

# TILE INDUSTRY TRUST FUNDS

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## NOTICE TO PARTICIPANTS

**TO:** Active Participants

**FROM:** Board of Trustees  
Tile Industry Health & Welfare Fund

**DATE:** July, 2020

**RE:** Extended Deadlines Regarding COBRA, HIPAA Special Enrollment Rights and Claims and Appeals

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As a result of the National Emergency Declaration related to the COVID-19 outbreak, the U.S. Department of Labor, U.S. Department of Treasury and the Department of Health & Human Services have extended certain deadlines for COBRA, HIPAA Special Enrollment Rights and Claims and Appeals.

### **COBRA**

The Trust will permit a Participant who has experienced a qualifying event on or after March 1, 2020, to elect COBRA up to 60 days after the end of the “Outbreak Period.” At this point, we don’t know when the “Outbreak Period” ends. If the Outbreak Period ends on June 30, 2020, a Participant who experienced a COBRA qualifying event on or after March 1, 2020, will have until August 28, 2020, or 60 days after the end of the Outbreak Period, to elect COBRA coverage.

The Trust will consider COBRA premiums to be timely if they are made on or before 30 days after the end of the Outbreak Period. If the Outbreak Period ends on June 30, 2020, a Participant who experienced a COBRA qualifying event on March 2, 2020 has up until 30 days after the end of the Outbreak Period, July 29, 2020, to pay COBRA premiums for March, April, May and June coverage.

The same rule applies if the Participant was already receiving COBRA coverage beginning February 1, 2020. In this hypothetical, the Participant has until July 29, 2020, to pay COBRA premiums for March, April, May and June COBRA coverage.

The Outbreak Period is disregarded when calculating the deadline for the Trust to provide COBRA election notices.

## **HIPAA SPECIAL ENROLLMENT RIGHTS**

HIPAA allows for special enrollment rights into a group health plan upon the loss of eligibility for coverage through another health plan. For example, if a spouse had coverage and loses her job and her health insurance, HIPAA Special Enrollment Rights require the Trust to enroll the spouse outside of designated open enrollment periods if the enrollment is requested within 30 days of the occurrence of the event or 60 days in the case of the special enrollment rights added by the Children's Health Insurance Program Reauthorization Act of 2009. The Trust will now permit a HIPAA Special Enrollment if the qualifying event occurred on or after March 1, 2020 and occurs within 30 days after the end of the Outbreak Period, provided that the dependent premium is paid for any period of coverage.

## **CLAIMS AND APPEALS**

The Trust is extending the deadline for filing claims and appeals of an adverse benefit determination. In general, the deadline to file an appeal of an adverse benefit determination is 180 days from the date of the adverse benefit determination. That deadline is now extended by disregarding the Outbreak Period. If the Outbreak Period ends on June 30, 2020, for a Participant who received an adverse benefit determination on January 28, 2020, the Participant would have up until November 24, 2020 to submit an appeal. (180 days-32 days following January 28 to March 1).

As further guidance is issued, the Board of Trustees will keep you updated. If you have any questions, please contact the Fund Offices at (626) 646-1075.

This document has been uploaded and is available on the participant website at [www.tileindustrytrustfunds.org](http://www.tileindustrytrustfunds.org).

## EXTENSION OF COBRA DEADLINES DURING CORONAVIRUS OUTBREAK PERIOD

May 4, 2020

**Please read this insert carefully as certain deadlines affecting COBRA continuation coverage have been extended during the coronavirus national emergency. You may have another opportunity to elect COBRA coverage.**

On May 4, 2020, the Internal Revenue Service and Department of Labor adopted an emergency regulation that extends certain COBRA deadlines during the coronavirus "Outbreak Period." The Outbreak Period runs from March 1, 2020 until sixty (60) days following the announced end of the National Emergency (or another date determined by the federal government in a future notice). Health plans must disregard the Outbreak Period when determining deadlines for electing COBRA coverage and payment of COBRA premiums, and for notifying the health plan of a Qualifying Event that is a divorce, separation, loss of dependent status or a disability.

### *Examples:*

- 1) Terry loses coverage on December 31, 2019 due to a reduction of hours and received a COBRA election notice on January 15, 2020. Terry did not elect COBRA coverage by March 15, 2020, which was the deadline under the normal COBRA election rules. The 15-day portion of his COBRA election window that falls within the Outbreak Period (March 1-March 15) is disregarded. Terry's COBRA election period will now end fifteen (15) days after the end of the Outbreak Period.
- 2) John loses coverage due to a reduction of hours and received a COBRA election notice on April 1, 2020. John's COBRA election period will end sixty (60) days after the end of the Outbreak Period. Until John elects COBRA coverage, the health plan will inform providers that John does not currently have coverage but will have coverage retroactively if he elects COBRA coverage during his election period and timely pays his COBRA premium covering the month of service (see 3(a), below).
- 3) Susan was receiving COBRA coverage on April 1, 2020. More than 45 days had passed since Susan had elected COBRA. Susan made a timely March COBRA premium payment but has not made any payments since then. As of August 1, 2020, Susan has made no premium payments for April, May, June or July. For purposes of this example, assume that the Outbreak Period ends on July 30, 2020. Susan's premium payments for four months (April through July) are due by August 29, 2020.
  - a) The health plan will pay for benefits and services retroactively only if Susan pays the COBRA premium by August 29, 2020. Until Susan pays the retroactive COBRA premium(s), the health plan will inform providers that Susan does not currently have coverage but will have coverage retroactively if she pays her COBRA premiums covering the month of service.

- b) If Susan only submits payment equivalent to two months' premiums by August 29, 2020, benefits and services provided on or before May 31, 2020 would be covered but the plan would not be obligated to pay for benefits or services that occurred after May 2020.

Please call a Member Services Representative at the number on your COBRA election form or in your plan's summary plan description if you have any questions or need another copy of your COBRA election forms.