

**CONNECTICUT CARPENTERS HEALTH FUND
COBRA CONTINUATION COVERAGE ELECTION NOTICE**

DATE

Dear _____:

This notice contains important information about your right to continue your health care coverage in the Connecticut Carpenters Health Fund (the Plan), as well as other health coverage options that may be available to you, including coverage through the federal Health Insurance Marketplace (www.HealthCare.gov or call 1-800-318-2596) or Connecticut's Marketplace, known as Access Health CT (www.accesshealthct.com or call 1-855-805-HEAL/1-855-805-4325). This notice applies to everyone in the family who is covered by the Plan. You may be able to get coverage through either the Health Insurance Marketplace or Connecticut's Marketplace that costs less than COBRA continuation coverage. Please read the information contained in this notice very carefully before you make your decision.

To elect COBRA continuation coverage, follow the instructions on the next page to complete the enclosed Election Form and submit it to us.

If you do not elect COBRA continuation coverage, your coverage under the Plan ended on _____ due to:

- End of employment
- Reduction in hours of employment
- Death of Member
- Divorce or legal separation
- Loss of Eligible Dependent child status

Each person ("qualified beneficiary") in the category(ies) checked below has an independent right to elect COBRA continuation coverage, which will continue group health care coverage under the Plan for up to **36 months**:

- Member or former Member
- Member's Spouse
- Former Spouse losing coverage due to divorce
- Dependent child(ren) covered under the Plan on the day before the event that caused the loss of coverage
- Child who is losing coverage under the Plan because s/he is no longer an Eligible Dependent under the Plan

If elected, COBRA continuation coverage will begin on _____ and may last until _____. There is only one plan of benefits available, which includes medical, dental, prescription drug, vision, and member-assistance benefits. It does not include life insurance, accidental death and dismemberment, or weekly disability income.

COBRA continuation coverage cost is **\$1,265.00** per month no matter how many eligible family members choose to continue coverage. That cost may be changed once a year. You do not have to send any payment with the Election Form. Important additional information about payment for COBRA continuation coverage and other health coverage alternatives is included in the pages following the Election Form.

Whether or not you elect COBRA continuation coverage, each person in the category(ies) checked above may have an independent right to convert up to \$10,000 of any life insurance the Health Fund provides through its group policy with Aetna to an individual policy. The deadline for this conversion is very short – 45 days after loss of

coverage for active members and 31 days after loss of coverage for retirees. Please call Aetna at 1-800-523-5065 to find out the rates and how to apply. If you need assistance with life insurance conversion, call the Fund Office.

If you have any questions about this notice or your rights to COBRA continuation coverage, you should contact Ms. Deborah L. Palmieri, Health Fund Administrator, Connecticut Carpenters Health Fund, 10 Broadway, Hamden, CT 06518, (800) 922-6026 (toll-free).

CONNECTICUT CARPENTERS HEALTH FUND
COBRA CONTINUATION COVERAGE ELECTION FORM

INSTRUCTIONS: To elect COBRA continuation coverage, you must complete this Election Form and return it to us by the _____. This Election Form must be completed and returned by mail, fax or hand-delivery. If mailed, it must be post-marked no later than the due date. Under federal law, you must have 60 days after the date we send you this Election Form to decide whether you want to elect COBRA continuation coverage under the Plan.

Remember: Each qualified beneficiary has an independent right to elect continuation coverage, the Member or the Member's spouse may elect continuation coverage on behalf of all other qualified beneficiaries with respect to the qualifying event, and a parent or legal guardian may elect continuation coverage on behalf of a minor child.

Send or deliver the completed Election Form to: Ms. Deborah L. Palmieri, Connecticut Carpenters Health Fund, 10 Broadway, Hamden, CT 06518; facsimile (203) 288-3235.

If you do not submit a completed Election Form by the due date, you will lose your right to elect COBRA continuation coverage and you will not have any coverage under the Plan after the date your active coverage ends. If you reject COBRA continuation coverage before the due date, you may change your mind as long as you furnish a completed Election Form before the due date. However, if you change your mind after first rejecting COBRA continuation coverage, your COBRA continuation coverage will begin on the date you furnish the completed Election Form to the Plan.

