the expiration of the group benefits coverage resulting from termination of employment, subject to payment of the COBRA monthly premium.

As part of your Lumen severance benefits, you have been offered a COBRA subsidy for a portion of the COBRA coverage period (as provided below), effective only if you timely sign and return the release agreement (without revocation) provided to you. This means that if 1) you had active healthcare coverage as of your RIF termination date; and 2) you choose to continue your healthcare coverage through COBRA; and 3) you timely sign and return the release (and do not revoke the release), then, the subsidy will enable you to continue to pay the premium you paid as an active employee throughout the subsidy period on a monthly basis. To calculate the premiums from bi-weekly to monthly, multiply the bi-weekly amount by 26 and divide by 12.

- **Important:** After the subsidy period ends, you will be responsible for paying the COBRA coverage costs for the remainder of the COBRA continuation coverage period. You can, however, choose to stop your coverage after your subsidy period ends. To continue your coverage under COBRA, including any subsidized COBRA coverage, you must elect COBRA coverage and submit your COBRA premiums on a timely basis. Details on how to elect coverage are provided below.
- **Note:** You will not see the subsidized rates on your COBRA Election Form; however, your subsidized rates will be displayed on your Account Statement after you enroll.

Am I eligible for COBRA subsidy?

COBRA subsidy eligibility is based on your full completed years of service as of your termination date. The number of months of COBRA subsidy you are eligible for is outlined in the cover letter of your separation package. You may also reference the table included on page 18 (Exhibit B: Employee Severance Weeks and Period of Subsidized COBRA Coverage chart) of the Lumen Reduction-In-Force Policy or on pages 49-50 (Exhibit D: Period of Subsidized COBRA Coverage for Directors and Vice Presidents) within the Lumen Executive Severance Plan document for your eligibility.

- **Note:** COBRA subsidy eligibility varies for individuals eligible under the Lumen Lower Performance Severance Benefit plan. Please reference the table included within the Lumen Reduction-In-Force Policy or the Lumen Executive Severance Plan document for a summary of the Lower Performer Severance benefit.
- **Qwest Non-Union** (Group 9-2 from the [Retiree Healthcare and Life Benefits Matrix](#)): You and your dependent(s) must first enroll in COBRA medical for the full 18 months of coverage. If you and your dependent(s) are not Medicare eligible after exhausting COBRA, you may be eligible to enroll in a Lumen Retiree non-Medicare medical plan until you become Medicare eligible at which time, Lumen coverage will end. To determine retirement eligibility, refer to the [Retiree Healthcare and Life Benefits Matrix](#). Dependent(s) cannot continue coverage without the retiree being enrolled. If the dependent becomes Medicare eligible first, the retiree can remain in the non-Medicare medical coverage until they become eligible for Medicare.

How do I sign up for continuation of coverage through COBRA?

The Lumen Health and Life Service Center will mail COBRA enrollment information to eligible employees approximately two weeks after your termination date. For continuation of coverage under COBRA, including any “subsidized COBRA coverage,” you must complete the COBRA election form that will be mailed to you. To enroll follow the steps below:

- **Online:** lumen.com/healthbenefits (you will need to register if you haven’t already done so). “Lumen” is the Company Key.
 - If you are eligible for Lumen retiree benefits, you will need to complete your COBRA election form and mail it to the Lumen Health and Life Service Center.
- **Mail:** Lumen (c/o Lumen Health and Life Service Center)
ATTN: COBRA Administration
PO BOX 850512
Minneapolis, MN 55485-0512

You must enroll within 60 days from receipt of the COBRA notification. You will then have 45 days from the date of enrollment to make your first payment which must include all amounts due from the date of termination of your active coverage through your payment date. Coverage will be updated with the carriers once your election and payment have been received. Deadlines and payments dates will be outlined in your individual COBRA package. Please be sure to review the documentation carefully as there are no exceptions to missed deadlines.

If you choose to elect coverage through COBRA and satisfy the premium obligations outlined in your COBRA package, coverage will be retroactive to the first of the month following the termination of benefits from Lumen; ensuring that there will be no lapse in coverage. You can elect to cancel COBRA at any time. The effective date of cancellation will be the first of the month following your notification to the Lumen Health and Life Service Center. We cannot cancel COBRA retroactively unless there is a failure to pay.

If you become eligible for Medicare during your COBRA period, COBRA coverage will end the first day of the month you become Medicare eligible.

Benefit information including Account Statements are not mailed so it's important to update your contact preference with your personal email address on the Health and Life website. Follow the below steps:

- Log in to the Health and Life website, lumen.com/healthandlife if currently working or lumen.com/healthbenefits. When using lumen.com/healthbenefits you will need to register if you haven't already done so. "Lumen" is the Company Key.
- Click your name on the top right-hand corner from the home page and select Profile from the drop-down menu.
- Select Edit next to Contact Preferences under the Personal Preferences section (You can also Opt Into text messages).
- Choose the Electronic Mail radio button.
- Add your Personal Email Address.
- Select the Primary radio button.
- Save.

