



To you and your immediate family:

NOTICE TO PARTICIPANTS AND DEPENDENTS ABOUT COBRA RIGHTS

The following summarizes the rules governing your right to continue coverage under a federal law known as COBRA as well as other health coverage alternatives that may be available to you through the Health Insurance Marketplace. This notice is informational only and is being sent to all Trust participating employees (hereafter, referred to as "you" or as "participant") and their dependents so they are aware of their rights. You and your dependents should read and save this information.

Continuation Coverage (COBRA)

Pursuant to a federal law known as COBRA, and under the circumstances described below, you, your lawful spouse and your eligible dependents each have an independent right to elect to continue your Trust health coverage beyond the time coverage would ordinarily have ended. You or your spouse may elect COBRA on behalf of other eligible family members. A parent or legal guardian may elect COBRA on behalf of a minor child.

Notices to Trust Concerning COBRA

The Trust Office for the Oregon Essential Workforce Health Care Fund (Essential Worker Healthcare Trust) is responsible for administering COBRA continuation rights for the Trust. All communications to the Trust Office must identify the participant and the individual requesting COBRA, the Trust's name (Essential Worker Healthcare Trust), and the qualifying event. Written communications can be sent to the Trust Office at the following address:

Essential Worker Healthcare Trust
P.O. Box 94392
Seattle, WA 98124-6692
essentialworker@risepartnership.com

You may have other options available to you when you lose group health coverage. For example, you may be eligible to buy an individual plan through the Health Insurance Marketplace, Medicaid, or Medicare. By enrolling in coverage through the Marketplace, you may qualify for lower costs on your monthly premiums and lower out-of-pocket costs. Additionally, you may qualify for a 30-day special enrollment period for another group health plan for which you are eligible (such as a spouse's plan), even if that plan generally doesn't accept late enrollees.

IMPORTANT NOTICE REGARDING MEDICARE ELIGIBILITY: In order to receive full Plan benefits you and your Dependent spouse MUST enroll in BOTH Medicare Parts A and B (or a Medicare Advantage Plan) when eligible for Medicare.

This Plan does not provide benefits for amounts that would have been reimbursed by Medicare Parts A or B. If you or your spouse fails to enroll in Medicare Parts A and B when eligible, the Plan will still pay as if you are enrolled in Medicare Parts A and B, which will result in significant out-of-pocket costs to you.

Qualifying Events

COBRA coverage is available if you or your dependents lose coverage because of specific qualifying events. You have the right to elect continuation coverage if you would otherwise lose eligibility because of a reduction in hours or termination of employment.

Your lawful spouse has the right to choose continuation coverage if he or she would otherwise lose eligibility for any of the following reasons:

- The participant's termination of employment or reduction in hours of employment (voluntary or involuntary);
- Death of the participant;
- Divorce from the participant; or



- Separation from a domestic partner; or
- Entitlement to Medicare

A dependent child has the right to elect continuation of coverage if eligibility would otherwise be lost for any of the following reasons:

- The participant's termination of employment or reduction in hours of employment;
- Death of the participant;
- Divorce of a lawful spouse from the participant; or
- Separation from a domestic partner; or
- The child no longer qualifies as an eligible dependent under the Plan.

Child Covered pursuant to Qualified Domestic Relations Order. A child of the participating employee who is covered under the Trust's health plan pursuant to a qualified medical child support order (QMCSO) received during the participating employee's period of covered employment is entitled to the same rights to elect continuation coverage as an eligible dependent child of the participating employee.

COBRA Notification Responsibilities

The Trust offers continuation coverage only after it has been notified of a qualifying event. You or your eligible dependents have the responsibility to inform the Trust Office of a loss of coverage resulting from a divorce or a child losing dependent status. You or your eligible dependents must provide this notice to the Trust Office in writing within 60 days of the later of: the date of the qualifying event; the date coverage would be terminated as the result of the qualifying event; or the date you are first provided this notice, or another notice (e.g., the plan booklet) describing the procedure for electing continuation coverage. Notice of the qualifying event must identify the individual who has experienced the qualifying event; the participant's name, if different; the qualifying event that occurred; and the Trust.

Even after you have made a written election with the Trust Office, you may later revoke, change or modify your election notice with a follow-up written election notice made and forwarded to the Trust Office any time before the 60 days has expired. Notice or change of notice or revocation of notice of written election must be sent to the Trust Office at the address listed on page one within the 60-day period.

Failure to provide timely notice will result in your coverage ending as it normally would under the terms of the Plan, and you and your dependents will lose the right to elect continuation coverage.

Your employer is responsible for informing the Trust of any other qualifying event. The Board of Trustees reserves the right to determine whether coverage has in fact been lost due to a qualifying event.

Election of COBRA

Once the Trust Office has received proper notice that a qualifying event has occurred, it will notify you, your lawful spouse and each of your eligible dependents of the right to elect continuation coverage. A written election must be sent to the Trust Office at the address listed on page one, and postmarked or received within 60 days from the later of the date coverage would otherwise end, or 60 days from the date the notification is furnished.