Read the important information about your rights and obligations included in the pages after the Election Form.

Check One:

I am the Member or the Member's Spouse and I do not wish to continue Connecticut Carpenters Health Fund coverage for me, my spouse, or our dependents.

I (We) elect COBRA continuation coverage in the Connecticut Carpenters Health Fund as indicated below:

Name	Date of Birth	Relationship to Member	SSN (or other identifier)
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a. _____

b. _____

c. _____

Signature

Date

Print Name

Relationship to individual(s) listed above

Print Address

Telephone Number

CONNECTICUT CARPENTERS HEALTH FUND
IMPORTANT INFORMATION
ABOUT YOUR COBRA CONTINUATION COVERAGE RIGHTS
AND OTHER HEALTH COVERAGE ALTERNATIVES

What is continuation coverage?

Federal law requires that most group health plans, including the Connecticut Carpenters Health Fund (the “Plan”), give Members and their families the opportunity to continue their health care coverage when there is a "qualifying event" that would result in a loss of coverage under an employer's plan. Depending on the type of qualifying event, "qualified beneficiaries" can include the Member (or retired Member) covered under the group health plan, the Member's spouse, and the Eligible Dependent children of the covered Member.

Continuation coverage or “COBRA continuation coverage” is the same core coverage that the Plan gives to other Members or beneficiaries under the Plan who are not receiving continuation coverage. Each qualified beneficiary who elects continuation coverage will have the same rights under the Plan as other Members or beneficiaries covered under the Plan, including special enrollment rights.

Are there other coverage options besides COBRA continuation coverage?

Yes. Instead of enrolling in COBRA continuation coverage, there may be other more affordable coverage options for you and your family through the federal Health Insurance Marketplace, Connecticut’s 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 through the Fund.

You should compare your other coverage options with COBRA continuation coverage and choose the coverage that is best for you. For example, if you move to other coverage you may pay more out of pocket than you would under COBRA because the new coverage may impose a new deductible.

When you lose “job-based” health coverage (due to the end of employment or a reduction in hours of employment), it’s important that you choose carefully between COBRA continuation coverage and other coverage options, because once you’ve made your choice, it can be difficult or impossible to switch to another coverage option.

If I elect COBRA continuation coverage how long will continuation coverage last?

In the case of a loss of coverage due to the end of employment or a reduction in hours of employment, coverage generally may be continued for up to a total of 18 months. In the case of losses of coverage due to a Member's death, divorce or court-ordered legal separation, or a dependent child ceasing to be an Eligible Dependent under the terms of the Plan, coverage may be continued for up to a total of 36 months. This notice shows the maximum period of continuation coverage available to the qualified beneficiaries.

Continuation coverage will be terminated before the end of the maximum period if:

- any required monthly cost is not paid in full on time,
- a qualified beneficiary becomes covered, after electing continuation coverage, under another group health plan that does not impose any pre-existing condition exclusion for a pre-existing condition of the qualified beneficiary,
- a qualified beneficiary becomes entitled to Medicare benefits (under Part A, Part B, or both) after electing continuation coverage,
- the Plan is terminated,

- the Member engages in any employment or ownership in a non-union company in the carpentry industry, or the Member, Spouse or Eligible Dependent provides any false or misleading information, or withholds any information, which causes benefits to be provided under the Plan to someone not otherwise entitled to benefits,
- in the case of extended coverage due to disability, the Social Security Administration makes a final determination that the individual is no longer disabled, or
- the Employer that employed the Member prior to the qualifying event has stopped contributing to the Fund but is making group health care coverage available through another plan.

If the Trustees amend, reduce, or terminate any part of the Plan's benefits, COBRA continuation coverage will only provide benefits still offered under the Plan.

How can you extend the length of COBRA continuation coverage beyond 18 months?

If you elect continuation coverage due to the end of employment or a reduction in hours, an extension of the 18-month maximum period of coverage may be available if a qualified beneficiary is disabled or a second qualifying event occurs. You must notify *Ms. Deborah L. Palmieri, Health Fund Administrator*, of a disability or a second qualifying event in order to extend the period of continuation coverage. You must use the Fund's "Member/Qualified Beneficiary Notice of Qualifying Event" form, available by contacting the Administrator or downloading from the Fund's website. Failure to provide timely notice of a disability or second qualifying event will eliminate the right to extend the period of continuation coverage.

