



GENERAL NOTICE OF COBRA CONTINUATION COVERAGE RIGHTS

Introduction

You are receiving this notice because you have recently become covered under the Laborers Health and Welfare Trust Fund for Northern California (the Plan). This notice contains important information about your right to COBRA continuation coverage, which is a temporary extension of coverage under the Plan. **This notice generally explains COBRA continuation coverage, when it may become available to you and your family, and what you need to do to protect your right to receive it.**

The right to COBRA continuation coverage was created by a federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). COBRA continuation coverage can become available to you when you would otherwise lose your group health coverage. It can also become available to other members of your family who are covered under the Plan when they would otherwise lose their group health coverage. For additional information about your rights and obligations under the Plan and under federal law, you should review the Plan's Summary Plan Description or contact the Trust Fund Office.

What is COBRA Continuation Coverage?

COBRA continuation coverage is a continuation of Plan coverage when coverage would otherwise end because of a life event known as a "qualifying event." Specific qualifying events are listed later in this notice. After a qualifying event, COBRA continuation coverage must be offered to each person who is a "qualified beneficiary." You, your spouse, and your dependent children could become qualified beneficiaries if coverage under the Plan is lost because of a qualifying event. Under the Plan, qualified beneficiaries who elect COBRA continuation coverage must pay for COBRA continuation coverage.

If you are an **employee**, you will become a qualified beneficiary if you lose your coverage under the Plan because either one of the following qualifying events happens:

(1) Your hours of employment are reduced and you fail to work sufficient hours to maintain the minimum necessary in your reserve account to qualify for Plan eligibility, or (2) Your employment ends for any reason other than your gross misconduct.

If you are the **spouse** of an employee, you will become a qualified beneficiary if you lose your coverage under the Plan because any of the following qualifying events happens:

(1) Your spouse's hours of employment are reduced or your spouse's employment ends for any reason other than his or her gross misconduct; (2) You become divorced or legally separated from your spouse; or (3) Your spouse dies.

Your **dependent children** will become qualified beneficiaries if they lose coverage under the Plan because any of the following qualifying events happens:

(1) The parent-employee's hours of employment are reduced or the parent-employee's employment ends for any reason other than his or her gross misconduct; (2) The parents become divorced or legally separated; (3) The child stops being eligible for coverage under the plan as a "dependent child"; or (4) The parent-employee dies.

When is COBRA Coverage Available?

The Plan will offer COBRA continuation coverage to qualified beneficiaries only after the Trust Fund Office has been notified that a qualifying event has occurred. When the qualifying event is the end of employment or reduction of hours of employment, the Trust Fund Office will determine when a qualifying event has occurred. In the event of the death of an employee, the Trust Fund Office will notify the employee's dependents of their COBRA rights when it becomes aware of the death through notification from an employer, a union officer, in the course of administering the Plan's benefits, or otherwise.

Type of COBRA Continuation Coverage

COBRA continuation coverage includes all current health benefits under the Trust for active Participants and Dependents (medical, prescription drug, vision care and dental). It does NOT include death, accidental death and dismemberment benefits.

You Must Give Notice of Some Qualifying Events

Divorce or Legal Separation or a Child's Losing Dependent Status

The Plan will offer COBRA continuation coverage to qualified beneficiaries only after the Trust Fund Office has been notified that a qualifying event has occurred. When the qualifying event is divorce or legal separation of the employee and spouse or a Dependent child's losing eligibility for coverage, the Participant, spouse or other Dependent must notify the Trust Fund Office in writing within 60 days of the date that the event occurred.

The Notice must be received at the following address:

COBRA/Self-Pay Premium Section
Laborers Health and Welfare Trust Fund for Northern California
5672 Stoneridge Drive
Pleasanton, CA 94588

If the Trust Fund Office is not notified in writing within 60 days, the participant(s) whose coverage under the Trust is terminating will not be entitled to continue coverage under this special extension.

How is COBRA Coverage Provided?

Once the Trust Fund Office receives notice that a qualifying event has occurred, COBRA continuation coverage will be offered to each of the qualified beneficiaries. Each qualified beneficiary will have an independent right to elect COBRA continuation coverage. Covered employees may elect COBRA continuation coverage on behalf of their spouses, and parents may elect COBRA continuation coverage on behalf of their children.

COBRA continuation coverage is a temporary continuation of coverage. When the qualifying event is the death of the employee, your divorce or legal separation, or a dependent child's losing eligibility as a dependent child, COBRA continuation coverage lasts for up to a total of **36 months** for spouses and dependents who are qualified beneficiaries. Otherwise, when the qualifying event is the end of employment or reduction of the employee's hours of employment, COBRA continuation coverage generally lasts for only up to a total of **18 months**. There are two ways in which this 18-month period of COBRA continuation coverage can be extended:

(1) Disability extension of 18-month period of continuation coverage

If you or anyone in your family covered under the Plan is determined by the Social Security Administration to be disabled and you notify the Trust Fund Office in a timely fashion, you and your entire family may be entitled to receive up to an additional 11 months of COBRA continuation coverage, for a total maximum of 29 months. The disability would have to have started at some time before the 60th day of COBRA continuation coverage and must last at least until the end of the 18-month period of continuation coverage.

You must make sure that the Trust Fund Office is notified of the Social Security Administration's determination within 60 days of the date of the determination and before the end of the 18-month period of COBRA continuation coverage. This notice must be sent to the Trust Fund Office with a copy of the disability determination in a timely manner to preserve your and your family's rights to the disability extension of continuation coverage.

(2) Second qualifying event extension of 18-month period of continuation coverage

If your family experiences another qualifying event while receiving 18 months of COBRA continuation coverage, the spouse and dependent children in your family who are qualified beneficiaries can get up to 18 additional months of COBRA continuation coverage, for a maximum of 36 months, if notice of the second qualifying event is properly given to the Plan. This extension may be available to the spouse and any dependent children (if they are qualified beneficiaries) receiving continuation coverage if the employee or former employee dies, or gets divorced or legally separated, ceases to be eligible for this COBRA coverage because he becomes entitled to Medicare, or if a dependent child stops being eligible under the Plan as a dependent child.

If You Have Questions

Questions concerning your Plan or your COBRA continuation coverage rights should be addressed to the contact identified below. For more information about your rights under ERISA, including COBRA, the Health Insurance Portability and Accountability Act (HIPAA), and other laws effecting group health plans, contact the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA): San Francisco Regional Office, 71 Stevenson Street, Suite 915, San Francisco, CA 94105; Tel 415.975.4600; or visit the EBSA website at www.dol.gov/ebsa.

Keep Your Plan Informed of Address Changes

In order to protect your family's rights, you should keep the Trust Fund Office informed of any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Trust Fund Office.

Plan Contact Information

COBRA/Self-Pay Premium Section
Laborers Health and Welfare Trust Fund for Northern California
5672 Stoneridge Drive
Pleasanton, CA 94588
Telephone No.: (707) 864-2800