Do I have any options besides COBRA for health benefits coverage continuation?

Yes, the Marketplace is designed to help you find health insurance that meets your needs and fits your budget. The Marketplace offers one-stop shopping to find and compare private health insurance options. There are health plans offered to you by either your state or the U.S. Department of Health and Human Services.

Consider whether COBRA under the Lumen Health Care plan provides more coverage at a lower or higher cost to you than a Marketplace health plan.

If you are interested in Marketplace coverage, go to healthcare.gov to review the plans available in your state or call 800-318-2596 (TTY: 855-889-4325).

What if I or my dependent(s) are Medicare eligible at the time of COBRA election?

If you and/or your dependent(s) are eligible for Medicare prior to your COBRA effective date and you are not covered in another active group health plan, you will be required to enroll in Medicare Part B because the health plan requires coordination with Medicare.

If you do not enroll in Medicare Part B, your benefits, if any, will be reduced and you will be responsible for paying your Lumen healthcare expenses.

Rules for enrolling in an individual Medicare policy:

- Medicare allows enrollment in most policies during a Special Enrollment Period (SEP).

- If you are Medicare eligible at the time of your termination from employment, you have an eight-month SEP that begins on the day you terminate. However, you should start the enrollment process prior to your termination date as Medicare enrollment is not retroactive.
- The Lumen Health and Life Service Center will automatically complete the Request for Employment Information (CMS-L564) if you and/or your eligible dependent(s) are 65+ and enrolled in a Lumen medical plan at the time of termination. Important: If you and/or your eligible dependent(s) are eligible for Medicare due to a disability, you will need to contact the Lumen Health and Life Service Center to request the CMS-L564 to be completed.
- The completed form will be available on the Health and Life website within 7-10 business days of your termination date. The completed form is available in your Personal Documents on the home page. The form cannot be completed prior to your termination.
- If you have questions regarding the form, please contact the Lumen Health and Life Service Center at 833-925-0487.
- Contact Medicare directly for further information at 800-Medicare or visit [medicare.gov](https://www.medicare.gov).

Notes:

- If you are Medicare eligible and have enrolled in an individual Medicare policy, you might be asked to complete a disenrollment process to be released by that carrier from the individual policy (which can take up to 60 days).
- Questions regarding COBRA should be directed to the Lumen Health and Life Service Center at 833-925-0487.

Am I eligible for retiree benefits?

1. To determine your group and if you are eligible for retiree benefit, review the 2024 Retiree Healthcare and Life Benefits Matrix.

The following groups are eligible to model retirement:

Group 1, 2, 3, 4, 6, 7, 8, 9-1, 10, and 12

- You can model retirement at lumen.com/healthandlife. This will indicate what you're currently eligible for without any enhancements. Click on **Start planning retirement** in the **Planning to Retire** icon located on the right-hand side of the home page. Enter your Potential Retirement Date. You will then need to enter the first of the month following your last day worked. Select **Enter** and then select **Next**. Your Retirement Fact sheet will appear. Choose **View Your Plan Options** for coverage information. The Medical Plan Monthly Pricing will appear as a default. Other plan coverage such as Dental, Retiree Basic Life, and Retiree Supplemental Life, if eligible will show in the tabs located towards the top of the page. Keep in mind, modeling retirement is an estimate only and is not a final determination of your retiree benefit options and cost. Once your termination is processed, you will receive a Retiree packet in the mail. This is separate from your COBRA packet that you will also receive in the mail. You can enroll in Retiree benefits on the Health and Life website. Because you will no longer be an active employee, you will need to register as a new user on the Health and Life website at lumen.com/healthbenefits. This is a different URL than when you were an active employee. The Company Key is Lumen. **Important:** If you elect to enroll in COBRA and not Retiree benefits at this time, you will still need to suspend your Retiree benefits and declare your eligible dependent/s. If you do not declare your dependent/s at retirement, you will not be able to enroll them at a future date including Annual Enrollment or even if you have a qualified life event (QLE). We recommend you go online to enroll, suspend or waive your retiree benefits.
2. If eligible, a retiree letter and worksheet will be mailed via USPS approximately two weeks after your termination date.
3. If you are Medicare eligible, you must enroll in Medicare Part B.

Important: If you are eligible for Medicare options as defined in the Retiree Health and Life Benefits Matrix, and you are enrolled in the UnitedHealthcare CDHP, you may be eligible for the remaining HRA balance to roll into a CDHP Health Reimbursement Account (HRA) through MyChoice Accounts at the Lumen Health and Life Service Center. **Note:** There are certain

retiree groups that are no longer eligible for retiree benefits once they become Medicare eligible. If you are a part of one of those groups (2, 9-2 and 12), you will not be eligible for the Retiree HRA or CDHP HRA (rollover).

