

COBRA and Health Reimbursement Arrangement (HRA) Summary

| | COBRA Coverage | Retiree Health Reimbursement Arrangement (HRA) |
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| Administrator | Alight | Via Benefits |
| Customer Service | (844) 747-1641 | (866) 356-8150 |
| Web Address | https://Lubrizol.BenefitsNow.com | https://www.Via.Benefits.com |
| Special notice regarding eligibility | The impact of Medicare eligibility on COBRA eligibility is explained below. | <p>Lubrizol has discontinued offering health care coverage to Lubrizol retirees and their spouses. However, for eligible pre-Medicare retirees and their pre-Medicare spouses, Lubrizol can contribute up to an annual \$6,000 and \$3,000 HRA contribution, respectively. Contributions end upon Medicare eligibility and are prorated based on retirement and Medicare eligibility dates.</p> <p>You will not be eligible for the HRA if you have other group coverage (another employer plan, a spouse's plan or COBRA).</p> <p>Medicare eligible retirees and spouses should contact Via Benefits at (855) 241-5724 for assistance. The retiree information below applies only to non-Medicare retirees and non-Medicare spouses.</p> |
| How long do I have to enroll in my new coverage? | You must enroll no later than the last day of the COBRA election period. The COBRA election period ends upon the <u>later</u> of: (1) 60 days from the date you lose coverage (you lose coverage on the last day of the month in which your employment terminates), or (2) the "Election Deadline" listed in your COBRA election packet. | <p><u>HRA</u> Eligible newly retired employees have up to three months to opt in to the HRA. If you enroll in COBRA or other group coverage you are not eligible to enroll in the HRA. If and when you opt in to the HRA, Via Benefits will send a Welcome Kit.</p> <p><u>Medical etc. Coverage</u> If you elect a medical plan other than your current coverage using COBRA, keep in mind that most plans in the Marketplace require a participant to be enrolled by the 15th of the month for coverage to be effective the 1st of the month following.</p> |
| How am I notified regarding coverage options? | Your COBRA election packet is sent via USPS to your home address and is typically mailed within two weeks of termination of employment. | <p>Via Benefits will contact you by telephone to schedule an appointment to discuss benefit plans that can be purchased through the Marketplace as an alternative to COBRA.</p> <p>During the call, a Via associate will explain the process for finding medical, prescription, dental and vision coverage that best meets your needs. You will work directly with a Via Benefits advisor.</p> |

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| How does the election process work? | COBRA elections can be made online, by telephone, mail or via fax. To establish your account, you will need your name, date of birth, valid email address, and SSN or Alight account number included in your COBRA packet. <u>Prior to your retirement, we suggest you update your email address on the benefits portal at https://Lubrizol.BenefitsNow.com/ to a personal email address, and indicate that it is your preferred email address.</u> | If you wish to explore coverage in the Marketplace as an alternative to COBRA, you work with a Benefit Advisor at Via Benefits to find medical, prescription, dental and vision coverage that best meets your needs. You are not required to elect coverage through Via Benefits in order to be eligible for and opt in to the HRA. However, you cannot be enrolled in COBRA or other group coverage to be eligible for the HRA. |
| When is coverage effective? | Once elected and paid, coverage is retroactive to the day your active coverage ceased, as long as enrollment is completed by the last day of the COBRA election period. <u>For example:</u> Termination of employment date is June 30 Lubrizol active coverage terminates June 30 COBRA coverage is elected August 20 Coverage is reinstated retroactive to July 1 Note: The sooner you elect coverage, the sooner the administrators (UMR, Caremark etc.) will reinstate your coverage. | <u>HRA</u> You are eligible for the HRA the first of the month following you are your last day of employment with Lubrizol. If you opt in to the HRA, funds will be available for the remainder of the year and are prorated based on your retirement date and Medicare eligibility date if applicable. <u>Medical coverage</u> If you elect a medical plan other than COBRA continuation coverage, the effective date will depend on your individual enrollment. Keep in mind that most plans in the Marketplace require a participant to be enrolled by the 15 th of the month for coverage to be effective the 1 st of the month following. |
| Will I have a gap in coverage? | Although COBRA coverage is retroactive, there is a period of time when active coverage has terminated, and COBRA coverage has not been elected or elections have not been reported to the carriers (UMR, Caremark, MetLife and EyeMed). Expenses incurred during that time are at the expense of the individual but can be filed for reimbursement. | Many retirees will choose coverage other than COBRA to retain HRA eligibility. Retirees may experience a gap in coverage between when their coverage as an active Lubrizol employee terminates on the last day of the month in which they retire and when their new coverage begins. Expenses incurred during that time are at the expense of the individual but may be eligible for reimbursement depending on the effective date of the new coverage. Via Benefits or the new carrier can advise on the effective date of coverage. |
| How soon after I make my elections can I use my coverage? | Enrollment information is sent to the carriers (UMR, Caremark, etc.) via electronic files, which are sent once each week. Depending on when your elections are made, and payment is received it can take up to 14 days for your information to be sent to the carriers. As a result, it will be approximately two weeks from when | This will depend on the carrier you choose. Keep in mind that most plans in the Marketplace require a participant to be enrolled by the 15 th of the month for coverage to be effective the 1 st of the month following. Your Via benefit advisor should be able to assist in understanding the effective date of your coverage. |

