



AdvanStaff HR

To: All covered participants in AdvanStaff HR's health insurance programs
From: Jackie Presser, Benefits Manager
Date: June 8, 2010

Re: COBRA eligibility for out-of- service area plan participants

In accordance with state and federal guidelines, COBRA (Consolidated Omnibus Budget Reconciliation Act) regulations do not require group health carriers to cover members residing outside of the carrier's service area.

Health Plan of Nevada (HPN), AdvanStaff HR's major medical carrier, has recently reviewed its policy regarding HPN COBRA members who live outside the service area. HPN will now enforce the long-standing contractual clause requiring eligible COBRA members to live or work within HPN's service area.

Effective June 1, 2010, any HPN plan member who elects COBRA coverage after this date and lives outside of the service area will not be eligible or enrolled in AdvanStaff's HPN COBRA plan. HPN will notify the member in writing allowing them 30 days to provide proof of residence in the service area in order to regain eligibility.

If a COBRA member relocates after he or she has enrolled in COBRA, upon receipt of the address change by HPN, the member will be notified in writing that he or she will no longer be covered and the date at which coverage will end. These members will also be allowed 30 days to provide proof of residence in the service area if the address information provided to HPN is incorrect.

Any COBRA member who elected coverage prior to June 1, 2010, will not be affected by the policy change.

If you have any questions regarding this notice, please contact the AdvanStaff HR Benefits Department at (702) 598-0000 option 1.

Sincerely,

Jackie Presser, Benefits Manager
AdvanStaff HR