

MISCELLANEOUS COVERAGE INFORMATION

If You Use an HMO

The Vision Care Plan covers any eligible expenses you incur for vision services under a health maintenance organization (HMO) up to the amounts listed in the schedule of benefits (see “Comparison of Vision Care Benefits”). However, you cannot be reimbursed by both the Vision Care Plan and your HMO for the same expense.

Coordination of Benefits

The Vision Care Plan has a coordination of benefits (COB) provision. This feature is designed to prevent duplicate benefit payments when you or your **covered dependents** participate in more than one group plan.

When the COB Provision Applies

The COB provision applies when you or your **eligible dependents** have vision care coverage in addition to that provided under the Vision Care Plan, such as:

- A group-sponsored insurance or prepayment plan, or
- A government-sponsored plan.

When the COB Provision Does Not Apply

The COB provision described in this section does not apply:

- To benefits under any personal policy (except no-fault or other state-mandated automobile insurance), and
- To two related people, both of whom are employees or retirees of an **Avaya Participating Company**, due to the following two rules:
 - One person cannot receive Vision Care Plan benefits as both an employee or retiree of a **Participating Company**, and as an **eligible dependent** of such an employee or retiree.
 - One person cannot receive Vision Care Plan benefits as an **eligible dependent** of more than one employee or retiree of an **Avaya Participating Company**

The Primary Plan Determines Benefits First

Under the COB provision, the **Claims Administrator** determines that one plan is primary and determines its benefits first. To claim benefits, submit your claim to the primary plan first. After that plan determines its benefits, submit a claim to the secondary plan(s) along with a copy of the **EOB** statement you received from the primary plan. The secondary plan(s) will then determine if any additional benefits are payable.

- If the Vision Care Plan is the primary plan, it pays its benefits without regard to the secondary plan.
- If the Vision Care Plan is secondary, the Vision Care Plan coordinates benefits with the primary plan. Here is how this works. The **Claims Administrator** first calculates what the Vision Care Plan would have paid if it were the primary plan. Second, the **Claims Administrator** reviews the **EOB** statement you received from the primary plan to determine what the primary plan paid. The Vision Care Plan then pays the difference, up to the amount the Vision Care Plan would have paid if it were the primary plan. Therefore, among the primary and secondary plans, you can receive up to 100% (but not more than 100%) of the allowable amount under the highest paying plan.

How the Claims Administrator Determines Which Plan Is Primary

The **Claims Administrator** determines which plan is primary and which plan(s) is secondary under the following rules:

- If the other plan(s) does not have a COB feature, that plan(s) is considered primary and the Vision Care Plan is considered secondary.
- If both plans have a COB provision, the plan covering a person as an employee is primary, and the plan covering the person as a dependent is secondary.
- For dependent **children**, determination of the primary and secondary plan(s) follows these rules in this sequence:
 - The “birthday rule.” The plan covering the parent whose birthday (month and day) comes first in the year is the primary plan for the **children**, and the plan covering the other parent is the secondary plan for the **children**. The Vision Care Plan uses this rule.
 - The “male-female rule.” For plans that do not use the birthday rule, the father’s group insurance is the primary plan for the **children** and the mother’s group insurance is the secondary plan for the **children**.

- If one parent's plan includes the male-female rule and one parent's plan includes the birthday rule, the male-female rule applies to the extent permitted by law.
- If the parents of dependent **children** are divorced or legally separated, the **Claims Administrator** will determine if there is a court decree or a **Qualified Medical Child Support Order (QMCSO)** establishing financial responsibility for vision care. If it is determined that an order is a **QMCSO**, the **Avaya Participating Company** will comply with the terms of that order (see "Important Contacts" for where to submit QMCSOs).
 - If there is such a decree or **QMCSO**, the plan covering the parent who has that responsibility will be the primary plan.
 - If there is no such decree or **QMCSO**, the plan that covers the parent with custody will be the primary plan; the other parent's plan will be secondary.
 - If there is no such decree or **QMCSO** and the parent with custody remarries, that parent's plan remains primary, the stepparent's plan is secondary, and the non-custodial parent's plan is third.
 - If payment responsibilities are still unresolved, the plan that has **covered** the patient for the longest time is the primary plan.

