

Tradesmen International, LLC

Employee Benefit Notices and Annual Disclosures

September 17, 2020
Plan Year Effective - 1/1/2021



Benefits & Human Resources
Consulting



Insurance | Risk Management | Consulting



Insurance | Risk Management | Consulting

Participant Notices and Disclosures

- Women's Health & Cancer Rights Act (Janet's Law)
- Michelle's Law (pending regulations)
- CHIPRA General Notice
- HIPAA Notices
 - HIPAA Privacy Reminder
 - HIPAA Special Enrollments
- Creditable/Noncreditable (Drug) Notices
 - Certificate of Creditable (Drug) Coverage (Medicare Part D)

We share this information with our clients for general informational purposes only. It does not necessarily address all of your specific issues. It should not be construed as, nor is it intended to provide, legal advice. Some of the specific guidance within this Arthur J. Gallagher & Co. Best Practices Guide is based on informal guidance from federal regulators. Therefore, revisions to this guide may be needed at a later date based on updated formal guidance. Questions regarding specific issues and application of these rules to your plans should be addressed by your legal counsel



Insurance | Risk Management | Consulting

Women's Health & Cancer Rights Act Notices

Following are samples for the enrollment and annual notices.

1. Model Enrollment Notice

If you have had or are going to have a mastectomy, you may be entitled to certain benefits under the Women's Health and Cancer Rights Act of 1998 (WHCRA). For individuals receiving mastectomy-related benefits, coverage will be provided in a manner determined in consultation with the attending physician and the patient, for:

- All states of reconstruction of the breast on which the mastectomy was performed;
- Surgery and reconstruction of the other breast to produce a symmetrical appearance;
- Prostheses; and
- Treatment of physical complications of the mastectomy, including lymphedema.

These benefits will be provided subject to the same deductibles and coinsurance applicable to other medical and surgical benefits provided under the plan. Therefore, the following deductibles and coinsurance apply:

Traditional Plan - \$2,000 per person, 30% after the deductible, \$5,000 Out of Pocket Maximum per person

Consumer Choice Plan - \$3,000 per person, 30% after the deductible, \$6,000 Out of Pocket Maximum per person

If you would like more information on WHCRA benefits, contact the Tradesmen Benefits Team at benefits@tradesmeninternational.com, or phone, 888-809-4025.

2. Model Annual Notice

Do you know that your plan, as required by the Women's Health and Cancer Rights Act of 1998, provides benefits for mastectomy-related services including all states of reconstruction and surgery to achieve symmetry between the breasts, prostheses, and complications resulting from a mastectomy, including lymphedema? Contact the Tradesmen Benefits Team at benefits@tradesmeninternational.com, or phone, 888-809-4025.

Michelle's Law Notice (pending regulations)

Until guidance about Michelle's Law is issued, it is not known if a general, broad-based notice will be required. However, with the expansion of coverage to adult children up to age 26 under the Patient Protection and Affordable Care Act, the number of children who may be affected should be significantly less. As a result, we may not see regulatory guidance for some time. However, a notice may be needed in certain circumstances such as when a plan provides coverage to a child over age 26 who is a full-time student.

Michelle's law generally requires group health plans to provide continuation coverage for student children who lose full-time student status as a result of a medically necessary leave of absence. It does not apply to health plans that qualify as HIPAA "excepted benefits" such as separate dental or vision plans or most health FSAs. In addition, self-insured nonfederal governmental plans are permitted to opt out of this requirement provided two annual notice requirements are satisfied – a notice to CMS and a notice to employees. It appears that COBRA rights may become available when a Michelle's Law continuation period ends, rather than when it first begins. Future regulatory guidance may (or may not) permit a health plan to run COBRA and Michelle's Law continuation periods concurrently.

Following is sample wording that may be incorporated into a Michelle's Law notice to employees.

