



Continuing your coverage

How your health account works during a work transition

If you are a Disney employee or Cast Member and your Company coverage ends, you and your covered dependents may be eligible to continue medical, dental, vision and Health Care Flexible Spending Account (HCFSAs) coverage through the Consolidated Omnibus Budget Reconciliation Act (COBRA). If you are experiencing a qualifying event for COBRA, such as termination or reduction of hours, becoming familiar with how your health account works during this transitional period is important. The following includes detailed health account information related to COBRA.

Health savings account (HSA)

If you are terminated or discontinue your employment from Disney, your HSA will remain active and health account funds accessible. The account is yours to keep, and you can continue to carry over unused funds from year to year. You can contribute directly to your HSA account through Optum Financial but cannot participate through COBRA.

Health care FSA (HCFSAs)

If you are terminated or leave Disney before the end of a calendar year, and do not elect to continue participating in your HCFSAs through COBRA, only those qualified expenses incurred in the current calendar year through your last day worked are eligible for reimbursement and must be submitted by June 30 of the following calendar year.

You may extend coverage by participating in the HCFSAs through COBRA, and will then make after-tax contributions to the HCFSAs along with any other payments for COBRA coverage. You will be direct billed for this coverage by the Disney Benefits Center. You can then continue submitting qualified health care expenses that you have incurred at any time during the current calendar year, up through December 31.

Dependent care FSA (DCFSA)

If you are terminated or leave Disney before the end of a calendar year, you cannot continue participation in the DCFSA through COBRA; however, you may continue to incur eligible day care expenses through the end of the calendar year to submit for reimbursement for any remaining DCFSA balance. The claims must be submitted by June 30 of the following calendar year.

Health reimbursement account (HRA)

If you leave the Company, you will have access to your HRA account through the end of the calendar year to submit any eligible health care expenses for reimbursement. Any balance remaining in your HRA at the end of the year will be forfeited.

If you enroll in medical coverage through COBRA, the balance in your HRA will continue to roll over each year as long as you continue to pay for your COBRA coverage. You will then have access to your HRA for reimbursement of eligible expenses until your COBRA coverage ends.

Example: Alex is terminated from Disney on November 15, 2022, and elects to continue their medical coverage (which is associated with their HRA) under COBRA. Alex pays for 18 months of COBRA medical coverage through May 2024. Their account balance is \$200 on December 31, 2022.

- Alex may use the balance in the HRA to cover eligible expenses incurred through May 2024.
- The account will continue to cover eligible medical, prescription drug, dental/orthodontia and vision expenses.
- Alex must submit any 2022 claims by the 2022 claims deadline June 30, 2023.
- If there are no 2022 claims submitted, the \$200 balance will roll over to 2023. The same process will apply in 2024.
- Alex may continue to use the balance through May 2024, until their COBRA coverage ends. Any funds remaining in the account after that date are forfeited.
- Alex must submit any 2024 claims by the 2024 claim filing deadline of June 30, 2025.

Card use while on COBRA

If your employment is terminated from Disney and you have elected COBRA coverage, your health account card access depends on the account type you have:

- If you have an HCFSAs or HRA, your Optum Financial payment card access continues until the end of the calendar year, at which time it will be disabled. However, you cannot submit claims for reimbursement online or through the mobile app. Instead, you will receive a message indicating that you need to download a claim form and submit a paper copy to file for reimbursement for expenses.
- If you have an HSA, because your account belongs to you and remains active, your Optum Financial payment card will not be disabled if your employment is terminated from Disney. You can still use your card as long as your HSA is active.

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Health savings accounts (HSAs) are individual accounts offered through Optum Bank[®], Member FDIC. HSAs are subject to eligibility requirements and restrictions on deposits and withdrawals to avoid IRS penalties. State taxes may apply. Fees may reduce earnings on account.

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