

COVID-19 Relief

COBRA Extensions



On April 29, 2020, the Departments of Labor and Treasury jointly issued immediate relief by temporarily extending the following statutory deadlines for COBRA Qualified Beneficiaries and Group Health Plans

- Relief for Plan Participants, Beneficiaries, and Qualified Beneficiaries
 - The 30-day period (or 60-day period, if applicable) to request special enrollment
 - The 60-day election period for COBRA continuation coverage
 - The date for making COBRA premium payments
 - The date for individuals to notify the plan of a qualifying event or determination of disability
- Relief for Group Health Plans
 - With respect to group health plans, their sponsors and administrators, the Outbreak Period shall be disregarded when determining the date for providing a COBRA election notice



What is not Impacted by the Relief

- The Duration of COBRA
 - Does not impact the 18, 36, or 29 months of coverage in any way.
 - Does not affect a QB who terminated because of the end of COBRA
- No requirement to notify members of these extensions
- Does not seem to force carriers to pay claims or provide benefits to a member who has not paid premiums



How the Extension Works

For the above listed periods, your employer-sponsored group health plan will temporarily disregard the statutory deadlines during the “Outbreak Period.” The Outbreak Period began on March 1st and will end 60 days after the National Emergency end date (or a later date announced in subsequent guidance).
Relief for Group Health Plans

- Put another way; this means the time in-between March 1st and 60 days after the National Emergency ends, is **ignored** when determining the discussed deadlines.
- For Example:
 - February premiums had to be postmarked by 03/02/2020 to be accepted. If the National Emergency ends 05/31/2020 then the Outbreak period is from March 1st through 07/30/2020. If a QB didn't make February's premium payment yet, he would have until 08/01/2020 to postmark payments for Feb – July.



How We are Handling each Situation Administratively

- The 30-Day period to Request Special Enrollment
 - If you get a request to add a dependent to the plans due to a birth, marriage or adoption event and it is 30 days after the event but the extension applies, we can add the dependent without consulting with the client
- The 60-Day Election Period for COBRA
 - Any Election Forms received “late” will be automatically processed by the Daily Processing team when they come over on the Not Processed List by Wex
 - If anyone wants to elect and the 60 days has passed, but the extension applies, they can send in their election without having to appeal
- The Date for Individuals to Notify the Plan of a Second Event or Disability Determination
 - The first scenario is not very common, but the extension applies to the deadline for notifying us of a Second QE. It also applies to the 60-days QBs have to notify us one they have been determined to be disabled. When determining if they met the Disability criteria, if the extension applies, the extension can be granted without contacting the client



How We are Handling each Situation Administratively

- The Date for Making COBRA Premium Payments
 - We are not pushing out any deadlines or dates in CP. Anyone who is Terminated will remain so until they make payment
 - No assumptions should be made as to if a QB wants to continue. These extensions will only be applied once they contact us and request for us to do so
 - Any payments received “late” will be posted by the Daily Processing team automatically when they come over on the Payments Not Enter list by WEX
 - We will continue to term QBs for non-payment and we will continue to send Termination notices to the carriers
 - Carriers will most likely suspend access to coverage until payment has been made but will be up to each carrier. This will basically work the way Dillards works now. They will not have access to coverage until they pay, they just have more time to do so.



How We are Handling each Situation Administratively

- The Date for Making COBRA Premium Payments
 - If a Terminated QB wants to make payment online, they can do so, but they will have to call in and have a CSS push out the Days to Pay while on the phone and then change it back after they pay, just like a granted appeal
 - Any open appeals for February forward, should be automatically administratively approved without contacting the Client. The extension will make any future appeals within the Outbreak period unnecessary. You do not have to create a ticket or contact the CSS or Client
 - Any denied appeals for February forward will be retroactively granted. We are in the process of getting out a notice to QBs who had a recent appeal denied.
- Determining the Date for an ER to Provide a COBRA SRN
 - If a Client calls in and states they have a late QE they need processed, as long as their 44 days to send notice had not passed prior to 03/01/2020, they do not have to treat it as late notice, they can enter the QB as they normally would



How We are Handling each Situation Administratively

- In General
 - Starting immediately; any SRN, Termination notice, Enrollment Confirmation notice, Takeover notice, Reinstatement notice, Subsidy notice, Voided Payment notice, Late Payment Reminder, Insignificant Payment notice, and any 45-Day notice, will include a copy of a COBRA Rights Changes Under COVID-19 slip-sheet so QBs are aware of the extensions.
 - Of course you will need to educate the Clients and QBs about the extensions and how they may apply to their situations.
- Open Enrollment Elections
 - If a QB has an Active OE and does not send in their election, they will remain terminated as usual. But if they request an extension, it will be granted or if they send their election in “late”, it will be processed

