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IUOE LOCAL 487 FRINGE BENEFIT TRUST FUNDS

Trustees' Report[1]

Thursday, May 14, 2020

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Merrick Industrial Management Corporation — **Referenced for service fees[2]**

A demand letter was sent on October 8, 2019 for the unpaid service fees for the period of July 2019 ($254.73). A second demand letter was sent to the Employer December 30, 2019 and a Final Notice on February 4, 2020. Employer has requested a waiver of service fees for its late payment of July 2019 contributions. **On February 13, 2020, waiver was presented to the board of trustees and approved. A letter was sent to Merrick Industrial to that effect.**

LM Heavy Civil Construction, LLC — **Referenced for delinquency**
Paid to February, 2020

This employer has been working on a bonded project at S-140 Pump Station Improvements Broward County, Florida. LM Heavy Civil Construction experienced financial difficulties. As such, the bonding company has taken over the responsibility of the contribution payments for which it has been submitting the monthly contribution reports and corresponding Waiver & Release. Once the release is signed, payments are overnighted to the administrative manager. **The January and February 2020 releases have been signed and total payments of $1,419.30 have been received by the administrators. For the months of March and April, the bond agent has advised that they did not receive any request packages for that period. She further states that a lot of the bonded projects for LMH have been re-let to other contractors, such as the Ruggles project, Wollaston project, Quonset Development project, and the Framingham/Middleboro project. The new contractor for the projects Quonset and Wollaston is Manafort Transit, LLC and Manafort Brothers, Inc, respectively. The new contractor for the Ruggles project is Skanska USA Civil Northeast, Inc. There are other projects**

[1] The information contained in this report is intended for the use of the Trustees of the above-designated Funds. It is an attorney-client communication and, as such, is privileged and confidential. Review by anyone other than a designated Trustee is prohibited, as is dissemination, distribution or copying of this report.

[2] Per the policy of this board, the threshold for collection of service fees is $250. Waivers of service fees per the board policy are allowed if the following is requirements have been met: 1) Waivers are not granted automatically. Employers must show they qualify and are eligible for the waiver; 2) The Employer must be current in its contribution payments and must have timely made all other contribution payments within the last 12 months; 3) Waivers may only be granted once in a three (3) year rolling period upon request; 4) Waivers can only be granted for a two (2) month consecutive period within the three-year period; 5) All other fees remain due and owing and must be paid in full prior to the waiver of the fees; 6) Current economic conditions will be considered.

being run by LMH that are not bonded by Zurich and Union obligations for those non-bonded projects would be the sole responsibility of LMH. The Union has advised that as of February 1, 2020 there is no covered work on the LMH project.

HJ Foundation Company **Referenced for service fees**

A demand letter was sent by the administrators on April 22, 2020 for the unpaid service fees for the period of January and February, 2020 ($15,867.14). As of today, HJ Foundation has failed to pay the late fee amount, as requested. Per the collection rules, the administrator will send a second letter.

Zeiger Crane Rental **Referenced for service fees**

A demand letter was sent by the administrators on May 1, 2020 for the unpaid service fees for the period of March 2020 ($2,692.01). As of today, the Zeiger Crane Rental has failed to pay the late fee amount, as requested. Per the collection rules, the administrator will send a second letter.

STATUS OF OUTSTANDING SERVICE FEES OF LESS THAN $250 EACH:

The following Employers show old outstanding late fees:

Employer	Fees Owed	Period
B&M Marine	$206.35	March 2018
Day & Zimmermann NPS	$139.60	June 2018
Day & Zimmermann St. Lucie	$44.11	June 2018
Kearns Construction	$79.20	Oct. 2015
LM Heavy Civil Construction	$115.28	May 2019
Morrison Contractors	$42.53	March 2015
North American Crane	$184.78	Jan/Feb/March 2018
Ram-Tech Construction	$129.49	Aug/Sept 2016
Ray Qualmann Marine	$239.07	Nov. 2019
Site Prep	$90.05	May/June/July 2010
TOTAL:	**$1,270.46***	

**Difference due to decimal calculation.*

To: mark@iuoe487.org
Operating Engineers Local 487
Jeannette Linares - jll@phillipsrichard.com