Failure to elect continuation coverage within this 60-day period will cause eligibility to end as it normally would under the terms of the Plan, and you and your dependents will lose the right to elect continuation coverage.

Available Coverage

The continuation coverage offered is the same as provided to current participants of your former employer.

You and/or your eligible dependents may elect the following coverage options:

- (1) Medical and Prescription Drug

Dependents of active participants may elect to continue options (1) or (2) only. Once the coverage option is selected, it cannot be changed. Continuation coverage is not available for weekly income benefits.



Adding New Dependents

COBRA is only available to individuals who were covered under the Plan at the time of the qualifying event. However, if you elect COBRA and acquire a new dependent through marriage, birth, adoption or placement for adoption, you may add the new dependent to your COBRA coverage by providing written notice to the Trust Office at the address listed on page one, within 31 days of acquiring the new dependent. The written notice must identify the participant, the new dependent, and the date the new dependent was acquired. A copy of the marriage certificate, birth certificate or adoption papers must be included with the written notice. If timely notice is not provided to the Trust Office, you will not be entitled to add a new dependent.

Children acquired through birth, adoption or placement for adoption who are timely enrolled in continuation coverage are entitled to extend their continuation coverage if a second qualifying event occurs, as discussed below.

Continuous Coverage Required

Your coverage under COBRA must be continuous from the date your Trust coverage would have ended if monthly self-payments were not made.

Cost

There is a cost for continuation coverage. The cost for the coverage available through the Trust is set annually. Information regarding the cost will be sent with the election forms. If you or your dependents are eligible for a disability extension of continuation coverage, discussed below, the cost of the coverage may be 150% of the COBRA self-payment rate for the additional 11 months of coverage provided as a result of your or your dependent's disability.

Monthly Self-Payments Required

You or your eligible dependents are responsible for the full cost of continuation coverage. All payments must be sent to the Trust Office at the address listed on the payment coupons.

The first payment is due 45 days from the date the election form is sent to the Trust Office. The first payment must cover all months since the date coverage would have otherwise terminated. Eligibility for continuation coverage will not commence, nor will claims be processed until the initial payment has been made. Your dependents will lose the right to continuation coverage if the initial payment is not postmarked or received by the Trust Office by the due date.

After the initial payment, monthly payments are due on the first of each month for that month's coverage. Continuation coverage terminates if a monthly payment is not postmarked or received by the Trust Office within 30 days from the beginning of the month to be covered.

Length of Continuation Coverage

Continuation of coverage may last up to 18 months following loss of coverage that results from a termination of employment or reduction in hours, , unless COBRA is extended as provided below for "Disabled Individuals," a "Second Qualifying Event," or "Medicare Entitlement." For all other qualifying events (death of the participant, divorce from the participant or a child no longer qualifying as a dependent under the Plan) continuation coverage may last for up to 36 months.

Continuation coverage will end on the last day of the monthly premium payment period if any one of the following occurs before the maximum available continuation period:

- A required self-payment is not postmarked or received by the Trust Office on a timely basis for the next monthly coverage period;
 - You or your eligible dependent becomes covered under any other group health plan after the date of your COBRA election. You are required to notify the Trust Office when you become eligible under another group health plan.
 - You or your eligible dependent provide written notice that you wish to terminate your coverage;
 - You or your eligible dependent become entitled to Medicare benefits after the date of your COBRA election;
- or



- The Plan terminates; or
- Your employer no longer participates in the Plan, unless the employer or its successor does not offer another health plan for any classification of its employees that formerly participated in the Trust.

Extension of Continuation Coverage - Disabled Individuals

If you or your eligible dependent is determined by the Social Security Administration to be disabled either before an 18-month qualifying event, or within the first 60 days of continuation coverage, you and your eligible dependents can extend COBRA for up to an additional 11 months beyond the original 18 months, to a maximum of 29 months. To obtain the additional months of coverage, you must notify the Trust Office in writing of your Social Security Disability Determination, prior to the end of your initial 18-month period of continuation coverage. A copy of the Social Security Disability Determination must be included with the written notice. If the disabled individual is subsequently not found to be disabled, you must notify the Trust Office within 30 days of this determination.

Continuation coverage will end on the earlier of 29 months from the loss of coverage, or the month that begins more than 30 days after the final determination has been made that the disabled individual is no longer disabled.

Extension of Continuation Coverage - Second Qualifying Event

Eligible dependents that are entitled to continuation coverage as the result of a participant's termination of employment or reduction of hours can extend their coverage up to a total of 36 months if a second qualifying event occurs during the initial 18 months of continuation coverage. Possible second qualifying events are the participant's death, a divorce or legal separation from the participating employee, a child losing dependent status or the participant becoming entitled to Medicare during the initial 18 months of continuation coverage.

