

Anthem COVID-19 Update:

In order to support our employer groups & members during these uncertain times, Underwriting has considered new positioning on Section 125 resulting in another special enrollment period and an extension of the timing of benefit buy-downs. Also, eligibility requirements for laid-off or furloughed employees due to COVID-19 have been extended until 9/30.

**What is Anthem's position on Notice 2029-29 regarding §125 Cafeteria Plans? Specifically, will Anthem cover members when their employers permit them to make Cafeteria plan mid-year election change, even absent a change in status or other IRS-recognized event?**

Anthem will allow members who had previously waived coverage to enroll in a plan through August 1, 2020, even absent a qualifying event. This option is available to both fully insured and self-funded groups, excluding life and disability coverage. These members would be covered under Anthem's stop loss policy, but if Anthem is not the stop loss carrier, we recommend verifying coverage with the customer's stop loss carrier.

Anthem will also allow currently covered employees to switch to a lower priced medical plan when one is offered. This option is available for July 1, 2020 and August 1, 2020 effective dates. We will not allow currently covered employees to switch to a more expensive plan absent a qualifying event as described in the benefit booklet or certificate or as mandated by HIPAA.

**If an employee waived coverage for this plan year, would Anthem allow a special open enrollment?**

Yes, Anthem will provide both Fully Insured and Self-funded groups, excluding Life and Disability\*, an option to offer a Special Enrollment Period to enroll employees who previously did not elect to enroll in coverage at the time of open enrollment. This Group Special Enrollment Period will last from June 8, 2020 to July 31, 2020 and is available to both Large and Small groups. Coverage would be effective no later than August 1, 2020. State eligibility guidelines will apply. Employers should consult their legal counsel regarding the tax treatment of employee coverage elections made through this SEP.

Employees needed to be eligible at time of open enrollment for the employer and this Group Special Enrollment will also be applicable to dependents (even if the employee currently has coverage). The employer should follow standard processes of sending updated enrollment to Anthem as they would for any qualifying event or enrollment period via 834s and paper; other electronic formats are not available at this time.

\*For Anthem's Fully Insured Group Life and Fully Insured Group Disability groups, the Special Enrollment Period will not apply. The existing enrolled Disability and Life population shall remain covered, subject to the all other terms of the policy.

**Are customers able to continue employee health benefits if part of OR the entire workforce is laid off or furloughed in response to the COVID-19 crisis?**

We are extending our flexibility on eligibility requirements until 9/30. Specifically:

We are relaxing our requirement for employees to be actively working in order to be eligible for coverage through September 30, 2020 as long as the monthly premium is received. This applies to employees that were laid-off, furloughed or moved to part-time. Coverage must be offered on a uniform, non-discriminatory basis to all employees and employee premium contributions must be the same or less than what they were prior to the layoffs. This flexibility was set to expire on July 31, 2020, but in an effort to be keep members covered we are extending to September 30.