

Important News About Recent Extension of COBRA Premium Subsidy for Bricklayers and Allied Craftworkers Union Local No. 3

On April 15, 2010, the Continuing Extension Act of 2010 was enacted, which included another extension of the COBRA premium subsidy law that took effect last February. Under the COBRA premium subsidy law, eligible individuals are only required to pay 35% of the regular COBRA premium rate in order to maintain coverage. The federal government pays the rest with a reimbursement check to the Plan. The subsidy is now available for up to a maximum of fifteen months.

Under this law, individuals who have an involuntary termination of employment on or before May 31, 2010 may be eligible for the subsidy, regardless of the date they become eligible for COBRA – even if it is after the law expires. The subsidy may also be available for individuals who had a reduction of hours followed by an involuntary termination of employment, if the involuntary termination occurs between March 2, 2010 and May 31, 2010.

The other requirements for the subsidy have not changed – individuals who are eligible for coverage under any other group health plan, or are eligible for Medicare, are not eligible for the subsidy, and individuals will lose eligibility for the subsidy when their maximum COBRA coverage period expires, or COBRA coverage otherwise terminates.

If you were terminated from employment after April 1, 2010 you should have received a notice regarding the new COBRA premium subsidy extension. If you did not receive this notice, please contact the Health and Welfare Plan administrative office:

- BAC Local 3 Health and Welfare Plan participants: your administrative office can be contacted at: BeneSys Administrators, P.O. Box 1607, San Ramon, CA 94583, Tel.: (888) 208-0250 or (925) 208-9995.

- Northern California Tile Industry Health and Welfare Plan participants: your administrative office can be contacted at: Allied Administrators, P.O. Box 2500, San Francisco, CA 94126, Tel: (415) 986-6276.