If both parents have coverage through an **Avaya Participating Company**, either parent (but not both) may choose to cover the **children**. Claims for the **children** are submitted to the **Claims Administrator** of the parent covering the **children**. The other parent's coverage is not secondary because it does not cover the **children**.

Right of Recovery and Subrogation

If all or some of the expenses under the Vision Care Plan are not payable (improper payments), or if all or some of the payments made exceed the benefits payable under the Vision Care Plan (excess payments), then those improper or excess payments must be refunded to the Vision Care Plan.

If the refund is due from another person or organization, you or your **covered dependents** must assist the Vision Care Plan in getting the refund when requested. You or your **covered dependents** are still responsible for any improper or excess payments made to you or your **covered dependents** or to providers under the Vision Care Plan.

Failure by you or your **covered dependents**, or any other person or organization that was improperly or excessively paid, to promptly refund the full amount may reduce the

amount of any future benefits that are payable to or on behalf of you or your **covered dependents** under the Vision Care Plan.

The Vision Care Plan provides **covered** benefits to you and your **covered dependents** that are not provided by any third party. So, benefits provided under the Vision Care Plan as a result of any illness or injury which gives rise to a claim by you or your **covered dependents** against a third party as the result of or attributable to the negligent or wrongful acts or omission of such third party are excluded and are not **covered** under the Vision Care Plan. If such benefits *have* been paid by the Vision Care Plan, the following shall apply:

- The Vision Care Plan shall be entitled to all of your and your **covered dependents'** rights of recovery against such third party to the extent of the reasonable value of the benefits provided under the Vision Care Plan.
- You and your **covered dependents** agree to reimburse the Vision Care Plan for the reasonable value of all benefits received under the Vision Care Plan out of any actual recoveries you or your **covered dependents** received from any third party (other than the **participant's** family members).
- The Vision Care Plan's subrogation and reimbursement rights apply to any recoveries that may be received or actually are received by you or your covered dependents, including, but not limited to, the following:
 - Any payments made as a result of a settlement, judgment, or otherwise, made by or on behalf of a third party or his or her insurance company, or made under an uninsured or underinsured motorist coverage;
 - Any payments under Workers' Compensation, no-fault or other state mandated motor vehicle insurance; or
 - Any payments made as a result of coverage under any automobile, school or homeowners insurance policy.

You and your **covered dependents** are required to fully cooperate and perform all actions necessary to secure the Vision Care Plan's right of recovery and subrogation, including granting a lien on any monies recovered from a third party, refraining from taking any action or negotiating any agreement with any third party that may prejudice the Vision Care Plan's rights, and from assigning any rights to recover vision care expenses from any tortfeasor or other person or entity to any other party. You or your **covered dependents** shall not incur any expenses on behalf of the Vision Care Plan in pursuit of the Vision Care Plan's rights. No court costs or attorney's fees may be deducted from the Vision Care Plan's recovery without the advance express written consent of the Vision Care Plan.

In the event you or your **covered dependents** fail or refuse to honor these terms, the Vision Care Plan will be entitled to recover any cost incurred in enforcing these terms and conditions.

Continuing Your Vision Coverage Through COBRA

A federal law known as **COBRA** (Consolidated Omnibus Budget Reconciliation Act of 1985, as amended) requires employers to offer **eligible employees** and their **covered dependents** the opportunity to continue their group health coverage *at their own expense* for a limited period of time if they lose coverage due to a qualifying event. Although not required under **COBRA**, the Vision Care Plan provides continuation coverage to your **domestic partner** and/or **domestic partner dependents**.

COBRA Coverage

COBRA may extend your coverage under the Vision Care Plan for up to 18 months, 29 months or 36 months, depending on the qualifying event. The following chart summarizes who is eligible for **COBRA** continuation coverage, under what circumstances, and how long **COBRA** continuation coverage continues.

