

Office and Professional Employees Locals 30 & 537 Health & Welfare and Retirement Trust Funds

Administered By: Benefit Programs Administration

Telephone • (800) 386-4350 • (562) 463-5065 • Facsimile (562) 908-7568 • www.opeiu-funds.org

SUMMARY OF MATERIAL MODIFICATIONS

IMPORTANT NOTICE

Date: May 29, 2020

To: Participants in the OPEIU Locals 30 & 537 Health and Welfare Plan

Re: Suspension of Deadlines during Coronavirus Outbreak Period

This notice explains how new emergency federal rules suspend the Health and Welfare Plan's deadlines for plan participants, beneficiaries, qualified beneficiaries, and claimants to take certain actions.¹ The changes are temporary - they only apply retroactively from March 1 until sixty (60) days following the end of the "National Emergency" that was declared by President Trump on March 13, 2020.

The period from March 1, 2020 until sixty (60) days after the announced end of the National Emergency is referred to as the "Outbreak Period." The normal deadlines to enroll during a special enrollment period, to file claims and appeals, and make COBRA elections and pay COBRA premiums are suspended during the Outbreak Period and will not start to run again until after the Outbreak Period ends.

Special Enrollment Timeframes – The usual 30-day deadline to request enrollment in this Trust Fund following a special enrollment event (i.e., marriage, birth, adoption or placement for adoption of a child, or loss of other health coverage) is suspended during the Outbreak Period.

Example 1: If an employee is married or has a new child on March 1, 2020, the employee will have until 60 days after the end of the National Emergency to submit a request for special enrollment of the new spouse or child. If the National Emergency ends on June 1, 2020, the Outbreak Period will end on July 31, 2020 (the 60th day following the end of the National Emergency). The request to add the new child or spouse will be deemed timely if it is filed with the Administrative Office by July 31, 2020. In this example, if a timely request is made by July 31, 2020, the new dependent child will be eligible from the date of birth or adoption (March 1). In the case of a new spouse, coverage begins the first day of the calendar month following the marriage (April 1).

Example 2: An employee who initially declined coverage through this Trust Fund because she had health coverage through a spouse's plan, loses eligibility to participate in her spouse's plan effective March 31, 2020. If the National Emergency ends on June 1, 2020, the Outbreak Period

¹ This communication reflects our current understanding of the [Joint IRS/DOL Rule](#) published on May 4, 2020 in the Federal Register.

will end on July 31, 2020 (the 60th day following the end of the National Emergency). The deadline for the employee to request enrollment through this Trust is August 30, 2020 (30 days after the end of the Outbreak Period).

Benefit Claims and Appeals - The 90-day deadline to submit claims is suspended during the Outbreak Period and will not restart until after the Outbreak Period ends.

Example 1: If a claim was incurred on March 1, 2020 and the National Emergency is declared over on June 1, 2020, the Outbreak Period will end on July 31, 2020. In that case, the deadline to file the claim will be October 29, 2020 (the 90th day after July 31, 2020).

Likewise, the 180-day deadline to file an appeal from a denied claim is suspended during the Outbreak Period and will not restart until after the Outbreak Period ends.

Example 2: If the notice of denial is received on March 1, 2020, the deadline to file an appeal is 180 days after the end of the Outbreak Period. If the Outbreak Period will end on July 31, 2020, the deadline to file an appeal will be January 27, 2021 (the 180th day after July 31, 2020).

Example 3: If the denial was received on February 1, 2020, then 29 days in February is subtracted from the 180-day timeframe to file an appeal. However, the Outbreak Period does not diminish the remaining 151 days to file an appeal. The remaining 151 days won't start to run after July 31, 2020. Thus, the deadline to file an appeal will be December 29, 2020 (151 days after July 31, 2020).

COBRA notice, election and payment deadlines – The deadlines for electing COBRA coverage, paying COBRA premiums, and for notifying the health plan of a Qualifying Event that is a divorce, separation, loss of dependent status or a disability are suspended during the Outbreak Period and will not restart until after the Outbreak Period ends.

Example: If an employee has a COBRA qualifying event (a reduction of hours or a termination) and wishes to elect COBRA coverage, the normal 60-day election period is not diminished by the Outbreak Period. For example, if coverage is lost on March 1, 2020 due to a qualifying event and the COBRA election notice is sent on March 1, 2020 and the Outbreak Period ends on July 31, 2020, the deadline to elect COBRA will be September 29, 2020 (the 60th day after July 31, 2020).

The deadline to pay the initial COBRA premium will occur 45 days after COBRA is elected. If the employee elects COBRA on September 29, 2020, the initial COBRA premium is due on November 13, 2020 (45 days after September 29, 2020).

Until the employee elects and pays for coverage the administrative office will inform health care providers that the employee does not currently have coverage but will have coverage retroactively if he elects COBRA coverage and makes timely payment of COBRA premiums covering the months of service. Thus, in the example above, if the employee elects COBRA by September 29, 2020 she will be eligible as of March 1, 2020 as long as she pays COBRA premiums for the months of March through November by November 13, 2020. If the employee only pays COBRA premiums for two months, then the Plan would not be obligated to pay for services rendered after April 2020.

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