

Dear COBRA Member

Thank you for choosing Optima Health. The American Recovery and Reinvestment Act of 2009 (ARRA) provides for premium reductions and additional election opportunities for health benefits under COBRA. Eligible individuals pay only 35 percent of their COBRA premiums and the remaining 65 percent is reimbursed to the coverage provider through a tax credit. The premium reduction applies to periods of health coverage beginning on or after February 17, 2009 and lasts for up to nine months.

Your employer or COBRA administrator has determined that you are eligible for the stimulus package. Please apply the 35 percent to the bill you received from Optima Health to calculate the amount you should pay. For example, this is the formula you can use to calculate your monthly premium:

Premiums for active subscribers this period	\$ 500.00
Retroactive Adjustments	<u>500.00</u>
Total Amount of Premium	\$1,000.00
Apply 35% per stimulus package	<u>X 0.35</u>
<b>Amount you should pay</b>	<b>\$ 350.00</b>

Sample Billing Statement

SUB-ID 999999	INVOICE NUMBER 9999999
CONTACT Group Name	INVOICE DATE 03-03-09
Member Name	DUE DATE 03-27-09
Member Address	COVERAGE PERIOD
Member City, State, Zip	FROM 03-01-09 TO 03-31-09

999999	MEMBER NAME	
AMOUNTS BILLED		0.00
PAYMENTS/INVOICE ADJUSTMENTS		0.00
OTHER ACCOUNT ADJUSTMENTS		0.00
BALANCE FROM PRIOR PERIODS	Use Premium of active subscriber this period plus/minus retroactive adjustment to calculate premium total	650.00
PREMIUM FOR THIS PERIOD		500.00
PREMIUMS FOR ACTIVE SUBSCRIBERS THIS PERIOD		500.00
DAILY PRORATION ADJUSTMENTS		0.00
RETROACTIVE ADJUSTMENTS		500.00
*** TOTAL AMOUNT DUE ***		1,650.00

Please make your check payable to Optima Health and send your payment in before the end of the month. Please ignore any beginning balance due while the stimulus package is in effect (March 1, 2009 – December 31, 2009).

If you have any questions about your monthly payments, please call the number on your bill and we will be glad to assist you.

Sincerely,

Herb Harvey Jr.  
Manager, Finance Account Service  
Optima Health