If:	Qualifying Event	Who Is Eligible for COBRA Coverage	Duration of COBRA Coverage
You	Become laid off	You and your covered dependents	18 months
	Have a reduction in hours	You and your covered dependents	18 months
	Terminate employment or your employment is terminated (for reasons other than gross misconduct)	You and your covered dependents	18 months
	Do not return from an FMLA leave of absence	You and your covered dependents	18 months
	Become disabled within the first 60 days of COBRA continuation coverage	You and your covered dependents	Up to 29 months*
	Die	Your covered dependents	36 months
	Become divorced or legally separated	Your covered dependents	36 months
Your covered dependent	Is no longer an eligible dependent (due to age limit, divorce, or legal separation)	Your covered dependent	36 months
	Is no longer an eligible dependent because of your death	Your covered dependent	36 months

If:	Qualifying Event	Who Is Eligible for COBRA Coverage	Duration of COBRA Coverage
	Becomes disabled within the first 60 days of COBRA continuation coverage	You and your covered dependent	Up to 29 months*

*Includes months of **COBRA** coverage already used.

Employee Loses Coverage

If you lose coverage because of a layoff, termination of employment (for reasons other than gross misconduct), or if you do not return to work after a leave of absence under **FMLA** leave of absence (or state equivalent), **COBRA** continuation coverage is available to you and your **covered dependents** for up to 18 months from the date of the qualifying event. If you elect **COBRA** coverage and you acquire a new child (birth, adoption or placement of adoption) during your **COBRA** continuation period, you may enroll that new child in **COBRA** continuation coverage.

You and your **covered dependents** will be notified by the **Avaya Health and Benefits Decision Center** when an event makes continuation of coverages available and sends you election information, including the cost of the coverage. You and each of your **covered dependents** have an independent right to elect **COBRA** continuation coverage. You (or a **covered dependent**) must notify the **Avaya Health and Benefits Decision Center** (within 60 days of the date the notice is sent or coverage is lost, whichever is later) of your decision to continue coverage. If you do not elect continuation coverage during the first 60-day election period and you become eligible for trade adjustment assistance, you may elect continuation coverage during a second 60-day period that begins on the first day of the month in which you are determined to be eligible for such assistance. In this situation, your election must be made within 6 months of your first **COBRA** qualifying event.

If you or your **covered dependent** becomes disabled within the meaning of the Social Security Act during the first 60 days of **COBRA** continuation coverage, you and your **covered dependents** may extend the 18-month continuation period to 29 months. For the 29-month continuation coverage period to apply, you must notify the **Avaya Health and Benefits Decision Center** (see "Important Contacts") within 60 days of the determination of your disability by the Social Security Administration and within the initial 18-month continuation coverage period. This notice should be in writing and should include a copy of the Social Security Administration's disability determination. If the **Avaya Health and Benefits Decision Center** determines that you or your **covered dependents** are not eligible for an extension of the **COBRA** continuation period, you will be provided a written explanation of why extended **COBRA** continuation coverage is not available.

If one of your **covered dependents** experiences another qualifying event (for example, your child becomes no longer eligible due to age, or you die during the **COBRA**

continuation period), the **COBRA** continuation period can be extended for that dependent. You or your **covered dependent** must notify the **Avaya Health and Benefits Decision Center** (see “Important Contacts”) within 60 days of the second event. (Note that a second qualifying event is not triggered when you become entitled to Medicare.) This notice should be in writing and should include proof of the second qualifying event. If the **Avaya Health and Benefits Decision Center** determines that you or your **covered dependents** are not eligible for an extension of the **COBRA** continuation period, you will be provided a written explanation of why extended **COBRA** continuation coverage is not available.

Dependent Continuation Coverage

Each of your **covered dependents** may have the right to **COBRA** continuation coverage for up to 36 months from the date of the qualifying event if he or she loses coverage because:

- You die,
- You and your spouse get divorced or legally separated, or
- He or she is no longer an **eligible dependent** for coverage under the Vision Care Plan (e.g., due to the age limit)

If your **covered dependents** lose coverage because of your death, the **Avaya Health and Benefits Decision Center** will notify them of their right to continue coverage within 44 days. Your **covered dependent** must notify the **Avaya Health and Benefits Decision Center** of their decision to continue coverage within 60 days of the later of this notification or the date benefits terminate.