Disability

An 11-month extension of coverage (after the initial 18-month period) may be available if any of the qualified beneficiaries is determined by the Social Security Administration (SSA) to be disabled. The disability has to have started at some time within the first 60 days of COBRA continuation coverage and must last at least until the end of the 18-month period of continuation coverage. You must notify the Plan within 60 days after the notice was received by a qualified beneficiary and before the end of the initial 18-month period. Each qualified beneficiary who has elected continuation coverage, and any child born to, adopted by or placed with the covered Member for legal adoption during the initial 18-month period, will be entitled to the 11-month disability extension if one of them qualifies. If the qualified beneficiary is determined by SSA to no longer be disabled, you must notify the Plan of that fact within 30 days after SSA's determination.

Second Qualifying Event

An 18-month extension of coverage will be available to spouses and dependent children who elect continuation coverage if a second qualifying event occurs during the first 18 months of continuation coverage. The maximum amount of continuation coverage available when a second qualifying event occurs is 36 months from the date of the first qualifying event. Such second qualifying events may include the death of a Member, divorce or separation from the Member, or a dependent child's ceasing to be eligible for coverage as an Eligible Dependent under the Plan. These events can be a second qualifying event only if they would have caused the qualified beneficiary to lose coverage under the Plan if the first qualifying event had not occurred. You must notify the Plan within 60 days after a second qualifying event occurs if you want to extend your continuation coverage.

For much more information about extending the length of COBRA continuation coverage, you are encouraged to visit the following website: <http://www.dol.gov/ebsa/publications/cobraemployee.html>.

How can you elect COBRA continuation coverage?

To elect continuation coverage, you must complete the Election Form and furnish it according to the directions on the Form. Each qualified beneficiary has a separate right to elect continuation coverage. For example, the Member's Spouse may elect continuation coverage even if the Member does not. Continuation coverage may be elected for only one, several, or for all dependent children who are qualified beneficiaries. A parent may elect to continue coverage on behalf of any eligible dependent children. The Member or the Member's Spouse can elect continuation coverage on behalf of all of the qualified beneficiaries.

If you elect continuation coverage and subsequently add a dependent (by marriage, birth, adoption, or placement for adoption) during your coverage period, that new dependent can also be covered for the remainder of the coverage period. Any qualified beneficiary can add a new spouse or child to his or her COBRA continuation coverage; however, the newly added family members will only have the rights of that qualified beneficiary. You must notify the Fund Office of the addition of any new dependent within 30 days of the marriage, birth, adoption, or placement for adoption.

If, while you are enrolled in continuation coverage, your Spouse or dependent loses coverage under another group health plan, you may enroll the Spouse or dependent for coverage for the balance of the period of COBRA continuation coverage, but must do so within 30 days after the termination of the other coverage.

In considering whether to elect continuation coverage, you should take into account that a failure to continue your group health coverage will affect your future rights under federal law. First, you can lose the right to avoid having pre-existing condition exclusions applied to you by other group health plans if you have more than a 63-day gap in health coverage, and election of continuation coverage may help you not have such a gap. Second, you will lose the guaranteed right to purchase individual health insurance policies that do not impose such pre-existing condition exclusions if you do not get continuation coverage for the maximum time available to you. Finally, 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 earlier. 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.

How much does COBRA continuation coverage cost?

Generally, each qualified beneficiary may be required to pay the entire cost of continuation coverage. The amount a qualified beneficiary may be required to pay may not exceed 102 percent (or, in the case of an extension of continuation coverage due to a disability, 150 percent) of the cost to the group health plan (including both employer and employee contributions) for coverage of a similarly situated Member or beneficiary who is not receiving continuation coverage. The required monthly payment for continuation coverage is described on the first page of this Election Notice. The monthly costs are generally fixed for a 12-month period, but are likely to change annually.

When and how must payment for COBRA continuation coverage be made?

