

Cobra Continuation Coverage Election Notice

This notice contains information about additional rights you may have related to your COBRA continuation coverage for your DC 37 Health & Security Plan welfare fund (supplemental health-related) benefits.

The American Recovery and Reinvestment Act of 2009 (ARRA) signed by President Obama on February 17, 2009 reduces the COBRA premium in some cases. You are receiving this election notice because you have experienced a loss of coverage that occurred during the period that begins September 1, 2008 and ends December 31, 2009 and you may be eligible for the temporary premium reduction for up to nine months beginning on or after February 17, 2009. The premium reduction is available to certain individuals who experience a qualifying event that is an “involuntary termination of employment” during the period stated above. For reasons other than the involuntary termination, such as death, divorce or over-age dependents do not qualify for the COBRA subsidy.

To help determine whether you are eligible for the ARRA premium reduction, you must read the “Summary of COBRA Premium Reduction Provisions under ARRA” attached to this notice. This information includes details about eligibility, restrictions and obligations and COBRA subsidy rates.

If you qualify for the subsidy you will pay 35% of the COBRA premium to the Plan for up to nine months. **You must follow the instructions on the enclosed request form in order to apply for the subsidy.** If you are already enrolled for COBRA and meet the qualifications for the subsidy you will receive a credit from the Plan for any excess premium paid for periods after February 17, 2009.

If you experienced a qualifying event as the result of an involuntary termination of employment any time from September 1, 2008 through February 16, 2009, and were offered but did not elect COBRA continuation coverage OR elected COBRA continuation coverage and subsequently discontinued it, you may have the right to an additional 60 day election period. **You must follow the instructions on the enclosed request form in order to apply for the subsidy.**