April 30, 2020

FROM: Max Gershengorn
410 683 6500 EXT. 7280

Re: Employer Delinquency Log
Local 487

Our office has not received contributions from the following list of employers.
Please indicate what action is to be taken:

EMPLOYER NAME	EMPLOYER CODE	DELINQUENT FOR THE MONTH OF	NO MAN REPORT	FINAL REPORT	SEND LETTER	NOTES
BluRoc, LLC	XO575	1/20-3/20			X	
Bigge Crane & Rigging Co.	XO4000	3/20	X			Project has not begun yet.
Densification, Inc.	XO690	2/20	X			No work at this time
North American Crane & Rigging, LLC	XO950	3/20	X			No work at this time
Superior Rigging & Erecting Co.	XO274	3/20	X			Working out of District 925

MEMORANDUM

TO: IUOE Local 487 Health and Welfare Fund
FROM: Kathleen Phillips
Phillips, Richard & Rind, P.A.
SUBJECT: Final Regulations—COBRA Extensions for Plans Affected by COVID-19
DATE: May 4, 2020

On April 29, 2020, the U.S. Departments of Labor (Employee Benefits Security Administration, "EBSA") and Treasury (IRS) published a final regulation, and EBSA issued a package of guidance and relief, for employee benefit plans affected by the COVID-19 outbreak. EBSA's package includes (i) EBSA Disaster Relief Notice 2020-1[1], (ii) DOL COVID-19 FAQs for Participants and Beneficiaries[2] (answering basic participant questions), and (iii) a press release[3].

The IRS/DOL regulation is particularly noteworthy because it provides an extended period for employees to elect health coverage retroactively.

Under the final regulation, all group health plans, disability, and other employee welfare plans, and all pension plans that are subject to ERISA or the Internal Revenue Code[4], must disregard the "Outbreak Period" for purposes of determining certain deadlines. The "Outbreak Period" runs from March 1, 2020 until 60 days after the COVID-19 National Emergency ends (or such other date as the agencies announce). If there are different Outbreak Period end dates for different parts of the country, the agencies will issue additional guidance for relevant areas. Note that for purposes of the examples given by the department (outlined below), **April 30, 2020 is the assumed end date of the outbreak period.**

[1]Available at: https://www.dol.gov/agencies/ebsa/employers-and-advisers/plan-administration-and-compliance/disaster-relief/ebsa-disaster-relief-notice-2020-01.

[2] Available at: https://www.dol.gov/sites/dolgov/files/EBSA/about-ebsa/our-activities/resource-center/faqs/covid-19.pdf.

[3] Available at: https://www.dol.gov/newsroom/releases/ebsa/ebsa20200428.

[4] Note that the Preamble to the regulation indicates that the Department of Health and Human Services will apply and encourage states to adopt similar relief for non-ERISA plans. Title XXII of the Public Health Service (PHS) Act, 42 U.S.C. §§ 300bb-1 through 300bb-8, applies COBRA requirements to group health plans that are sponsored by state or local government employers. It is sometimes referred to as "public sector" COBRA to distinguish it from the ERISA and Internal Revenue Code requirements that apply to private employers. The U.S. Department of Health and Human Services, through the Centers for Medicare & Medicaid Services (CMS) has jurisdiction with respect to the COBRA continuation coverage requirements of the PHS Act that apply to state and local government employers, including counties, municipalities and public school districts, and the group health plans that they sponsor.

Important Excerpts from the Rules

Relief for *group health plans* is specifically addressed under the rules which provide:

> With respect to group health plans, and their sponsors and administrators, the Outbreak Period shall be disregarded when determining the date for providing a COBRA election notice under ERISA section 606(c) and Code section 4980B(f)(6)(D).