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| | you make your payment before your coverage can be verified at the carrier. | |
| Will I receive a new ID card? | <u>Coverage</u> COBRA Medical – Retiree | <u>New ID card issued?</u> No |
| | COBRA Medical – Spouse/Dependents only | Yes |
| | COBRA Prescription – Retiree | No |
| | COBRA Prescription–Spouse/Dependents only | Yes |
| Do my deductible and out-of-pocket maximums start over when I move from active coverage? | Deductibles and out of pocket amounts from active coverage transfer automatically to your new coverage and apply to your COBRA deductible and out of pocket maximum. However, only amounts for the person or people continuing on coverage are transferred to the deductible and out of pocket maximum for the new coverage. They will start over effective January 1 if COBRA coverage is elected for the new plan year. | |
| Do my spouse’s deductible and out of pocket maximums start over when my spouse moves from active coverage to COBRA? | They transfer. However, if you are not electing COBRA coverage (for example, because you are Medicare eligible) and your spouse is going to have his or her own COBRA coverage, please notify the Corporate Benefits group at benefits@lubrizol.com that your spouse is electing COBRA coverage so we can have the spouse’s deductible and out of pocket expenses transferred for your spouse. The transfer is <i>not automatic</i> when your spouse moves from being your dependent to having his or her own coverage. | |
| What if I or my spouse becomes eligible for Medicare after we have elected COBRA? | Becoming Medicare eligible disqualifies you from remaining on COBRA medical and prescription coverage. Your COBRA eligibility for medical and prescription coverage will terminate on the last day of the month prior to your Medicare eligibility based on age or disability (i.e. If you turn 65 August 15 you are Medicare eligible August 1 and your COBRA eligibility will terminate July 31.) The same applies to your spouse who elects COBRA coverage and then becomes Medicare eligible. Contact Alight to terminate coverage and settle your direct bill account. | |
| What happens to any unused funds in my HRA when I or my spouse becomes Medicare eligible? | Not applicable. | Unused HRA allocations are forfeited annually. Claims must be filed by March 31 for the prior plan year. |
| What can non-Medicare retirees and non-Medicare spouses elect? | Non-Medicare retirees and spouses generally can enroll in COBRA for up to 18 months or until they become Medicare eligible. The length of the COBRA eligibility period can vary based on social security disability status. | Pre-Medicare retirees and spouses who are not enrolled in COBRA or other group coverage may elect a Health Reimbursement Arrangement (HRA): Up to \$6,000 for the non-Medicare retiree and \$3,000 for their non-Medicare spouse. Contributions end upon Medicare eligibility and are prorated based on retirement and Medicare eligibility dates. |

What if I or my spouse is eligible for Medicare at retirement?

You or your spouse are eligible to enroll in COBRA if Medicare eligible prior to retirement.

If the Medicare-eligible party has not yet enrolled in Medicare because he or she had coverage under Lubrizol’s plan for active employees, that party must enroll in Part A and Part B because Medicare becomes the primary payer for claims.

If the Medicare-eligible party does not enroll in Medicare when active coverage ends, he or she may incur a lifelong penalty for late enrollment because Medicare does not recognize COBRA coverage as “qualified group coverage.”

Things to consider before you or your Medicare-eligible spouse enrolls in COBRA:

- When COBRA claims are processed, Medicare will be primary over COBRA, even if you or your spouse are not enrolled in Medicare.
- The Medicare deductible and the Lubrizol medical plan deductible must be met before Lubrizol will pay claims, which may result in higher out-of-pocket expenses.
- Being enrolled in Medicare and COBRA delays your or your spouse’s enrollment in a Medicare Advantage or Supplemental plan. (You cannot be enrolled in a Medicare Advantage or Supplemental plan while enrolled in COBRA.)
- It is likely that a Medicare Advantage or Supplemental plan will suit your or your spouse’s needs better than the Lubrizol COBRA coverage.
- Call Via Benefits at (855) 241-5724. A representative will assist in finding a Medicare Advantage and/or Medicare Supplement plan that is best for you or your spouse.

Medicare eligible retirees may work with Via Benefits for assistance in finding medical, prescription, dental and vision coverage that best meets your needs. Via Benefits can be reached by calling (855) 241-5724. This also applies to Medicare eligible spouses.

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| <p>I called Via Benefits and they do not have a record for me. Why not?</p> | <p>Lubrizol sends retiree records to Via. The benefit advisor at Via Benefits can assist the eligible retiree and the retiree’s eligible spouse even if Via Benefits does not have a record. If an eligible retiree or eligible retiree spouse calls and Via Benefits does not have a record for them, the benefit advisor will create one. Once Lubrizol sends the retiree data to Via Benefits following retirement, the manual record created by the Via Benefits advisor and the data record will be merged. If eligible, your record should be established at Via Benefits within ten business day of your retirement. <u>For the best experience, contact Via Benefits two weeks or more after your retirement from Lubrizol.</u></p> | |
| <p>Whom should I contact if I have questions?</p> | <p>First call Alight customer service at (844) 747-1641. If they are unable to resolve your issue, email Lubrizol Corporate Benefits at benefits@Lubrizol.com. For questions related to Medicare and Medicare coordination, contact Medicare at 800-MEDICARE or your local Social Security office.</p> | <p>First call Via Benefits at (866) 356-8150. If they are unable to resolve your issue, email Lubrizol Corporate Benefits at benefits@Lubrizol.com.</p> |