MID-AMERICA
CARPENTERS BENEFITS

Important Notice of Health Care Continuation Procedures and Other Health Care Alternatives

The Mid-America Carpenters Regional Council Health Fund (the "Plan") provides individuals who are covered under the Plan the opportunity to purchase a temporary extension of health care coverage in certain situations where coverage would otherwise end. This notice explains your continuation of coverage options, when it may become available to you and your family and what you need to do to protect your rights. **It is important for you and your spouse to read this notice carefully and become familiar with its content.** This notice is a summary of your continuation coverage options only, and not a description of the Plan or your full COBRA rights. More information on your rights and obligations under the Plan and under federal law may be found in the Plan's Summary Plan Description (SPD) at www.carpenterbenefits.org.

The federal law that requires this continuation coverage is the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA"). Health care coverage under COBRA is called "continuation coverage under COBRA." If you lose your health insurance because of one of the qualifying events listed below, you and each of your eligible dependents will be offered the opportunity for a temporary extension of health coverage. You do not have to show that you are insurable for continuation coverage under COBRA and you will have the same rights under the Plan as other participants covered under the Plan. It is offered to you at group rates, which you are required to pay, should you enroll.

Instead of continuation coverage under COBRA, there may be other less expensive coverage options for you and your family through Self-Payment of Hours, the Low Cost Medical Plan, the Health Insurance Marketplace, Medicaid, or other group health plan coverage options (such as through your spouse's plan) through what is called a "special enrollment period;" however, you must request enrollment within 30 days of the event (even if the plan generally doesn't accept late enrollees). By enrolling in coverage through the Marketplace, you may qualify for lower costs on your monthly premiums and lower out-of-pocket costs. You can learn more about many of these coverage options at www.healthcare.gov or by calling 1-800-318-2596.

Qualifying Events and Period of Coverage

A qualifying event occurs when there is a loss of eligibility for the participant or an eligible dependent due to one of the qualifying events listed below. You, or any one of your dependents ("qualified beneficiaries"), have the individual right to pay for continuation coverage for a maximum period as listed below. These maximum continuation periods will apply regardless of whether more than one qualifying event occurs.

Qualifying Event		Qualified Beneficiaries	Maximum Period of Coverage	Continuation Coverage Options Available under the Plan
A.	The participant's termination of employment or a reduction in hours worked	Participant Spouse Dependent Child	18 months	Continuation Coverage under COBRA, Low Cost Medical Plan or the Self-Pay of Hours Option
B.	The participant's death	Spouse Dependent Child	36 months	Continuation Coverage under COBRA only
C.	Divorce or legal separation from the participant	Spouse Dependent Child	36 months	Continuation Coverage under COBRA only
D.	The participant's entitlement to Medicare	Spouse Dependent Child	36 months	Continuation Coverage under COBRA only
E.	An eligible dependent child ceasing to qualify as a dependent child under the Plan	Dependent Child	36 months	Continuation Coverage under COBRA only

Extension of 18-month Period of Continuation Coverage

Disability extension of 18-month period of continuation under COBRA: If you or one of your dependents covered under the Plan is determined by Social Security to be disabled and you notify the Plan Administrator in a timely fashion, you and your entire family may be entitled to receive up to an additional 11 months of continuation coverage under COBRA, for a maximum of 29 months. The disability would have to have started at some time before the 60th day of continuation coverage under COBRA and must last at least until the end of the 18-month period of continuation coverage under COBRA. You must notify the Fund Office or the Plan Administrator within 60 days after the disability occurs and you must provide a copy of the Social Security Disability Award Letter to: Mid-America Carpenters Regional Council Health Fund, Attn: Health Benefits Department, 12 East Erie Street, Chicago, Illinois 60611.

Second qualifying event extension of 18-month period of continuation coverage: If your family experiences another qualifying event during the 18 months of continuation coverage under COBRA, your spouse and dependent children can receive up to 18 additional months of continuation coverage under COBRA, for a maximum of 36 months, if the Plan is properly notified about the second qualifying event. This extension may be available to your spouse and any dependent children receiving continuation coverage under COBRA if the employee or former employee dies; becomes entitled to Medicare benefits (under Part A, Part B, or both); becomes divorced or legally separated; or if the dependent child loses dependent status under the Plan as a dependent child. This extension is only available if the second qualifying event would have caused the spouse or dependent child to lose coverage under the Plan had the first qualifying event not occurred.

Adding New Dependents

If you elect continuation coverage under COBRA or the Low Cost Medical Plan and later you acquire an additional dependent, you can add the dependent based upon the terms of the Active Plan; however; it may be necessary to pay an additional premium. Contact the Fund Office at 312-787-9455, menu option 3, to discuss your options for adding a dependent. Specific documentation will be required in order to add a dependent to your existing coverage. Should you add additional dependent children in the future, notice to the Participant and spouse will be deemed notification to newly covered dependents.