Relief for *Plan Participants, Beneficiaries, Qualified Beneficiaries, and Claimants* is specified in the rule as follows:

> *All group health plans, disability and other employee welfare benefit plans, and employee pension benefit plans subject to ERISA or the Code must disregard the period from March 1, 2020 until sixty (60) days after the announced end of the National Emergency or such other date announced by the Agencies in a future notification (the "Outbreak Period") for all plan participants, beneficiaries, qualified beneficiaries, or claimants wherever located in determining the following periods and dates:*
>
> 1) *The 30-day period (or 60-day period, if applicable) to request special enrollment under ERISA section 701(f) and Code section 9801(f),*
> 2) *The 60-day election period for COBRA continuation coverage under ERISA section 605 and Code section 4980B(f)(5),*
> 3) *The date for making COBRA premium payments pursuant to ERISA section 602(2)(C) and (3) and Code section 4980B(f)(2)(B)(iii) and (C),*
> 4) *The date for individuals to notify the plan of a qualifying event or determination of disability under ERISA section 606(a)(3) and Code section 4980B(f)(6)(C),*
> 5) *The date within which individuals may file a benefit claim under the plan's claims procedure pursuant to 29 CFR 2560.503–1,*
> 6) *The date within which claimants may file an appeal of an adverse benefit determination under the plan's claims procedure pursuant to 29 CFR 2560.503–1(h),*
> 7) *The date within which claimants may file a request for an external review after receipt of an adverse benefit determination or final internal adverse benefit determination pursuant to 29 CFR 2590.715–2719(d)(2)(i) and 26 CFR 54.9815–2719(d)(2)(i), and*
> 8) *The date within which a claimant may file information to perfect a request for external review upon a finding that the request was not complete pursuant to 29 CFR 2590.715– 2719(d)(2)(ii) and 26 CFR 54.9815–2719(d)(2)(ii).*

Examples for Implementation

Examples discussed in the rule itself provide very specific guidance for implementation:

The following examples illustrate the timeframe for extensions required by this document. An assumed end date for the National Emergency was needed to make the examples clear and understandable. Accordingly, the Examples assume that the National Emergency ends on April 30, 2020, with the Outbreak Period ending on June 29, 2020 (the 60th day after the end of the

National Emergency). To the extent there are different Outbreak Period end dates for different parts of the country, the Agencies will issue additional guidance regarding the application of the relief in this document.

Example 1 (Electing COBRA). (i) Facts. Individual A works for Employer X and participates in X's group health plan. Due to the National Emergency, Individual A experiences a qualifying event for COBRA purposes as a result of a reduction of hours below the hours necessary to meet the group health plan's eligibility requirements and has no other coverage. Individual A is provided a COBRA election notice on April 1, 2020. What is the deadline for A to elect COBRA?

(ii) Conclusion. In Example 1, Individual A is eligible to elect COBRA coverage under Employer X's plan. The Outbreak Period is disregarded for purposes of determining Individual A's COBRA election period. The last day of Individual A's COBRA election period is 60 days after June 29, 2020, which is August 28, 2020.

Example 2 (Special enrollment period). (i) Facts. Individual B is eligible for, but previously declined participation in, her employer-sponsored group health plan. On March 31, 2020, Individual B gave birth and would like to enroll herself and the child into her employer's plan; however, open enrollment does not begin until November 15. When may Individual B exercise her special enrollment rights?

(ii) Conclusion. In Example 2, the Outbreak Period is disregarded for purposes of determining Individual B's special enrollment period. Individual B and her child qualify for special enrollment into her employer's plan as early as the date of the child's birth. Individual B may exercise her special enrollment rights for herself and her child into her employer's plan until 30 days after June 29, 2020, which is July 29, 2020, provided that she pays the premiums for any period of coverage.

Example 3 (COBRA premium payments). (i) Facts. On March 1, 2020, Individual C was receiving COBRA continuation coverage under a group health plan. More than 45 days had passed since Individual C had elected COBRA. Monthly premium payments are due by the first of the month. The plan does not permit qualified beneficiaries longer than the statutory 30-day grace period for making premium payments. Individual C made a timely February payment, but did not make the March payment or any subsequent payments during the Outbreak Period. As of July 1, Individual C has made no premium payments for March, April, May, or June. Does Individual C lose COBRA coverage, and if so for which month(s)?

