

To All Active and Retired Members and Spouses:

GENERAL NOTICE
****CONTINUATION COVERAGE RIGHTS UNDER COBRA****

Introduction

You are receiving this notice because you are covered under the Connecticut Carpenters Health Plan (the Plan). This notice contains important information about your right to COBRA continuation coverage, which is a temporary extension of coverage, on a "self-pay" basis, under the Plan. **This notice generally explains COBRA continuation coverage, when it may become available to you and your family, and what you need to do to protect the right to receive it.**

The right to COBRA continuation coverage was created by a federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). COBRA continuation coverage can become available to you and to other members of your family who are covered under the Plan when you would otherwise lose your group health coverage. This notice gives you only a summary of your COBRA continuation coverage rights. For more information about your rights and obligations under the Plan and under federal law, you should review the Plan's Summary Plan Description or contact the Plan Administrator.

The Plan Administrator is: Board of Trustees, Connecticut Carpenters Health Fund, 10 Broadway, Hamden, CT 06518, (800) 922-6026. The Plan Administrator is responsible for administering COBRA continuation coverage. The point of contact for the Plan Administrator is Ms. Deborah L. Palmieri, Health Fund Administrator, and she can be reached at the address and phone number noted in this paragraph.

What is COBRA Continuation Coverage?

COBRA continuation coverage is a continuation of Plan coverage on a self-pay basis when coverage would otherwise end because of a life event known as a "qualifying event." There may be instances that would cause you to lose coverage which are not "qualifying events", such as if your employer fails to pay required contributions on you or if the Plan is changed to terminate your coverage. In that case, you would not be entitled to COBRA continuation coverage. Specific qualifying events are listed later in this notice. After a qualifying event, COBRA continuation coverage must be offered to each person who is a "qualified beneficiary." A qualified beneficiary is someone who will lose coverage under the Plan because of a qualifying event. Depending on the type of qualifying event, Members, Spouses of Members, and Eligible Dependent children of Members may be qualified beneficiaries. Under the Plan, qualified beneficiaries who elect COBRA continuation coverage must pay for COBRA continuation coverage.

If you are a Member, you will become a qualified beneficiary if you lose coverage under the Plan because either one of the following qualifying events happens:

- (1) A reduction in your hours of employment; or
- (2) Termination of your employment.

If you are the Spouse of a Member, you will become a qualified beneficiary if you lose your coverage under the Plan because any of the following qualifying events happen:

- (1) Your Spouse dies;
- (2) Your Spouse's hours of employment are reduced;
- (3) Your Spouse's employment terminates for any reason (including retirement);
- (4) You become divorced or legally separated from your Spouse.

Your Eligible Dependent children will become qualified beneficiaries if they lose coverage under the Plan because any of the following qualifying events happen:

- (1) The Member-parent dies;
- (2) The Member-parent's hours of employment are reduced;
- (3) The Member-parent's employment terminates for any reason (including retirement);
- (4) The parents become divorced or legally separated; or
- (5) The child ceases to be eligible for coverage under the plan as an "Eligible Dependent."

When is COBRA Coverage Available?

The Plan will offer COBRA continuation coverage to qualified beneficiaries only after the Plan Administrator has notice that a qualifying event has occurred. Based on information it receives, the Plan Administrator can determine when the qualifying event is a reduction of hours of employment or a termination of employment. In other cases, such as death, divorce, legal separation, and loss of dependent status, the Fund relies on information it receives from other sources, such as the Member or his family, the Local Union, or Contributing Employers. Therefore, it is in the best interest of you or your family members to keep the Plan Administrator informed of any qualifying events.

You Must Give Notice of Some Qualifying Events

For the other qualifying events (divorce or legal separation of the Member and Spouse, a child's ceasing to qualify as an Eligible Dependent, or death of the Member), **you must notify the Plan Administrator.** If notice is not provided on a timely basis, the Plan will not offer COBRA continuation coverage due to divorce/legal separation, loss of child's dependent status, or death.

How Should Notice Be Provided?

In order to provide the Fund notice, you must complete and sign the Fund's "Member/Qualified Beneficiary – Notice of Qualifying Event" form. No other form of notice will be accepted by the Fund. To obtain a copy of the form, or if you have any questions about how to fill out the form, please contact the Plan or download the form from the Plan's website. (See Contact Information at the end of this notice.) Send the completed form to the Plan at the address shown in the Contact Information.

When Should Notice Be Sent?

If you are providing notice due to a divorce or legal separation, a dependent losing eligibility for coverage, death, or a second qualifying event, you must send the Notice form no later than 60 days after the later of: (1) the date of the qualifying event, or (2) the date upon which coverage would be lost under the Plan as a result of the qualifying event.