When You Lose Eligibility for Benefits

When you lose eligibility for benefits, you will receive an election form that shows the date your eligibility for health care benefits terminates as well as the qualifying event causing such termination. You and each eligible dependent have the individual right to elect to maintain the same level of coverage based upon continuation coverage rights under COBRA or you may elect different coverage through the Low Cost Medical Plan, the Health Insurance Marketplace, Medicaid, or other group health plan.

The self-payment of hours option includes the same benefits as you had under the Active Plan or under the Reduced Apprentice benefit. Coverage for Life Insurance, Accidental Death and Dismemberment Insurance and Short Term Disability Benefits are excluded from continuation coverage under COBRA. Coverage for Accidental Death and Dismemberment Insurance and Short Term Disability Benefits are excluded from the Low Cost Medical Plan.

Election Forms and Payment Deadlines

Continuation Coverage under COBRA: If you elect continuation coverage under COBRA, receipt of your election form must be received by the Fund Office, as determined by postmark within **60 days** of the later of (1) the date you lost eligibility, or (2) the date printed on the election form. **No late elections will be accepted.**

Because this is **continuation** coverage under COBRA, your first payment must include payments for any months retroactive to the day your coverage under the Active Plan terminated. Your first payment is due no later than **45 days** after the date you signed the election form, as determined by postmark. Subsequent payments are due on the **first business day** of each month for which coverage is offered (due date). If a monthly payment is paid later than the first day of the month, but before the end of a 30-day grace period, continuation coverage is suspended as of the first day of the monthly coverage period and then retroactively reinstated going back to the first day of the month when the monthly payment is received. **Late payments received after the grace period will not be accepted**.

Low Cost Medical Plan: If you elect coverage under the Low Cost Medical Plan, receipt of your election form and payment, as determined by postmark, must be received by the Fund Office by the **last day** of the month immediately following the last day your coverage terminated under the Active Plan. If payment is received later than the last day of the month, all benefits will end immediately and will not be reinstated. **There is no grace period**. Please note: By electing coverage under the Low Cost Medical Plan, you forfeit your rights to continuation coverage under COBRA.

Payments should be made by check or money order payable to **Mid-America Carpenters Regional Council Health Fund.** Please include your identification number (as found on the front of your BCBS ID card) or your social security number on each check or money order payment.

- **Mail** your election form and all payments to: **Mid-America Carpenters Regional Council Health Fund, Attn: Continuation Coverage, 12 E. Erie Street, Chicago, IL 60611.** You are responsible for remitting payment on a timely basis. You will not receive monthly invoices. Call the Fund Office at 312-787-9455, menu option 3, if you have questions relating to eligibility or payments.
- **Electronic Payments**: Future monthly premium payments for continuation coverage under COBRA and the Low Cost Medical Plan can be made via an on-line electronic payment from your checking, savings or credit card account after you have made your initial payment. For more information on paying your monthly premiums via an electronic payment, refer to our website at www.carpenterbenefits.org. On the left hand side of the screen, under Health Plans, select "Health Plan Benefit Info-Active." On the right hand side of the screen, click on the tab titled "Continuation of Coverage." Scroll down to "Electronic Payments" and follow the instructions.

Termination of Coverage

Your continuation of coverage may terminate prior to the expiration of the maximum continuation period for one of the following reasons:

1. You fail to pay the premium for your continuation coverage;
2. Payment is not postmarked by the 1st of the month for continuation of coverage under COBRA or by the last day of the month for continuation coverage under the Low Cost Medical Plan;
3. You become covered under another group health plan;
4. You become entitled to Medicare; or
5. The Fund no longer maintains any group health plans.

Be advised that you will not be offered continuation coverage under COBRA when coverage under the Low Cost Medical Plan terminates. Likewise, when you elect continuation coverage under COBRA, you will not be offered the option of the Low Cost Medical Plan when your coverage under COBRA terminates.

IMPORTANT PARTICIPANT/COVERED DEPENDENT NOTIFICATION RESPONSIBILITIES

60 Days to Notify of a Divorce or a Dependent Child Ceasing to be a Dependent

Under the Plan rules and COBRA law, the participant, spouse, or other family member must notify the Plan of a divorce, legal separation or a dependent child losing dependent status under the Plan. To protect your continuation of coverage rights in these situations, notification of a qualifying event must be made with a maximum period of 60 days from whichever date is later, the date of the event or the date on which coverage would be lost under the terms of the Plan because of this event. Keeping an individual on the Plan beyond what is allowed under Plan will be considered fraud on the part of the Participant. **Failure to give timely notice of these events forfeits the affected individual's rights to continuation coverage**. Contact the Health Benefits Department at 312-787-9455, phone option 3 to report a change in dependent status.

What is the Health Insurance Marketplace?

