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April 2021

IMPORTANT NOTICE

TO: PARTICIPANTS OF THE LABORERS' METROPOLITAN DETROIT HEALTH CARE FUND

Re: *Summary of Material Modifications (SMM) – Time Extensions for COBRA, HIPAA Special Enrollment Rights and Appeals Deadlines*

Dear Participant:

As a result of the National Emergency declared due to COVID-19, Participants and their eligible dependents are granted required time extensions to meet COBRA, HIPAA Special Enrollment Rights and appeals deadlines.

The longevity of your extension is determined on a participant-by-participant basis and depends on:

- the type of event; and
- when the event takes place.

Below -- in question and answer format -- is information related to these COVID-19 related extensions.

Q1: What Deadlines Are Impacted By The Extension?

A1: The deadlines for COBRA continuation coverage notices and payments (COBRA), HIPAA Special Enrollment Rights (HIPAA) and Participant internal and external appeals (Appeals) have been extended.

Q2: How Long Is My Deadline Extension?

A2: Deadline extensions are determined on a participant-by-participant basis.

Your deadline extension is the *earlier* of:

- *30 to 180 days after the one (1) year anniversary* of your COBRA, HIPAA or Appeals eligibility date;
or
- *30 to 180 days after the Outbreak Period.*

The Outbreak Period is sixty (60) days *after* the end of the National Emergency.

Q3: Has the National Emergency Ended?

A3: No. The end of the National Emergency will be announced either by the President (by Executive Order) or by some other public declaration. The end of the National Emergency *only impacts the Outbreak Period.*

Q4: Is Each Deadline Impacted The Same?

A4: No. Below is a chart that summarizes these deadline extensions.

Event	Extension
COBRA Election Period	60 days after your one year anniversary; or 60 days after the Outbreak Period
COBRA Qualifying Event Notice	60 days after your one year anniversary; or 60 days after the Outbreak period
COBRA Initial Payment	45 days after your election notice is made (no extension permitted after you send your COBRA election notice)
Ongoing COBRA Payments (initial payment or already in pay status)	30 days after your one year anniversary of your initial payment; or 30 days after the Outbreak Period OR 30 days for payments currently in pay status, one year after your last payment; or 30 days after the Outbreak Period.
HIPAA Special Enrollment Right	30 days or 60 days after your one year anniversary of your event (depending on the event); or 30 to 60 days after the Outbreak Period (depending on the event)
Internal Appeal	180 days after your one year anniversary of your claims denial; or 180 days after the Outbreak Period
External Review After Receipt of Adverse Determination	4 months after your one year anniversary of your appeal denial; or 4 months after the Outbreak Period
Perfect A Request For External Review Upon A Finding Request Was Incomplete	Within the 4 month period of the external review process or within 48 hours following the receipt of notification

Example 1: Extension of One Year – COBRA Election Period (60 days)

You qualify for COBRA coverage on **April 1, 2020** and must send a COBRA election notice to the Fund office.

The National Emergency ends on **June 30, 2021**. The Outbreak Period is **August 29, 2021** (60 days after the National Emergency ends).

You must send your COBRA election notice by the *earlier* of:

- May 30, 2021 (60 days after one year anniversary); or
- October 28, 2021 (60 days after the Outbreak Period)

So, the Fund office must receive your COBRA election notice by **May 30, 2021**.

Example 2: Extension Less Than 1 Year (Outbreak Period) – COBRA Election Period (60 Days)

You qualify for COBRA coverage on **January 1, 2021** and must send a COBRA election notice to the Fund office.

The National Emergency ends on **June 30, 2021**. The Outbreak Period is **August 29, 2021** (60 days after the National Emergency ends).

You must send your COBRA election notice by the *earlier* of:

- February 27, 2022 (60 days after one year anniversary); or
- October 28, 2021 (60 days after the Outbreak Period)

So, the Fund office must receive your COBRA election notice by **October 28, 2021**.

Q5: What Happens After The National Emergency Ends?

A5: If you become eligible for COBRA, HIPAA or Appeals *after* the National Emergency ends, *no extension will be granted*. Instead, you are subject to the standard COBRA, HIPAA and appeals deadlines required by law. The Fund office will notify you of your deadline.

Q6: Will My COBRA Coverage Terminate If I Fail To Make My COBRA Payments During My Deadline Extension?

A6: **No**. The Fund will *not* terminate your coverage for failure to make COBRA payments during your deadline extension. However, if you fail to make all required COBRA payments by the end of your deadline extension, your COBRA coverage will be terminated for any months that you did not make a payment.

Example: Your COBRA coverage costs \$300 per month. During the one year extension period you should have made twelve (12) payments totaling \$3,600. Within thirty (30) days after the end of your one year extension period, you make a \$1,800 payment. So, you will only receive COBRA coverage for the first six (6) months. And, your COBRA coverage will be terminated after the sixth month.

Q7: Does The COVID-19 Extension Apply To Claims Appeals?

A7: **Yes**. You do not have to file an appeal to an adverse benefit determination until the earlier of one hundred eighty (180) days after your one year anniversary or the Outbreak Period.

However, you can file your appeal at any time prior to the COVID-19 extension.

If you have any questions about your deadline extension, please contact the Fund Office.

Sincerely,

Board of Trustees of the
Laborers' Metropolitan Detroit Health Care Fund