If an eligible dependent wants extended coverage as a result of a second qualifying event, he or she must notify the Trust Office in writing within 60 days of the second qualifying event. The notice must identify the qualifying event that occurred. Failure to give such timely written notice of a second qualifying event will cause the individual to lose the right to extend COBRA. In no event will continuation coverage extend beyond a total of 36 months.

Length of Continuation Coverage - Medicare Entitlement

If you have an 18-month qualifying event after becoming entitled to Medicare, your dependents may continue COBRA coverage until the later of:

- 18 months from the date coverage would normally end due to the termination of employment or reduction of hours; or
- 36 months from the date you become entitled to Medicare.

Termination

Once your COBRA Continuation Coverage or your Self-Pay Alternative Coverage terminates for any reason, it cannot be reinstated. You and your eligible dependents can only become covered under the Trust again if you return to covered employment and meet the Fund's eligibility requirements.

Relationship Between COBRA and Medicare or Other Health Coverage

Your COBRA coverage will terminate if you become entitled to Medicare or other group health coverage after your COBRA election. If your Medicare or other group health coverage already existed when you elect COBRA, however, you can be eligible for both.

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 initial enrollment period for Medicare Part A or B, you have an 8-month special enrollment period¹ to sign up, beginning on the earlier of

- The month after your employment ends; or

¹ <https://www.medicare.gov/sign-up-change-plans/how-do-i-get-parts-a-b/part-a-part-b-sign-up-periods>. These rules are different for people with End Stage Renal Disease (ESRD).



- The month after group health plan coverage based on current employment ends.

If you don't enroll in Medicare Part B 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 then 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 have Trust coverage based on COBRA and you are entitled to Medicare based on age or disability and no longer have current employment status, Medicare will pay first and the Trust will only pay secondary and coordinate with Medicare. **Certain COBRA continuation coverage plans may pay as if secondary to Medicare, even if you are not enrolled in Medicare.** Current employment status means you are still at work or have received short-term disability benefits for less than six months. If you have Medicare coverage based on end stage renal disease and have Trust coverage (based on COBRA or otherwise), the Trust will pay primary during the 30-month coordination period provided for by statute.

If you have other group health coverage, it will pay primary and the Trust's continuation coverage will be secondary.

For more information visit <https://www.medicare.gov/medicare-and-you>.

Effect of Not Electing Continuation Coverage

In considering whether to elect continuation coverage, please be aware that you have the right to request special enrollment in another group health plan for which you are otherwise eligible (such as a spouse's plan) within 30 days after your group health coverage from the Trust ends because of your qualifying event. You will also have the same special 30-day enrollment right at the end of the maximum continuation coverage period available to you.

Alternative Coverage

There may be other coverage options for you and your family through the Health Insurance Marketplace, Medicaid, Medicare, [Children's Health Insurance Program \(CHIP\)](#), or other group health plan coverage options (such as a spouse's plan) through what is called a "special enrollment period." Some of these options may cost less than COBRA continuation coverage. You can learn more about many of these options at www.healthcare.gov.

There is no conversion option available for medical or prescription drug benefits provided by the Trust. However, the Trust offers certain other alternatives which may be elected in lieu of COBRA continuation coverage.

If you leave employment with a contributing employer for military service, you may elect to continue coverage for up to 24 months in accordance with the Uniformed Services Employment and Reemployment Rights Act ("USERRA"). If leave is less than 32 days, coverage is continued at no cost to you. If leave exceeds 31 days, a monthly self-payment is required at the rate established by the Trustees.

The maximum length of coverage is the lesser of 24 months, or the period ending the day after you fail to return to employment within the time allowed by USERRA.

You may also be eligible to enroll in coverage under another group health plan (like a spouse's plan), if you request enrollment within 30 days of the loss of coverage.

If you or your dependent chooses to elect COBRA continuation coverage instead of enrolling in another group health plan for which you're eligible, you'll have another opportunity to enroll in the other group health plan within 30 days of losing your COBRA continuation coverage.

What factors should I consider when choosing coverage options?

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

- **Premiums:** The Trust can charge up to 102% of total plan premiums for COBRA coverage. Other options, like coverage on a spouse's plan or through the Marketplace, may be less expensive.



- **Provider Networks:** If you're currently getting 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.
- **Drug Formularies:** 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 listed in drug formularies for other health coverage.
- **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 higher copayments.

If you have questions about your legal rights

Questions concerning your Plan or your COBRA continuation coverage rights should be addressed to the contact or contacts identified below. 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, contact the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) in your area or visit www.dol.gov/ebsa. (Addresses and phone numbers of Regional and District EBSA Offices are available through EBSA's website.) For more information about the Marketplace, visit www.HealthCare.gov.

Keep your Plan informed of address changes

To help ensure you receive necessary notices, you should notify the Trust Office if your address or that of any family member changes. You should retain this notice and also keep a copy of any written notices you send the Trust.

Plan contact information

If you have any questions regarding your eligibility/COBRA, please contact the Trust Office at (833) 389-0027 or visit the Trust's website at www.essentialworkerhealth.org.