



**CARPENTERS
SOUTHWEST
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CORPORATION**

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Please read this notice carefully as certain deadlines affecting COBRA continuation coverage have been extended during the coronavirus national emergency. You and your family members may have a new or extended opportunity to elect and pay for COBRA coverage.

****Southwest Carpenters Health and Welfare Trust**
EXTENSION OF COBRA DEADLINES DURING CORONAVIRUS
OUTBREAK PERIOD
May 2020**

Notice to Participants and Family Members Who Have Not Elected COBRA Continuation Coverage or Missed Payments for COBRA Coverage

If you or your family members do not have COBRA coverage because a COBRA election, or payment, was required on or after March 1, 2020, but COBRA was not elected or timely payment was not made, you and your family members may have a new opportunity to elect and pay for COBRA coverage under the extension described in this notice.

If you are eligible for an extension of the deadlines to elect COBRA or make COBRA payments, COBRA continuation coverage will ONLY be provided if a proper COBRA election is sent to the Administrative Office and required COBRA payments are made by the newly extended deadline. (See below for details.)

On May 4, 2020, the federal government adopted an emergency Extension Rule that extends certain COBRA deadlines during the coronavirus "Outbreak Period." The Outbreak Period began on March 1, 2020 and unless changed by a further notice from the federal government, it will end 60 days following the announced end of the National Emergency concerning the Novel Coronavirus, or February 28, 2021 – whichever comes first.

The Extension Rule requires that any time that passes during the Outbreak Period does not count against the ordinary deadlines for electing COBRA coverage, for payment of COBRA premiums, or for notifying the health plan of a COBRA Qualifying Event (specifically, notice of a divorce, separation, loss of dependent status, or a disability that can extend COBRA coverage). Thus, for any COBRA deadline described in this notice falling between March 1, 2020 and the end of the Outbreak Period, that deadline is extended to the end of the Outbreak Period plus the number of days of the deadline that passed during the Outbreak Period.

If you or a family member have made a proper COBRA election and COBRA payment during the additional time allowed by the Extension Rule, but payment is not made for all months

of COBRA eligibility by the end of the extension period, coverage will only be provided for the earliest months for which premiums have been paid. The Extension Rule does not provide any additional months of COBRA eligibility. (For example, if you are eligible for a maximum of 18 months of COBRA continuation coverage, that will not change even if the Extension Rule allows you to make some payments for COBRA continuation coverage after that 18-month period).

Examples:

1. Terry lost coverage on December 31, 2019 and received a COBRA election notice on January 20, 2020. Terry did not elect COBRA coverage by March 20, 2020, (the 60-day deadline under the normal COBRA election rules). The 20-day portion of Terry's COBRA election window that falls within the Outbreak Period (March 1-March 20) is not counted. Terry's expired COBRA election period is reinstated and will now end 20 days after the end of the Outbreak Period.
2. John loses coverage due to a reduction of hours and received a COBRA election notice on April 1, 2020. John's COBRA election period would normally end on May 31, 2020, but will now end 60 days after the end of the Outbreak Period.
3. Susan was receiving COBRA coverage through March 2020 and is eligible to continue receiving COBRA coverage through December 2020 (the end of her maximum COBRA period). COBRA premium payments for each month are due on the first of the month, plus a 30-day grace period. Susan made a timely March 2020 COBRA premium payment, but has not made any payments since then. As of August 1, 2020, Susan has made no premium payments for April, May, June or July. For purposes of this example, assume that the Outbreak Period ends on July 31, 2020. With the 30-day grace period for COBRA payments added after the end of the Outbreak Period, Susan's premium payments for those four months (April through July) are all due by August 30, 2020.
 - a) The health plan will not pay for any benefits and services retroactively for April through July unless Susan pays the COBRA premium by August 30, 2020.
 - b) If Susan only submits payment equivalent to two months' COBRA premiums by August 30, 2020, benefits and services provided in April and May 2020 would be covered, but COBRA eligibility will end May 31, 2020, and she will have no coverage for benefits or services provided after May 31, 2020.
 - c) In this example, any COBRA premium payments due August 1, 2020 and later are not extended because they fall outside the Outbreak period, but Susan will have the ordinary grace period of 30 days from the due date to make any such payments.

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.

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.