Michelle's Law requires group health plans to provide continued coverage for a dependent child covered under the plan if the child loses eligibility under [Tradesmen International's Group Health, Aetna Medical Plan] because of the loss of student status resulting from a medically necessary leave of absence from a post-secondary educational institution. If your child is covered under Tradesmen International, Aetna Medical Plan, but will lose eligibility because of a loss of student status caused by a medically necessary leave of absence, your child may be able to continue coverage under our plan for up to one year during the medically necessary leave of absence. This coverage continuation may be available if on the day before the medically necessary leave of absence begins your child is covered under Tradesmen International's Group Health, Aetna Medical Plan and was enrolled as a student at a post-secondary educational institution.

A "medically necessary leave of absence" means a leave of absence from a post-secondary educational institution (or change in enrollment status in that institution) that: (1) begins while the child is suffering from a serious illness or injury, (2) is medically necessary, and (3) causes the child to lose student status as defined under our plan.



Insurance | Risk Management | Consulting

The coverage continuation is available for up to one year after the first day of the medically necessary leave of absence and is the same coverage your child would have had if your child had continued to be a covered student and not needed to take a medical leave of absence. Coverage continuation may end before the end of one year if your child would otherwise lose eligibility under the plan – for example, by reaching age 26.

If your child is eligible for this coverage continuation and loses coverage under the plan at the end of the continuation period, COBRA continuation may be available at the end of the Michelle’s Law coverage continuation period.

If you have any questions concerning this notice or your child’s right to continued coverage under Michelle’s law, please contact contact the Tradesmen Benefits Team at benefits@tradesmeninternational.com, or phone, 888-809-4025.

CHIPRA Model Notice

Qualified group health plans in States that provide medical assistance through either Medicaid or a Children’s Health Insurance Program (CHIP or SCHIP) must provide a notice informing employees of the potential opportunity for state Medicaid or CHIP health care assistance for group health plan coverage. The notice must be provided to employees when initially eligible and during the annual enrollment. [Note: Health FSAs and qualified High Deductible Health Plans (HSA-compatible) are not qualified health plans.]

State-specific information must also be included in the notice. We have not included that information here because portions of the information such as phone numbers change. An updated model notice is available on the DOL’s Employee Benefits Security Administration’s (EBSA) website at: <https://www.dol.gov/sites/dolgov/files/EBSA/laws-and-regulations/laws/chipra/model-notice.doc>



Insurance | Risk Management | Consulting

HIPAA Notices

Following are samples for the reminder of the availability of the plan's Notice of Privacy Practices and HIPAA special enrollment rights.

1. HIPAA Notice of Privacy Practices Reminder

Aetna Health Plans, Traditional and Consumer Choice

Protecting Your Health Information Privacy Rights

September 30, 2020

Tradesmen International is committed to the privacy of your health information. The administrators of the Aetna Traditional and Consumer Choice (the "Plan") use strict privacy standards to protect your health information from unauthorized use or disclosure.

The Plan's policies protecting your privacy rights and your rights under the law are described in the Plan's Notice of Privacy Practices. You may receive a copy of the Notice of Privacy Practices by contacting the Tradesmen Benefits Team at benefits@tradesmeninternational.com, or phone, 888-809-4025.

2. HIPAA Special Enrollment Rights

Tradesmen International's **Initial Notice of Your HIPAA Special Enrollment Rights**

Our records show that you are eligible to participate in the Aetna Health Plan (to actually participate, you must complete an enrollment form and pay part of the premium through payroll deduction).

A federal law called HIPAA requires that we notify you about an important provision in the plan - your right to enroll in the plan under its "special enrollment provision" if you acquire a new dependent, or if you decline coverage under this plan for yourself or an eligible dependent while other coverage is in effect and later lose that other coverage for certain qualifying reasons.

Loss of Other Coverage (Excluding Medicaid or a State Children's Health Insurance Program). If you decline enrollment for yourself or for an eligible dependent (including your spouse) while other health insurance or group health plan coverage is in effect, you may be able to enroll yourself and your dependents in this plan if you or your dependents lose eligibility for that other coverage (or if the employer stops contributing toward your or your dependents' other coverage). However, you must request enrollment within 30 days after your or your dependents' other coverage ends (or after the employer stops contributing toward the other coverage).



