



# Carpenters Southwest Administrative Corporation

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[www.carpenterssw.org](http://www.carpenterssw.org)

## PARTICIPANT NOTICE ABOUT IMPORTANT PLAN CHANGES

May 2020

**To: All Active and COBRA Participants of the Southwest Carpenters Health & Welfare and Vacation Trust Plans**

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This Participant Notice will advise you of certain material modifications that will be made to the Plan. **This information is VERY IMPORTANT to you and your dependents.** Please take the time to read it carefully.

### **Suspension of Deadlines During Coronavirus Outbreak Period**

This notice explains how new emergency federal rules suspend the Health and Welfare Plan's deadlines for plan participants, beneficiaries, qualified beneficiaries, and claimants to take certain actions.<sup>1</sup> The changes are temporary - they only apply retroactively from March 1 until sixty (60) days following the end of the "National Emergency" that was declared by President Trump on March 13, 2020.

The period from March 1, 2020 until sixty (60) days after the announced end of the National Emergency is referred to as the "Outbreak Period." The normal deadlines to enroll during a special enrollment period, to file claims and appeals, and make COBRA elections and pay COBRA premiums are suspended during the Outbreak Period and will not start to run again until after the Outbreak Period ends.

**Special Enrollment Timeframes (Applies to Health & Welfare Plan Only)** – The usual 30-day deadline to request enrollment in this Trust Fund following a special enrollment event (i.e., marriage, birth, adoption or placement for adoption of a child, or loss of other health coverage) is suspended during the Outbreak Period.

*Example 1:* If a plan participant is married or has a new child on March 1, 2020, the participant will have until 60 days after the end of the National Emergency to submit a request for special enrollment of the new spouse or child. If the National Emergency ends on June 1, 2020, the Outbreak Period will end on July 31, 2020 (the 60<sup>th</sup> day following the end of the National Emergency). The request to add the new child or spouse will be deemed timely if it is filed with the Administrative Office by July 31, 2020. In this example, if a timely request is made by July 31, 2020, the new dependent child will be eligible from the date of birth or adoption (March 1). In the

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<sup>1</sup> This communication reflects our current understanding of the [Joint IRS/DOL Rule](#) published on May 4, 2020 in the Federal Register.

case of a new spouse, coverage begins the first day of the calendar month following the marriage (April 1).

*Example 2:* A plan participant who initially declined coverage through this Trust Fund because he or she had health coverage through a spouse's plan, loses eligibility to participate in his or her spouse's plan effective March 31, 2020. If the National Emergency ends on June 1, 2020, the Outbreak Period will end on July 31, 2020 (the 60<sup>th</sup> day following the end of the National Emergency). The deadline for the plan participant to request enrollment through this Trust is August 30, 2020 (30 days after the end of the Outbreak Period).

### **Benefit Claims and Appeals (Applies to both the Health & Welfare and the Vacation Trust Plan)**

The deadline to submit claims is suspended during the Outbreak Period and will not restart until after the Outbreak Period ends. The deadline to appeal a denied claim varies by Plan and type of claim; however, the written notice of claim denial should include the specific deadline that is being extended per this Notice.

*Example 1:* If a claim was incurred on March 1, 2020 and the National Emergency is declared over on June 1, 2020, the Outbreak Period will end on July 31, 2020. In that case, the deadline to file the claim will be October 29, 2020 (the 90<sup>th</sup> day after July 31, 2020).

Likewise, the 180-day deadline to file an appeal from a denied claim is suspended during the Outbreak Period and will not restart until after the Outbreak Period ends.

*Example 2:* If the notice of denial is received on March 1, 2020, the deadline to file an appeal is 180 days after the end of the Outbreak Period. If the Outbreak Period will end on July 31, 2020, the deadline to file an appeal will be January 27, 2021 (the 180<sup>th</sup> day after July 31, 2020).

*Example 3:* If the denial was received on February 1, 2020, then 29 days in February is subtracted from the 180-day timeframe to file an appeal. However, the Outbreak Period does not diminish the remaining 151 days to file an appeal. The remaining 151 days won't start to run after July 31, 2020. Thus, the deadline to file an appeal will be December 29, 2020 (151 days after July 31, 2020).

### **COBRA notice, election and payment deadlines (Applies to Health & Welfare Plan Only)**

The deadlines for electing COBRA coverage, paying COBRA premiums, and for notifying the health plan of a Qualifying Event that is a divorce, separation, loss of dependent status or a disability, are suspended during the Outbreak Period and will not restart until after the Outbreak Period ends.

*Example:* If a plan participant has a COBRA qualifying event (a reduction of hours or a termination) and wishes to elect COBRA coverage, the normal 60-day election period is not diminished by the Outbreak Period. For example, if coverage is lost on March 1, 2020 due to a qualifying event and the COBRA election notice is sent on March 1, 2020 and the Outbreak Period ends on July 31, 2020, the deadline to elect COBRA will be September 29, 2020 (the 60<sup>th</sup> day after July 31, 2020).

The deadline to pay the initial COBRA premium will occur 45 days after COBRA is elected. If the employee elects COBRA on September 29, 2020, the initial COBRA premium is due on November 13, 2020 (45 days after September 29, 2020). The initial COBRA premium due would be from March 1, 2020 through the month of November 2020.

Until the employee elects and pays for coverage, the administrative office will inform health care providers that the employee does not currently have coverage but will have coverage retroactively if he/she elects COBRA coverage and makes timely payment of COBRA premiums covering the

months of service. Thus, in the example above, if the employee elects COBRA by September 29, 2020 he/she will be eligible as of March 1, 2020 as long as he/she pays COBRA premiums for the months of March through November by November 13, 2020. If the employee only pays COBRA premiums for two months, then the Plan would not be obligated to pay for services rendered after April 2020.

**Changes in the Schedule of Medical Benefits for the Anthem PPO  
Medical Plan (Chapter 5 of the Southwest Carpenters Health &  
Welfare Trust Summary Plan Description)**

**Marriage or Family Counseling**

Marriage or Family Counseling will be covered under Behavioral Health Services up to a maximum of 12 sessions per plan participant, per year.

**Spinal Manipulation**

Spinal Manipulation Services performed by a licensed Chiropractor will have a separate visit limit (24 visits/year); whereas, these same services performed by an MD or Doctor of Osteopathy (DO) will have a separate visit limit (20 visits/year).

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If you have any questions concerning the information in this announcement, please direct them to the Administrative Office at 213-386-8590 or 800-293-1370, where the staff will be happy to assist you. You may also visit the Trust's website at [www.carpenterssw.org](http://www.carpenterssw.org). Please remember to keep these plan change notices in the back pocket of your Summary Plan Description.

Sincerely,

THE BOARD OF TRUSTEES

***Aviso a los participantes que hablan español:*** Si tiene alguna pregunta tocante este aviso, o requiere alguna otra información tocante a su cobertura de salud, por favor de comunicarse con la oficina administrativa al (213) 386-8590 o (800) 293-1370, donde habrá varios representantes bilingües que le ayudarán.

**Receipt of this notice does not constitute a determination of your eligibility. If you wish to verify eligibility, or if you have any questions regarding this Plan change, please contact the Administrative Office.**

*In accordance with ERISA reporting requirements, this document serves as your Summary of Material Modifications to the Plan and we are advising you of these Plan changes within 60 days of the adoption of those changes.*