(ii) Conclusion. In this Example 3, the Outbreak Period is disregarded for purposes of determining whether monthly COBRA premium installment payments are timely. Premium payments made by 30 days after June 29, 2020, which is July 29, 2020, for March, April, May, and June 2020, are timely, and Individual C is entitled to COBRA continuation coverage for these months if she timely makes payment. Under the terms of the COBRA statute, premium payments are timely if made within 30 days from the date they are first due. In calculating the 30-day period, however, the Outbreak Period is disregarded, and payments for March, April, May, and June are all deemed to be timely if they are made

within 30 days after the end of the Outbreak Period. Accordingly, premium payments for four months (i.e., March, April, May, and June) are all due by July 29, 2020. Individual C is eligible to receive coverage under the terms of the plan during this interim period even though some or all of Individual C's premium payments may not be received until July 29, 2020. Since the due dates for Individual C's premiums would be postponed and Individual C's payment for premiums would be retroactive during the initial COBRA election period, Individual C's insurer or plan may not deny coverage, and may make retroactive payments for benefits and services received by the participant during this time.

Example 4 (COBRA premium payments). (i) Facts. Same facts as Example 3. By July 29, 2020, Individual C made a payment equal to two months' premiums. For how long does Individual C have COBRA continuation coverage?

(ii) Conclusion. Individual C is entitled to COBRA continuation coverage for March and April of 2020, the two months for which timely premium payments were made, and Individual C is not entitled to COBRA continuation coverage for any month after April 2020. Benefits and services provided by the group health plan (e.g., doctors' visits or filled prescriptions) that occurred on or before April 30, 2020 would be covered under the terms of the plan. The plan would not be obligated to cover benefits or services that occurred after April 2020.

Example 5 (Claims for medical treatment under a group health plan). (i) Facts. Individual D is a participant in a group health plan. On March 1, 2020, Individual D received medical treatment for a condition covered under the plan, but a claim relating to the medical treatment was not submitted until April 1, 2021. Under the plan, claims must be submitted within 365 days of the participant's receipt of the medical treatment. Was Individual D's claim timely?

(ii) Conclusion. Yes. For purposes of determining the 365-day period applicable to Individual D's claim, the Outbreak Period is disregarded. Therefore, Individual D's last day to submit a claim is 365 days after June 29, 2020, which is June 29, 2021, so Individual D's claim was timely.

Example 6 (Internal appeal-disability plan). (i) Facts. Individual E received a notification of an adverse benefit determination from Individual E's disability plan on January 28, 2020. The notification advised Individual E that there are 180 days within which to file an appeal. What is Individual E's appeal deadline?

(ii) Conclusion. When determining the 180-day period within which Individual E's appeal must be filed, the Outbreak Period is disregarded. Therefore, Individual E's last day to submit an appeal is 148 days (180 – 32 days following January 28 to March 1) after June 29, 2020, which is November 24, 2020.

Example 7 (Internal appeal – employee pension benefit plan). (i) Facts. Individual F received a notice of adverse benefit determination from Individual F's 401(k) plan on April 15, 2020. The notification advised Individual F that there are 60 days within which to file an appeal. What is Individual F's appeal deadline?

(ii) Conclusion. When determining the 60-day period within which Individual F's appeal must be filed, the Outbreak Period is disregarded. Therefore, Individual F's last day to submit an appeal is 60 days after June 29, 2020, which is August 28, 2020.

General Rules

Notices and disclosures. A responsible plan fiduciary will not be in violation of ERISA for failure to timely furnish a notice (including a blackout notice), disclosure, or other document required under Title I of ERISA, if:

- The responsible fiduciary acts in good faith; and
- The notice, disclosure, or document is furnished as soon as administratively practicable under the circumstances.

Good faith includes using electronic alternative means of communicating with plan participants and beneficiaries who the plan fiduciary reasonably believes have effective access, including email, text messages, and continuous access websites (for example, an intranet site).

Logistics for Implementation. The guidance does not address all details on logistics for implementation. Plan sponsors and fiduciaries will need to grapple with issues such as:

- When and how to communicate the extensions to affected participants and beneficiaries. For example:
    - Should form notices for COBRA and special enrollment periods be updated?
    - What format, and how much detail is appropriate, given that the extension period is fluid and will be short-lived?
    - What should be done for people who are already in election periods and were previously informed of a deadline that has now been extended?
- Whether and how past actions can be undone. For example:
    - If an individual's COBRA coverage was previously canceled for not paying premiums, can it be reinstated?
    - What happens if an eligible COBRA beneficiary already obtained coverage somewhere else?