Insurance | Risk Management | Consulting

Loss of Coverage for Medicaid or a State Children’s Health Insurance Program. If you decline enrollment for yourself or for an eligible dependent (including your spouse) while Medicaid coverage or coverage under a state children’s health insurance program is in effect, you may be able to enroll yourself and your dependents in this plan if you or your dependents lose eligibility for that other coverage. However, you must request enrollment within 60 days after your or your dependents’ coverage ends under Medicaid or a state children’s health insurance program.

New Dependent by Marriage, Birth, Adoption, or Placement for Adoption. If you have a new dependent as a result of marriage, birth, adoption, or placement for adoption, you may be able to enroll yourself and your new dependents. However, you must request enrollment within 30 days after the marriage, birth, adoption, or placement for adoption.

Eligibility for Medicaid or a State Children’s Health Insurance Program. If you or your dependents (including your spouse) become eligible for a state premium assistance subsidy from Medicaid or through a state children’s health insurance program with respect to coverage under this plan, you may be able to enroll yourself and your dependents in this plan. However, you must request enrollment within 60 days after your or your dependents’ determination of eligibility for such assistance.

To request special enrollment or to obtain more information about the plan’s special enrollment provisions, contact the Tradesmen Benefits Team at benefits@tradesmeninternational.com, or phone, 888-809-4025.

Important Warning

*If you decline enrollment for yourself or for an eligible dependent, **you must complete the attached “Form for Employee to Decline Coverage.”** On the form, you are required to state that coverage under another group health plan or other health insurance coverage (including Medicaid or a state children’s health insurance program) is the reason for declining enrollment, and you are asked to identify that coverage. If you do not complete the form, you and your dependents will not be entitled to special enrollment rights upon a loss of other coverage as described above, but you will still have special enrollment rights when you have a new dependent by marriage, birth, adoption, or placement for adoption, or by virtue of gaining eligibility for a state premium assistance subsidy from Medicaid or through a state children’s health insurance program with respect to coverage under this plan, as described above. If you do not gain special enrollment rights upon a loss of other coverage, you cannot enroll yourself or your dependents in the plan at any time other than the plan’s annual open enrollment period, unless special enrollment rights apply because of a new dependent by marriage, birth, adoption, or placement for adoption, or by virtue of gaining eligibility for a state premium assistance subsidy from Medicaid or through a state children’s health insurance program with respect to coverage under this plan.*



Certificates of Creditable or Noncreditable (Drug) Coverage

A certificate must be provided to all Part D eligible individuals who are covered by, or who enroll for coverage that includes prescription drug benefits. The certificate requirement applies with respect to Part D eligible active and retired employees and their dependents. Plan sponsors can use the model notices provided by the Centers for Medicare and Medicaid Services (CMS) or draft their own notices by including the required information.

Content: The certificate must explain whether the plan sponsor's prescription drug coverage is creditable or noncreditable. If the coverage is not creditable, the notice must also explain that there are limitations on the periods during the year when the individual may enroll in a Medicare drug plan and that the individual may be subject to a late enrollment penalty.

Timing: The final regulation requires that certificates must be provided at the following times:

- (1) Prior to the annual coordinated Part D election period that begins on October 15 of each year;
- (2) Prior to an individual's initial enrollment period for the Part D drug benefit;
- (3) Prior to the effective date of a Medicare eligible individual first enrolling in the employer's plan;
- (4) Upon any change that affects whether the coverage is creditable prescription drug coverage; and
- (5) Upon a beneficiary's request.

If the creditable coverage disclosure notice is provided to all plan participants annually, prior to October 15th each year, CMS will consider items 1 and 2 to be met.

Copies of the model certificates provided by the CMS are reproduced on the next few pages. Most employers will use these models to create certificates to send to participants. Employers should review the CMS guide to using these models to create their own notices. The CMS guide is available on their website at:

<http://www.cms.hhs.gov/creditablecoverage>

If certificates of creditable/noncreditable (drug) coverage are to be provided with other materials as part of annual enrollment, CMS rules require a conspicuous notation on the first page of the plan materials that the Part D creditable/noncreditable coverage notice is included as part of the materials.