If you are providing notice of a Social Security Administration determination of disability, the Notice form must be sent within the first 18 months of continuation coverage and no later than 60 days after the later of: (1) the date of the disability determination by the Social Security Administration; (2) the date of the qualifying event; or (3) the date on which the qualified beneficiary would lose coverage under the Plan due to the qualifying event.

If you are providing notice of a Social Security Administration determination that an individual is no longer disabled, the Notice form must be sent no later than 30 days after the date of the determination by the Social Security Administration.

The time periods to provide these Notices will not begin to run until you have been informed of the responsibility to provide these Notices and of these notice procedures through the furnishing of a summary plan description or a general (initial) notice by the Plan. This letter satisfies that requirement.

Who Can Provide a Notice?

Notice may be provided by the Member, a qualified beneficiary with respect to the qualifying event, or any representative acting on behalf of the Member or qualified beneficiary. Notice from one individual will satisfy the notice requirement for all related qualified beneficiaries affected by the same qualifying event. For example, if a Member, his Spouse and his Eligible Dependent children are all covered by the Plan, and the Member dies, a single notice sent by the Spouse would satisfy this requirement.

How is COBRA Coverage Provided?

Once the Plan Administrator receives timely notice that a qualifying event has occurred, COBRA continuation coverage will be offered to each of the qualified beneficiaries. Each qualified beneficiary will have an independent right to elect COBRA continuation coverage. Covered employees may elect COBRA continuation coverage on behalf of their Spouses, and parents may elect COBRA continuation coverage on behalf of their children.

How Long Will COBRA Coverage Continue?

COBRA continuation coverage is a temporary continuation of coverage. When the qualifying event is the death of the Member, divorce or legal separation, or a child losing status as an Eligible Dependent, COBRA continuation coverage can last for up to 36 months. There are circumstances under which COBRA continuation coverage can end earlier, such as the failure to remit the applicable self-pay cost to the Plan Administrator on a timely basis.

When the qualifying event is the end of employment or reduction of the Member's hours of employment, COBRA continuation coverage can last for up to 18 months. There are two ways in which this 18-month period of COBRA continuation coverage can be extended.

- Disability extension of 18-month period of continuation coverage

If you or anyone in your family covered under the Plan is determined by the Social Security Administration to be disabled at any time during the first 60 days of COBRA continuation coverage and you notify the Plan Administrator in a timely fashion, you and your entire family may receive up to an additional 11 months of COBRA continuation coverage, for a total maximum of 29 months. The disability would have to have started at some time before the 60th day of COBRA continuation coverage and must last at least until the end of the 18-month period of continuation coverage. You must make sure that the Plan Administrator is notified of the Social Security Administration's determination within 60 days of the date of such determination and before the end of the 18-month period of COBRA continuation coverage. For this purpose, you should use the Member/Qualified Beneficiary Notice of Qualifying Event Form, available by calling the Plan or downloading the Form from the Plan's website. This notice should be sent to: Ms. Deborah L. Palmieri, Health Fund Administrator, Connecticut Carpenters Health Fund, 10 Broadway, Hamden, CT 06518.

- Second qualifying event extension of 18-month period of continuation coverage

If your family experiences another qualifying event while receiving 18 months of COBRA continuation coverage, the Spouse and Eligible Dependent children in your family may qualify for additional months of COBRA continuation coverage, up to a maximum of 36 months from the original date when coverage was lost, if notice of the second qualifying event is properly given to the Plan. This extension is available to the Spouse and Eligible Dependent children receiving continuation coverage if the former Member dies, or the Member and Spouse get divorced or legally separated. The extension is also available to an Eligible Dependent child when that child stops being eligible under the Plan as an Eligible Dependent. The extension is available only if the second qualifying event would have caused the Spouse or Eligible Dependent children to lose coverage

under the Plan had the first qualifying event not occurred. In all of these cases, you must make sure that the Plan Administrator is notified of the second qualifying event within 60 days of the second qualifying event. For this purpose, you should use the Member/Qualified Beneficiary Notice of Qualifying Event Form, available by calling the Plan or downloading the Form from the Plan's website. This notice must be sent to: Ms. Deborah L. Palmieri, Health Fund Administrator, Connecticut Carpenters Health Fund, 10 Broadway, Hamden, CT 06518.

If You Have Questions

If you have questions about your Plan or your COBRA continuation coverage, you should use the Plan Contact Information identified later. For more information about your rights under ERISA, including COBRA, the Health Insurance Portability and Accountability Act (HIPAA), and other laws affecting group health plans, contact the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) in your area or visit the EBSA website at www.dol.gov/ebsa. Addresses and phone numbers of Regional and District EBSA Offices are also available through EBSA's website.

Keep the Plan Informed of Address Changes

In order to protect your family's rights, you should keep the Plan Administrator 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 Plan Administrator.

Plan Contact Information

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Health Fund Administrator
Connecticut Carpenters Health Fund
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