Many of these issues will have to be addressed on a case-by-case basis using the guide star of good faith. I will continue to update you on these issues as new information is released.

From: Robert Sudler <mailto:rasudler@gate.net>
Sent: Tuesday, March 31, 2020 12:31 PM
To: 'Robert Sudler' <mailto:rasudler@gate.net>; 'Mark Schaunaman' <mailto:mark@iuoe487.org>; Kathleen M. Phillips <mailto:kphillips@phillipsrichard.com>; 'Linda DuVall' <mailto:lindad@associated-admin.com>
Subject: RE: United Health / Virus

To all: United will now cover the treatment for Covid 19 through May 31, 2020. See below from United.

Latest updates on COVID-19
UnitedHealthcare is waiving member cost-sharing for the treatment of COVID-19 through May 31, 2020 for its fully-insured Commercial, Medicare Advantage and Medicaid plans. We will also work with self-funded customers who want us to implement a similar approach on their behalf. This builds on the company's previously announced efforts to waive cost-sharing for COVID-19 testing and testing-related visits, and the expansion of other member services.
Thank you

Bob Sudler
Sudler Insurance Services, Inc.
An Employee Benefit Consulting Company
5850 Coral Ridge Drive Suite 103-C
Coral Springs, Florida 33076
Office: 954-341-4202
Cell: 954-647-5790
Fax: 954-827-3232

From: Robert Sudler [mailto:rasudler@gate.net]
Sent: Monday, March 30, 2020 3:05 PM
To: Mark Schaunaman; Kathleen M. Phillips; Linda DuVall
Subject: Re: United Health / Virus

To all, we have reached out to United to see if they are going to be covering the treatment of the virus at 100% with no out-of-pocket for the member.

As of today, United will only pay 100% for the testing but not the treatment. This could change.

Recently, Cigna and Humana has announced t y are going to pay for the treatment at 100%.

As more updates come in, I will let you know.
Be well!

Bob Sudler
Sudler Insurance Services, Inc.
An Employee Benefit Consulting Company
5850 Coral Ridge Drive Suite 103-C
Coral Springs, Fl. 33076
Office: 954-341-4202
Cell: 954-647-5790

Fax: 954-827-3232

On Mar 25, 2020, at 12:30 PM, Robert Sudler <mailto:rasudler@gate.net> wrote:
Another update.

The special enrollment that you United is allowing now includes dental and vision.
Be well.

Bob Sudler
Sudler Insurance Services, Inc.
An Employee Benefit Consulting Company
5850 Coral Ridge Drive Suite 103-C
Coral Springs, Fl. 33076
Office: 954-341-4202
Cell: 954-647-5790
Fax: 954-827-3232

On Mar 24, 2020, at 12:28 PM, Robert Sudler <mailto:rasudler@gate.net> wrote:
To all: This is good! Even though the effective date of coverage for IUOE is April 1, this update from United allows members who missed open enrollment to enroll in this special open enrollment through April 6th.

Hi There,

This special enrollment will be limited to those employees who previously did not elect coverage for themselves (spouses or children) or waived coverage. The dental and vision are out of scope for the special enrollment.

Feel free to contact me with any questions

Thanks,

Margaret Toffoli

Bob Sudler
Sudler Insurance Services, Inc.
An Employee Benefit Consulting Company
5850 Coral Ridge Drive Suite 103-C
Coral Springs, Fl. 33076
Office: 954-341-4202
Cell: 954-647-5790
Fax: 954-827-3232

On Mar 23, 2020, at 12:46 PM, Robert Sudler <mailto:rasudler@gate.net> wrote:
To all:

A very good source of information about Covid 19 and testing is to also refer Members to United's website. United has up to date and thorough information.
Be well!!
Bob Sudler
Sudler Insurance Services, Inc.
An Employee Benefit Consulting Company
5850 Coral Ridge Drive Suite 103-C
Coral Springs, Fl. 33076
Office: 954-341-4202
Cell: 954-647-5790
Fax: 954-827-3232
On Mar 17, 2020, at 2:22 PM, Robert Sudler <mailto:rasudler@gate.net> wrote:

Hi!
United will cover testing of the virus at no cost to members. Attached is a good flyer explaining. Thanks!