Insurance | Risk Management | Consulting

Important Notice from Tradesmen International, LLC About Your Prescription Drug Coverage and Medicare

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with Tradesmen International, LLC and about your options under Medicare's prescription drug coverage. This information can help you decide whether or not you want to join a Medicare drug plan. If you are considering joining, you should compare your current coverage, including which drugs are covered at what cost, with the coverage and costs of the plans offering Medicare prescription drug coverage in your area. Information about where you can get help to make decisions about your prescription drug coverage is at the end of this notice.

There are two important things you need to know about your current coverage and Medicare's prescription drug coverage:

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare. You can get this coverage if you join a Medicare Prescription Drug Plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage. All Medicare drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.
2. Tradesmen International, LLC has determined that the prescription drug coverage offered by the OptumRx is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays and is therefore considered Creditable Coverage. Because your existing coverage is Creditable Coverage, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.



Insurance | Risk Management | Consulting

When Can You Join a Medicare Drug Plan?

You can join a Medicare drug plan when you first become eligible for Medicare and each year from October 15th to December 7th.

However, if you lose your current creditable prescription drug coverage, through no fault of your own, you will also be eligible for a two- (2) month Special Enrollment Period (SEP) to join a Medicare drug plan.

What Happens to Your Current Coverage if You Decide to Join a Medicare Drug Plan?

If you decide to join a Medicare drug plan, your current Tradesmen International LLC coverage will not be affected. See pages 7- 9 of the CMS Disclosure of Creditable Coverage To Medicare Part D Eligible Individuals Guidance (available at <http://www.cms.hhs.gov/CreditableCoverage/>), which outlines the prescription drug plan provisions/options that Medicare eligible individuals may have available to them when they become eligible for Medicare Part D.

If you do decide to join a Medicare drug plan and drop your current Tradesmen International, LLC coverage, be aware that you and your dependents will be able to get this coverage back.

When Will You Pay a Higher Premium (Penalty) to Join a Medicare Drug Plan?

You should also know that if you drop or lose your current coverage with Tradesmen International, LLC and don't join a Medicare drug plan within 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty) to join a Medicare drug plan later.

If you go 63 continuous days or longer without creditable prescription drug coverage, your monthly premium may go up by at least 1% of the Medicare base beneficiary premium per month for every month that you did not have that coverage. For example, if you go nineteen months without creditable coverage, your premium may consistently be at least 19% higher than the Medicare base beneficiary premium. You may have to pay this higher premium (a penalty) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following October to join.

For More Information About This Notice or Your Current Prescription Drug Coverage...

Contact the person listed below for further information. NOTE: You'll get this notice each year. You will also get it before the next period you can join a Medicare drug plan, and if this coverage through Tradesmen International, LLC changes. You also may request a copy of this notice at any time.



Insurance | Risk Management | Consulting

For More Information About Your Options Under Medicare Prescription Drug Coverage...

More detailed information about Medicare plans that offer prescription drug coverage is in the “Medicare & You” handbook. You’ll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare drug plans.

For more information about Medicare prescription drug coverage:

Visit www.medicare.gov

Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the “Medicare & You” handbook for their telephone number) for personalized help

Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

If you have limited income and resources, extra help paying for Medicare prescription drug coverage is available. For information about this extra help, visit Social Security on the web at www.socialsecurity.gov, or call them at 1-800-772-1213 (TTY 1-800-325-0778).

Remember: Keep this Creditable Coverage notice. If you decide to join one of the Medicare drug plans, you may be required to provide a copy of this notice when you join to show whether or not you have maintained creditable coverage and, therefore, whether or not you are required to pay a higher premium (a penalty).

Date: September 30, 2020

Name of Entity/Sender: Tradesmen International, LLC

Contact – Position/Office: Tradesmen Benefits Team
benefits@tradesmeninternational.com

Address: 9760 Shepard Road, Macedonia, Ohio 44056

Phone Number: 888-809-4025

Updated April 1, 2011