If you get divorced or legally separated, or dissolution of your **domestic partnership** or if your child no longer meets the eligibility requirements, you or your **covered dependent** must notify the **Avaya Health and Benefits Decision Center** within 60 days of the event. This notice should be in writing and should include proof of the qualifying event (for example, a copy of the divorce decree). If the **Avaya Health and Benefits Decision Center** is not notified within 60 days of the qualifying event, your **covered dependent** will lose the right to elect **COBRA** continuation coverage. After the **Avaya Health and Benefits Decision Center** is notified, your **covered dependent** will be notified of his or her right to continue coverage within 14 days. Within 60 days of the later of this notification or the date benefits terminate, your **covered dependent** must notify the **Avaya Health and Benefits Decision Center** of his or her decision to continue coverage. If the **Avaya Health and Benefits Decision Center** determines that your **covered dependent** is not eligible for **COBRA** continuation coverage, your **covered dependent** will be notified in writing explaining why continuation coverage is not available.

When Coverage Ends

If you and/or your **covered dependent** elect **COBRA** continuation coverage, it takes effect on the date of your qualifying event and continues until the earliest of the following:

- The end of the 18-month, 29-month or 36-month continuation period
- The date the **Avaya Participating Company** no longer provides health care coverage to any of its employees
- When there is a significant underpayment of a premium or when premiums for **COBRA** continuation coverage are not paid within the required time
- The date you or your **covered dependents** become **covered** under another group health care plan other than TRICARE (military coverage) (provided pre-existing condition exclusions or limitations under the new group health care plan do not apply)
- With respect to the 11-month extension for disability, the date the person is no longer disabled (you must notify the **Avaya Health and Benefits Decision Center** within 30 days of a determination by the Social Security Administration that you or the **covered dependent** is no longer disabled)

If the **Avaya Health and Benefits Decision Center** determines that your coverage is terminating before the end of the 18-month, 29-month or 36-month period (e.g., when premiums are not being paid within the required time), you will be notified that your coverage is terminating and you will be provided with the reason why and the date your coverage is terminating.

COBRA Coverage Cost

You (or your **covered dependent**) pay the full cost for **COBRA** continuation coverage, plus a 2% administrative fee. If the **COBRA** period is extended to 29 months because you or a **covered dependent** is disabled under the Social Security Act, a 2% administrative fee applies for the first 18 months and a 50% administrative fee applies for you and your **covered dependents** for the next 11 months (from the 19th month through the 29th month).

The initial **COBRA** payment (which includes payment for coverage back to the date regular coverage ended) is due when you elect **COBRA**. However, the Vision Care Plan is legally required to provide you with a 45-day grace period for this initial **COBRA**

payment. No further extension will be permitted. After the initial payment, payments are due by the first of the month for the coverage period which is being paid. The Vision Care Plan is legally required to provide you with a 30-day grace period for these payments. No further extension is permitted. Payments received after your 30- or 45-day grace period will result in an automatic loss of all **COBRA** coverage rights. Once **COBRA** coverage is lost, it cannot be reinstated. There are no exceptions.

If You Have Questions

Questions concerning your **COBRA** continuation coverage rights should be addressed to the **Avaya Health and Benefits Decision Center** (see “Important Contacts”). For more information about your rights under ERISA, including **COBRA**, the Health Insurance Portability and Accountability Act, and other laws affecting group health plans, contact the nearest Regional or District Office of the U.S. Department of Labor’s Employee Benefits Security Administration (EBSA) in your area or visit the EBSA Web site at www.dol.gov/ebsa. (Addresses and phone numbers of Regional and District EBSA Offices are available through the EBSA Web site.)

Keep Your Plan Informed of Address Changes

In order to protect your family’s rights, you should keep the **Avaya Health and Benefits Decision Center** (see “Important Contacts”) informed of any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to the **Avaya Health and Benefits Decision Center**.