



Iron Workers District Council of Western New York and Vicinity

Welfare, Pension, Annuity & Supplemental Benefit Funds

LOCAL UNIONS
9-NIAGARA FALLS
12-ALBANY
33-ROCHESTER
60-SYRACUSE
440-UTICA

Phone: 585-424-3510
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Laurie Good
Administrative Manager

3445 Winton Place • Suite 238
Rochester, NY 14623-2950

Initial Notification of COBRA Continuation Coverage

Dear Member, Spouse, and Dependents:

This Notice contains important information about your right to continue your health care coverage in the Iron Workers of Western New York and Vicinity District Council Welfare Fund (the Plan), as well as other health coverage alternatives that may be available to you through the Health Insurance Marketplace. This Notice explains COBRA continuation coverage, when it may become available to you and your family, and what you need to do to protect your right to get it. When you become eligible for COBRA, you may also become eligible for other coverage options that may cost less than COBRA continuation coverage. Please read the information contained in this Notice very carefully.

The Iron Workers District Council of Western New York and Vicinity Welfare Fund offers employees, spouses, and dependents the opportunity to obtain a temporary extension of the health care coverage which the Fund provides (called "continuation coverage") at group rates. This extension is available only under the circumstances described in this letter. This Notice is designed to advise you of your rights and to describe how the continuation coverage procedure works. You, your spouse, and your dependents should take the time to read this Notice carefully. For additional information about your rights and obligations under the Plan and under the COBRA continuation coverage provisions of the law, you can review the Plan's Summary Plan Description or contact the Administrative Manager.

You may have other options available to you when you lose group health coverage. For example, you may be eligible to buy an individual plan through the Health Insurance Marketplace. By enrolling in coverage through the Marketplace, you may qualify for lower costs on your monthly premiums and lower out-of-pocket costs. Additionally, you may qualify for a 30-day special enrollment period for another group health plan for which you are eligible (such as a spouse's plan), even if that plan generally doesn't accept late enrollees.

WHEN YOU QUALIFY

Under the rules governing continuation coverage, different classes of individuals qualify for coverage at different times. Even members of the same family may qualify at different times.

COVERED EMPLOYEE

If you are an employee covered by the Fund, you have a right to choose this continuation coverage if you lose your group health coverage because of the voluntary or involuntary termination of your employment (for reasons other than gross misconduct on your part), including retirement. In addition, you have the right to choose this coverage if you lose your group health coverage due to a reduction in your hours worked or if you lose coverage because of a strike, walkout, or layoff.

COVERED SPOUSE

If you are the spouse of a covered employee, you have the right to choose continuation coverage for yourself if you lose group health coverage for any of the following reasons:

- (1) The death of your spouse;
- (2) The voluntary or involuntary termination of your spouse's employment (for reasons other than gross misconduct);
- (3) A reduction in the hours worked by your spouse, including a reduction due to a strike, walkout, or layoff;
- (4) Divorce or judicial order of legal separation from your spouse; or
- (5) Your spouse enrolls in Part A or Part B of Medicare.

COVERED DEPENDENT CHILD

In the case of a dependent child of a covered employee, he or she has the right to continuation coverage if group health coverage under the Fund is lost for any of the following reasons:

- (1) The death of the parent covered as an employee;
- (2) The voluntary or involuntary termination of that parent's employment (for reasons other than gross misconduct) including retirement;
- (3) A reduction in the hours worked by that parent, including a reduction due to a strike, walkout, or layoff;
- (4) That parent's divorce or judicial order of legal separation;
- (5) That parent enrolls in Medicare (Part A or Part B); or
- (6) The child ceases to be a "dependent child" as defined under this Plan.

If a covered employee has a newborn child or a child is placed for adoption while receiving continuation coverage, that child is also eligible for continuation coverage. In such a case, the child's coverage period will be determined according to the date of the qualifying event, which gave rise to the covered employee's COBRA coverage.

NOTIFICATION TO FUND OFFICE OF QUALIFYING EVENT

The employee, spouse, or dependent child has the responsibility to inform the Administrative Manager using the Fund's "Participant's Notice to Administrative Manager" form, which is attached to this General Notice of a divorce, judicial order of legal separation, a child's loss of dependent status or the birth or adoption of a child or a determination by the Social Security Administration that a qualified beneficiary is disabled within 60 days of the event or the date coverage would be lost because of the event,

whichever is later. Failure to give notice to the Fund Office within the time limits may result in COBRA coverage being forfeited.

In addition to giving Notice of certain qualifying events, you have the responsibility to inform the Fund in the event that the Social Security Administration has determined you or one of your qualified beneficiaries to no longer be disabled. This notification must be made within thirty (30) days of the date of the final determination by the Social Security Administration that the qualified beneficiary is no longer disabled.

