

Northwest Roofers & Employers Health & Security Trust Fund

Physical Address 7525 SE 24th Street, Suite 200, Mercer Island, WA 98040 • Mailing Address PO Box 34203, Seattle, WA 98124
Phone (206) 441-7574 or (800) 732-1121 • Fax (206) 505-9727 • Website www.nwrooferstrust.com

Administered by
Welfare & Pension Administration Service, Inc.

April 7, 2021

**TO: All Eligible Plan Participants and Dependents of the
Northwest Roofers & Employers Health & Security Trust Fund**

RE: Changes due to Coronavirus (COVID-19) Outbreak

This is a Summary of Material Modification describing changes to your health plan adopted by the Board of Trustees. Please be sure that you and your family read it carefully and keep this document with your Summary Plan Description Booklet.

COVID-19 Vaccine

During the Public Health Emergency (“PHE”) declared by the United States Department of Health and Human Services (“HHS”), the Plan will cover reasonable costs of the COVID-19 vaccine without cost sharing when provided by an in-network or out-of-network provider or pharmacy.

When HHS declares the PHE has ended, the Plan will provide coverage for the COVID-19 vaccine as a Preventive Care benefit. Preventive Care benefits provided by an in-network Provider will be paid in full and will not be subject to the Calendar Year deductible or coinsurance. Preventive Care Services provided by an out-of-network Provider will be subject to the Plan deductible and coinsurance. Covered costs include the vaccine administration fee by a health care provider or pharmacy.

Important Information Relating to COVID-19 and Extension of Deadlines

The Department of Labor, on February 26, 2021, provided new guidance on the suspension of certain employee benefit time limitations during the COVID-19 Outbreak Period, which is the period beginning March 1, 2020 and ending 60 days after the national emergency ends. This supplemental notice explains how this affects your rights under the Plan.

Extensions of Time

Pursuant to federal guidance, the Plan has extended the following deadlines during the Outbreak Period beginning March 1, 2020:

- The 60-day period for individuals to notify the plan of a COBRA qualifying event.
- The 14-day period for plan administrators to provide an individual with a COBRA election notice.
- The 60-day period to elect COBRA continuation coverage after receiving a COBRA election notice.
- The date for making COBRA premium payments.
- The 30-day (or 60-day, as applicable) period to request special enrollment after a special enrollment event.
- The time limit for members to file a benefit claim, an appeal of an adverse benefit determination, or an external review request, under the plan’s claims procedures.

The Department of Labor has authority to grant these extensions for **one year** only. The new Department of Labor notice dictates that the one-year extension should be applied separately to each deadline during the Outbreak Period. In effect, this adds one year to each one of the above deadlines until the Outbreak Period is over.

COBRA Examples

If you had a qualifying event in April 2020 and received a COBRA election notice on May 1, 2020, your 60-day period to elect COBRA coverage will begin running on May 1, 2021, one year later. You will have until June 29, 2021 to elect COBRA continuation coverage effective back to your qualifying event. If you had a qualifying event in February 2021 and received a COBRA election notice on March 1, 2021, your 60-day period to elect COBRA coverage will begin one year later, on March 1, 2022, or at the end of the Outbreak period, whichever comes first.

COBRA premiums are generally due on the first of the month and subject to a 30-day grace period. During the Outbreak Period, the 30-day grace period for each monthly payment is extended by one year. For example, if you were receiving COBRA in April 2020, the 30-day grace period for the April premium payment begins on April 1, 2021, so your payment is due on April 30, 2021. The May 2020 premium payment similarly will be due by May 30, 2021, and so on.

Special Enrollment Examples

If you previously declined coverage for a dependent because the dependent had coverage under another employer health plan, but your dependent lost that coverage because of the end of that employment, then you have 30 days from the end of that coverage to request special enrollment for that dependent in the Plan. That 30-day time limit was suspended under the federal rule but will begin or resume **one year** from the date of the event. For example, if your spouse's other employment-based coverage ended on January 1, 2021, you will have until January 30, 2022 to request special enrollment – one year, plus 30 days – unless the Outbreak Period ends earlier.

Important Note Regarding Retroactivity

Please note that while you may elect COBRA continuation coverage back to your COBRA qualifying event or special enrollment for a new dependent based on birth or adoption back to the date of birth or adoption, you must pay any required premiums for all months before retroactive coverage will be provided. Retroactive coverage must be continuous from the time of first retroactive eligibility. You may submit claims for services during the suspended period, but they will be pended until you make the necessary premium payments.

American Rescue Plan Act (ARPA) COBRA Subsidy

Effective **April 1, 2021**, employees (and their dependents) who lose coverage or who have lost coverage in the past 18 months due to an involuntary termination of employment or reduction in hours may be eligible for up to six months of free (fully subsidized) COBRA coverage (for coverage months April 2021 through September 2021). If you are eligible, free COBRA coverage will be available regardless of whether you previously elected COBRA or are currently on COBRA.

The Plan is waiting for guidance from the federal government before sending out formal notices and applications to potentially eligible participants and dependents. Please watch your mail closely for additional information. When you get the formal notice and application, please fill it out and return it to the Administration Office within 60 days of the date the notice is received to be eligible for free COBRA retroactive to April 1, 2021, if applicable. Free COBRA coverage will not be provided unless it is elected.

If you have any questions regarding your benefits or the content of this notice, contact the Administration Office at (800) 331-6158, option 0 or visit the Trust website at www.nwrooferstrust.com.

This Plan is a “grandfathered health plan” under the Patient Protection and Affordable Care Act (the Affordable Care Act). As permitted by the Affordable Care Act, a grandfathered health plan can preserve certain basic health coverage that was already in effect when that law was enacted.

Being a grandfathered health plan means that this Plan does not include certain consumer protections of the Affordable Care Act that may apply to other plans, for example, the requirement for the provision of preventive health services without any cost sharing. However, this Plan must comply with certain other consumer protections in the Affordable Care Act, for example, the elimination of lifetime limits on benefits. Questions regarding which protections apply and which protections do not apply to a grandfathered health plan and what might cause a plan to change from grandfathered health plan status can be directed to the Administration Office at 206-441-7574, option 0 or toll free at 800-331-6158, option 0. You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at 1-866-444-3272 or www.dol.gov/ebsa/healthreform. This website has a table summarizing which protections do and do not apply to grandfathered health plans.

Board of Trustees

Northwest Roofers & Employers Health & Security Trust Fund

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