First payment for continuation coverage

If you elect continuation coverage, you do not have to send any payment with the Election Form. However, you must make your first payment for continuation coverage not later than 45 days after the date of your election (this is the date the Election Notice is post-marked, if mailed) and no benefits will be paid or covered service provided until your payment is received. If you do not make your first payment for continuation coverage in full within 45 days after the date of your election, you will lose all continuation coverage rights under the Plan. You are responsible for making

sure that the amount of your first payment is correct. You may contact Ms. Deborah L. Palmieri, Health Fund Administrator, at (800) 922-6026, extension 602 (toll-free) to confirm the correct amount of your first payment.

Periodic payments for continuation coverage

After you make your first payment for continuation coverage, you will be required to make periodic payments for each subsequent coverage period. The amount due for each coverage period is shown on the first page of this Election Notice. The periodic payments can be made on a monthly basis. Under the Plan, each of these periodic payments for continuation coverage is due on the *1st day of each month* for that month. If you make a periodic payment on or before the first day of the coverage period to which it applies, your coverage under the Plan will continue for that coverage period without any break. The Plan will send periodic notices of payments due for these coverage periods, although it reserves the right to discontinue that practice in the future. If you do not receive coupons or other periodic notices we send, you still must make monthly payments on time if you wish your COBRA coverage to continue.

Grace periods for periodic payments

Although periodic payments are due on the 1st day of each month, you will be given a grace period until the last day of that month to make each periodic payment. Your continuation coverage will be provided for each coverage period as long as payment for that coverage period is made before the end of the grace period for that payment. However, if you pay a periodic payment later than the first day of the month to which it applies, but before the end of the grace period for the month, your coverage under the Plan will be suspended as of the first day of the month and then retroactively reinstated (going back to the first day of the month) when the payment is received. This means that any claim you submit for benefits while your coverage is suspended may be denied and may have to be resubmitted once your coverage is reinstated.

If you fail to make a monthly payment before the end of the grace period for that month, you will lose all rights to continuation coverage under the Plan. Remember: You cannot reinstate your COBRA continuation coverage once it is terminated.

Your first payment and all periodic payments for continuation coverage should be sent to: Health Fund Administrator, Connecticut Carpenters Health Fund, 10 Broadway, Hamden, CT 06518. Checks should be made payable to “Connecticut Carpenters Health Fund”.

What are the consequences for failing to elect COBRA continuation coverage?

If you fail to elect continuation coverage, you will not be entitled to payment or reimbursement of any medical, drug, dental, vision or member-assistance benefits. If you drop coverage, it could affect your legal rights in the future to transition into another group health plan (this is sometimes called “portability”), to have guaranteed ability to purchase individual health coverage, and to add new family members to your coverage (this is sometimes called “special enrollment”).

* * * * *

You may be able to get coverage through the federal Health Insurance Marketplace (or for Connecticut residents, Connecticut’s Marketplace) that costs less than COBRA continuation coverage. You can learn more about the Marketplace options below.

What is the Health Insurance Marketplace?

The Marketplace offers “one-stop shopping” to find and compare private health insurance options. In the Marketplace, you could be eligible for a new kind of tax credit that lowers your monthly premiums and cost-sharing reductions (amounts that lower your out-of-pocket costs for deductibles, coinsurance, and copayments) right away, and you can see what your premium, deductibles, and out-of-pocket costs will be before you make a decision to enroll. Through the Marketplace you’ll also learn if you qualify for free or low-cost coverage from [Medicaid](#) or the [Children’s Health Insurance Program \(CHIP\)](#). You can access the Marketplace for your state at [www.HealthCare.gov](#). Also, if you are a resident of Connecticut, you have the ability to utilize Connecticut’s Marketplace, which is Access Health CT. The contact information for Access Health CT is [www.accesshealthct.com](#), 1-855-805-HEAL (1-855-805-4325) / TTY: 1-855-789-2428.

Coverage through the Health Insurance Marketplace may cost less than COBRA continuation coverage. Being offered COBRA continuation coverage won’t limit your eligibility for coverage or for a tax credit through the Marketplace.

When can I enroll in Marketplace coverage?

You always have 60 days from the time you lose “job-based” health coverage to enroll in the Marketplace. That is because losing job-based health coverage is a “special enrollment” event. **After 60 days your special enrollment period will end and you may not be able to enroll, so you should take action right away.** In addition, during what is called an “open enrollment” period, anyone can enroll in Marketplace coverage.