ELECTION OF CONTINUATION COVERAGE

When the Administrative Manager is notified that one of these qualifying events has happened and once your other coverage has terminated, the Administrative Manager will notify each eligible individual whether he or she has the right to choose continuation coverage. The employee, spouse, and dependent children each have independent election rights. Covered employees may elect COBRA continuation coverage on behalf of their spouses, and parents may elect COBRA continuation coverage on behalf of their children. Each individual will have 60 days from the date on which he or she would lose coverage because of one of the events described above or the date on which he or she is advised of the right to elect continuation coverage, whichever date is later, to inform the Fund Office that he or she wants continuation coverage. An eligible individual will have 45 days after making the election to make the first premium payment.

If you do not choose continuation coverage, your group health insurance coverage will end. You will not have another opportunity to elect continuation coverage. However, you may change your election within the 60-day period described above as long as the completed COBRA Election Form, if mailed, is postmarked no later than the due date. If the election is hand-delivered, the date of delivery must be on or before the due date. If you change your mind after first rejecting COBRA continuation coverage, your COBRA continuation coverage will begin on the date the completed election form is received by the Administrative Manager.

If you choose continuation coverage, the Fund will give you the option to elect coverage, which is, as of the time coverage is being provided, in most respects, the same coverage you were receiving before qualifying for this continuation coverage. You will not, however, be covered for death, disability, accidental death and dismemberment benefits, or other non-health benefits.

You do not have to show that you are insurable to choose continuation coverage.

CONSEQUENCES OF FAILING TO ELECT OR WAIVING COBRA CONTINUATION COVERAGE

In considering whether to elect continuation coverage, you should take into account that you have special enrollment rights under federal law. You have the right to request special enrollment in another group health plan for which you are otherwise eligible (such as a plan sponsored by your spouse's employer) within 30 days after your group health coverage ends because of the qualifying event listed above. You will also have the same special enrollment right at the end of continuation coverage if you get continuation coverage for the maximum time available to you.

PREMIUMS

You will be required to pay a monthly premium determined by the Fund for your coverage. The premium can change annually.

DURATION OF COBRA COVERAGE

You would be afforded the opportunity to maintain continuation coverage for three years unless you lost group health coverage because of a voluntary or involuntary termination of employment or reduction of hours. In that case, the continuation coverage period is 18 months. However, if within that 18 month period, another event occurs that would entitle you to continuation coverage for the full three years (such as a death or divorce), you can maintain your coverage for the full three years.

If your loss of other coverage is due to a disability that prevents you from working or if you become disabled during the first 60 days of continuation coverage and you receive a determination of disability from Social Security recognizing your disability, you and your dependents will be entitled to receive a total of 29 months of continuation coverage. If any of your dependents receive a determination of disability from the Social Security Administration during the first 60 days of continuation coverage, your dependent may also be entitled to a total of 29 months of coverage. You must, however, notify the Administrative Manager of this determination and of any subsequent determination that you or your dependent is no longer disabled. The monthly premium for the final 11 months of this coverage will be approximately 1-1/2 times the monthly premium for the first 18 months.

TERMINATION OF COBRA COVERAGE

Your continuation coverage may be cut short for any of the following reasons:

- (1) The employer no longer provides group health coverage;
- (2) The premium for your continuation coverage is not paid;
- (3) You become covered under any other group health plan (other than one sponsored by the employer);
- (4) You enroll in Medicare (Part A or Part B); or
- (5) Your circumstances are such that your participation could be canceled if you were an active employee.

If any of these events occur, the Fund Office will send you a Notice of Termination of Coverage, explaining the reason the COBRA coverage terminated early, the date coverage terminated, and any rights the employee, spouse, or dependent child may have under the Plan to elect alternate coverage.

Are there other coverage options besides COBRA Continuation Coverage?

Yes. Instead of enrolling in COBRA continuation coverage, there may be other coverage options for you and your family through the Health Insurance Marketplace, Medicaid, or other group health plan coverage options (such as a spouse's plan) through what is called a "special enrollment period." Some of these options may cost less than COBRA continuation coverage. You can learn more about many of these options at www.healthcare.gov.

RESPONSIBILITY TO KEEP PLAN INFORMED OF ADDRESS CHANGES

To protect your rights, if you have changed marital status, or you or your spouse have changed address, please notify the Administrative Manager. In order to protect your family's rights, you should also keep the Administrative Manager informed of any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Administrative Manager.

FOR MORE INFORMATION

If you have any questions, please contact the Fund Office at the following address and telephone number:

Iron Workers District Council of Western New York and Vicinity Welfare Fund
Attn: Laurie Good, Administrative Manager
3445 Winton Place, Suite 238
Rochester, NY 14623-2950
Telephone: (585) 424-3510

This Notice does not fully describe the COBRA rights available under the Plan. More information about continuation coverage and your rights under the Plan are available in your Summary Plan Description or from the Administrative Manager.

For more information about your rights under ERISA, including COBRA, the Patient Protection and Affordable Care Act, the Health Insurance Portability and Accountability Act (HIPAA) and other laws affecting group health plans, visit the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) website at www.dol.gov/ebsa or call their toll-free number at 1-866-444-3272. For more information about health insurance options available through a Health Insurance Marketplace, visit www.healthcare.gov.

Sincerely,

Laurie Good, Administrative Manager

(Reviewed: October 2014)
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