Refer to the [Benefit Resource Guide for Departing Lumen Employees](#) for details on COBRA and Retiree benefits for both Medicare and non-Medicare eligible participants.

Questions regarding COBRA or retiree benefits should be directed to the Lumen Health and Life Service Center at 833-925-0487.

Where can I get a letter to give to my spouse/domestic partner's company so I can enroll in their benefits?

You can contact your Claims Administrators (e.g., Surest, UnitedHealthcare, etc.) and request a Creditable Letter of Coverage Notice (COC). This notice is documentation of your Lumen coverage up to the 18 months prior to your termination and may be needed if you enroll in another employer's health plan. Often, a COC letter is not a requirement. Please check with the company or vendor to ensure this document is required for enrollment. Another option would be to provide the other company with your completed exit checklist document (showing your termination date on company letterhead) and the Pay & Benefits Summary (showcasing that your healthcare benefits end on the last day of the month in which you terminate).

What happens to my 401(k) account?

If your vested account balance is less than \$1,000 at or after you terminate employment, you are required to take a distribution of your account. If you do not contact the Principal Retirement Service Center regarding the distribution, your account balance will be distributed in a single sum payment directly to you approximately 90 days after your employment termination or at any time after your employment termination when your account balance falls below \$1,000. Mandatory federal tax withholding of 20 percent will apply to this distribution.

If your vested account balance is \$1,000 to \$7,000, you are required to take action within 60 days to take a distribution/rollover or your account balance will automatically roll over to an IRA.

If your account is more than \$7,000, you may choose to either take a distribution of your account immediately or defer distribution until a later date (but not beyond the plan's mandatory distribution date). You may request a distribution by contacting the Principal Retirement Service Center at (800) 547-7754.

Note:

- Former employees who have voluntarily taken a distribution from a Company pension plan or, if not age 59½ at the time of distribution, the 401(k) plan will not be eligible to be considered for reemployment by the Company for six (6) months following their last day worked.
- Further, Former employees who have voluntarily taken a distribution from a Company pension plan or, if not age 59½ at the time of distribution, the 401(k) plans will not be eligible to be considered for assignment to the Company by a Supplier for six (6) months following their last day worked. Additional HR and Legal approvals may be required.

What if I have an outstanding 401(k) loan?

If you have an outstanding 401(k) loan balance, you will be able to continue making your loan repayments directly to Principal. Payments must be kept up to date. In addition, if you take a full distribution of your 401(k) Plan account balance prior to repaying your loan, the outstanding loan amount will be treated as a distribution and be subject to taxes and applicable penalties. You will receive detailed information on the loan repayment feature within 30 days after your termination date.

Am I eligible for a pension benefit?

If you are a vested participant in the Lumen Combined Pension Plan, you are eligible to receive your pension benefit when you leave the company – you do not have to wait until age 65 or until you meet age and service requirements. Your pension will be reduced based on the eligibility provisions of your specific Pension Component. For additional information or questions concerning your eligibility, please refer to your Summary Plan Description or contact the Lumen Pension Service Center at 888-324-0689.

If the present value of your pension benefit is less than \$1,000 and you do not make a timely election to roll your distribution over, your benefit will be paid directly to you as a cash distribution and will be subject to mandatory withholding.

If the present value of your pension benefit is more than \$1,000 but less than \$7,000 and you do not make a timely election to roll your distribution over, your benefit will be automatically rolled over to an individual retirement plan designated by Lumen.

If the present value of your pension benefit is more than \$7,000 you may elect to receive your pension benefit as a monthly annuity or a lump sum distribution at any time.

If you are a non-Qwest employee, you must commence your pension benefit no later than April 1st of the year after you attain age 70 1/2. If you are a Qwest employee, you must commence your pension benefit no later than age 65.

Severance pay does not impact the amount or timing of your pension benefit payment. Refer to the Benefit Resource Guide for Departing Lumen Employees for more information.

Am I eligible for Special Early Retirement?

Legacy Embarq employees may be eligible for Special Early Retirement if your age + credited service (in full years) equals at least 75 points or more on or before your date of termination, and you are leaving the company as part of a workforce reduction (either voluntary or involuntary). Special Early Eligible employees receive a 2.5% per year reduction to your age 65 accrued benefit (rather than a 5% reduction for Early retirement).

Is there anyone I can talk to for counseling?

You remain eligible for benefits under the Employee Assistance Program for 30 days following your termination. Services are available by phone 24 hours a day; seven days a week.

Contact Optum EAP at 866-270-0033 and you will be connected to an experienced consultant. You can also access the EAP website at lumen.com/eap.

What happens to any Voluntary Lifestyle Benefits?

Most participation and payroll deductions will end with your last paycheck with Lumen.

To confirm and/or continue coverage, please contact applicable vendors directly for questions and information on rates and conversion options or contact the Lumen Health and Life Service Center at 833-925-0487.