Bob Sudler
Sudler Insurance Services, Inc.
An Employee Benefit Consulting Company
5850 Coral Ridge Drive Suite 103-C
Coral Springs, Fl. 33076
Office: 954-341-4202
Cell: 954-647-5790
Fax: 954-827-3232
<covid-19-external-faq.docx>

Coronavirus Update

COVID-19 FAQ

Does UnitedHealthcare cover the test for COVID-19?

UnitedHealthcare and its self-funded customers will waive member cost sharing, including copayments, coinsurance and deductibles, for approved and authorized COVID-19 testing for members enrolled in comprehensive medical plans, and Medicaid and Medicare managed care plans. Testing must be provided at approved locations in accordance with U.S. Centers for Disease Control and Prevention (CDC) guidelines.

Although we discourage opting out of covering the test at no cost share, if a self-funded customer does not wish to follow this approach, we ask you to contact your UnitedHealthcare representative.

Other costs beyond the test will be covered based on medical plan benefits and applicable state and federal mandates. Therefore, deductibles, copayments and coinsurance would apply to care, services or supplies beyond the test itself.

Do high-deductible plans with a Health Savings Account (HSA) cover the COVID-19 test prior to reaching a deductible?

Yes. UnitedHealthcare will cover the COVID-19 test at no cost share prior to the member meeting their deductible. Other costs beyond the test will be covered based on medical plan benefits. Therefore, deductibles, copayments and coinsurance would apply to care, services or supplies beyond the test itself.

Does the provider or lab need use a specific HCPCS code to have the COVID-19 test covered?

Yes. The new HCPCS codes to cover the test are:

- **U0001**
- **U0002**

We anticipate codes may evolve over the upcoming weeks.

Can a member self-refer for the test?

No. A member should call their primary physician right away if they believe they might have been exposed to COVID-19. The provider will have special procedures to follow. If a COVID-19 test is indicated, the provider will collect a respiratory specimen and the test will be covered. In certain situations the provider may refer a member to one of the approved testing locations and UnitedHealthcare will cover the test at no cost.

Is there a Virtual Visit option for members?

Virtual Visit options are available to members in many plans. Where available, and if covered under the member's plan, members can schedule a Virtual Visit with a provider. Virtual Visit providers **Teladoc®**, **AmWell®** and **Doctor On Demand™** have developed guidelines for members who think they may have been infected by COVID-19.

A member's Virtual Visit is a good place to discuss concerns and symptoms. Where indicated, the Virtual Visit provider may refer the member to their physician.

Please note that claims for treatment will pay according to the member's plan benefits. When a COVID-19 test is done, it will be covered at no cost share.

What is UnitedHealth Group doing to help members concerned with COVID-19, also called coronavirus?

UnitedHealthcare has a team of experts closely monitoring COVID-19, formerly known as the Novel Coronavirus or 2019-nCoV. Our top priority is the health and well-being of the people we serve.
As with any public health issue, UnitedHealthcare will work with and follow all guidance and protocols issued by the U.S. Centers for Disease Control and Prevention (CDC), Centers for Medicare & Medicaid Services (CMS), Food and Drug Administration (FDA), and state and local public health departments.

Will pharmacy coverage or treatment be impacted by COVID-19?

Eligible UnitedHealthcare and OptumRx members who need help obtaining an early prescription refill can call the customer care number located on the back of their medical ID card for assistance or work with their pharmacist, who can assist in obtaining an override.

When will the test be covered at no cost share?

We will cover the test when indicated at no cost share. Claims processing systems will be able to accept these codes starting on April 1, 2020, for dates of service on or after February 4, 2020.

What do we anticipate the estimated cost is for COVID-19 testing?

UnitedHealthcare is actively working to define average cost by geographic area. Early estimates indicate the cost for the test to be approximately $50 to $200, similar to the cost of the flu test.

KEY RESOURCES – COVID-19

- CDC COVID-19 Site – what you should know, situation updates, community impacts and resources
- CDC Travel recommendations
- COVID-19 FAQ
- IRS Notice on High-Deductible Plans with HSA

New 3/11/20