To find out more about enrolling in the Marketplace, such as when the next open enrollment period will be and what you need to know about qualifying events and special enrollment periods, visit [www.HealthCare.gov](#). Connecticut residents can also visit [www.accesshealthct.com](#).

If I sign up for COBRA continuation coverage, can I switch to coverage in the Marketplace? What about if I choose Marketplace coverage and want to switch back to COBRA continuation coverage?

If you sign up for COBRA continuation coverage, you can switch to a Marketplace plan during a Marketplace open enrollment period. You can also end your COBRA continuation coverage early and switch to a Marketplace plan if you have another qualifying event such as marriage or birth of a child through something called a “special enrollment period.” **But be careful though** - if you terminate your COBRA continuation coverage early without another qualifying event, you’ll have to wait to enroll in Marketplace coverage until the next open enrollment period, and could end up without any health coverage in the interim.

Once you’ve exhausted your COBRA continuation coverage and the coverage expires, you’ll be eligible to enroll in Marketplace coverage through a special enrollment period, even if Marketplace open enrollment has ended.

If you sign up for Marketplace coverage instead of COBRA continuation coverage, you cannot switch to COBRA continuation coverage under any circumstances.

Can I enroll in another group health plan?

You may be eligible to enroll in coverage under another group health plan (like a spouse’s plan), if you request enrollment within 30 days of the loss of coverage.

If you or your dependent chooses to elect COBRA continuation coverage instead of enrolling in another group health plan for which you're eligible, you'll have another opportunity to enroll in the other group health plan within 30 days of losing your COBRA continuation coverage.

What factors should I consider when choosing coverage options?

When considering your options for health coverage, we suggest that you think about:

- **Premiums**: Your previous plan can charge up to 102% of total plan cost/premiums for COBRA coverage. Other options, like coverage under a spouse's plan or through the Marketplace, may be less expensive.
- **Provider Networks**: If you're currently getting care or treatment for a condition, a change in your health coverage may affect your access to a particular health care provider. You may want to check to see if your current health care providers participate in a specific network as you consider options for health coverage.
- **Drug Formularies**: If you're currently taking medication, a change in your health coverage may affect your costs for medication – and in some cases, your medication may not be covered by another plan. You may want to check to see if your current medications are listed in drug formularies for other health coverage.
- **Service Areas**: Some plans limit their benefits to specific service or coverage areas – so if you move to another area of the country, you may not be able to use your benefits. You may want to see if your plan has a service or coverage area, or other similar limitations.
- **Other Cost-Sharing**: In addition to premiums or contributions for health coverage, you probably pay copayments, deductibles, coinsurance, or other amounts as you use your benefits. You may want to check to see what the cost-sharing requirements are for other health coverage options, and whether those other options recognize any copayments, deductible, coinsurance and the like that you and any family members incurred during your most recent coverage period. For example, one option may have much lower monthly premiums, but a much higher deductible and higher copayments.
- **Severance payments**: If you lost your job and received a severance package from your former employer, your former employer may have offered to pay some or all of your COBRA payments for a period of time. In this scenario, you may want to contact the Department of Labor at 1-866-444-3272 to discuss your options.

For more information

This notice does not fully describe continuation coverage or other rights under the Plan. More information about continuation coverage and your rights under the Plan is available in your summary plan description or from the Plan Administrator.

You should send any notices described in this Notice or address any questions you may have concerning the information in this notice or your rights to coverage to: *Ms. Deborah L. Palmieri, Health Fund Administrator, Connecticut Carpenters Health Fund, 10 Broadway, Hamden, CT 06518, (800) 922-6026, ext. 602 (toll-free).*

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, contact 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 available through EBSA's website.). For more information about health insurance options available through the Health Insurance Marketplace or Connecticut's Marketplace, and to locate an assister in your area who you can talk to about the different options, visit www.HealthCare.gov or www.accesshealthct.com.

Keep Your Plan Informed of Address Changes

In order to protect your and your family's rights, you should keep the Plan Administrator informed of any changes in your address and the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Connecticut Carpenters Health Fund.