The Marketplace offers "one-stop shopping" to find and compare private health insurance options. Through the Marketplace you'll learn about cost sharing (e.g, out of pocket, deductibles and copayments), the cost of continuation coverage and 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. Coverage through the Marketplace may cost less than continuation coverage under COBRA.

When Can I Enroll in Marketplace Coverage?

You always have 60 days from the time you lose your job-based coverage to enroll in coverage from the Marketplace. During the "open enrollment" period, anyone can enroll in Marketplace coverage. To find out more about enrolling in coverage from the Marketplace, visit www.HealthCare.gov.

If I Sign Up For Continuation Coverage under COBRA, Can I Switch to Coverage in the Marketplace? What About if I Choose Marketplace Coverage and Want to Switch Back to Continuation Coverage under COBRA?

If you sign up for continuation coverage under COBRA, you can switch to a plan from the Marketplace during a period called open enrollment. However, –note that if you terminate your continuation coverage under COBRA early without another qualifying event, you will 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 have exhausted your continuation coverage under COBRA and the coverage expires, you'll be eligible to enroll in Marketplace coverage through a special enrollment period, even if the Marketplace open enrollment period has ended. If you sign up for Marketplace coverage instead of continuation coverage under COBRA, you cannot switch back to continuation coverage under COBRA under any circumstances.

Can I Enroll in Medicare Instead of Continuation Coverage Under COBRA after my Group Health Plan Coverage Ends?

In general, if you don't enroll in Medicare Part A or B when you are first eligible because you are still employed, after the Medicare initial enrollment period, you have an 8-month special enrollment period to sign up for Medicare Part A or B, beginning on the earlier of (1) the month after your employment ends; or (2) the month after group health plan coverage based on current employment ends.

If you don't enroll in Medicare and elect COBRA continuation coverage instead, you may have to pay a Part B late enrollment penalty and you may have a gap in coverage if you decide you want Part B later. If you elect COBRA continuation coverage and later enroll in Medicare Part A or B before the COBRA continuation coverage ends, the Plan may terminate your continuation coverage. However, if Medicare Part A or B is effective on or before the date of the COBRA election, COBRA coverage may not be discontinued on account of Medicare entitlement, even if you enroll in the other part of Medicare after the date of the election of COBRA coverage.

If you are enrolled in both COBRA continuation coverage and Medicare, Medicare will generally pay first (primary payer) and COBRA continuation coverage will pay second. Certain plans may pay as if secondary to Medicare, even if you are not enrolled in Medicare.

What factors should I consider when choosing coverage options?

When considering your options for health coverage, you may want to think about:

- Premiums: Your previous plan can charge up to 102% of total plan premiums for continuation coverage under COBRA. Other options, like coverage on a spouse's plan or through the Marketplace, may be less expensive.
- Provider Networks: If you're currently receiving 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 network as you consider options for health coverage.
- Prescription Drug Coverage: 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 covered by the other health coverage plan.
- Severance payments: If you lost your job and got 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.
- 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. For example, one option may have much lower monthly premiums, but a much higher deductible and/or higher copayments.

Convert to an Individual Policy after You Exhaust the Maximum Period for Continuation Coverage under COBRA or the Low Cost Medical Plan

Health Care Coverage: When your continuation coverage under COBRA or the Low Cost Medical Plan is at the end of the maximum period of coverage, you or your family may find coverage through the Health Insurance Marketplace. For more information about the Marketplace, visit www.healthcare.gov or call 1-800-318-2596.

Life Insurance Coverage: When you lose eligibility under the Active Plan of benefits, your group life insurance coverage also terminates. You; however, have the option of converting your group life insurance policy to an individual policy by applying for a conversion policy with Aetna Life Insurance Company within 31 days after your Active Plan of Benefit coverage terminates. To obtain a life insurance conversion application, contact the Fund Office at 312-787-9455, menu option 3. This individual policy will be issued, without the need for a medical examination, at rates determined by Aetna.

Different Address or To Report an Address Change

If there is a qualified beneficiary whose legal residence is different from the Participant's address, immediately provide written notification to the Health Benefits Department so a separate notice can be sent to them as well.

To report an address change for you or a covered dependent please contact the Health Benefits Department at 312-787-9455, menu option 3. Representatives are available Monday through Friday between the hours of 8:00 a.m. and 4:30 p.m. Central Time.

If You Have Questions

If you have questions regarding this notice, your continuation of coverage rights or if you have questions regarding the Active Plan of Benefits, please contact: Mid-America Carpenters Regional Council Health Fund, Attn: Health Benefits Department - Continuation Coverage, 12 E. Erie Street, Chicago, IL 60611. Phone: 312-787-9455, Menu Option 3

For more information about your rights under the Employee Retirement Income Security Act (ERISA), including COBRA, the Patient Protection and Affordable Care Act, 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 the Health Insurance Marketplace, and to locate assistance in your area who you can talk to you about the different options, visit www.HealthCare.gov.