



COBRA-Related FAQs for Employers Regarding Joint DOL & IRS Timeframe Extensions 5/12/20

All of the timelines below have been extended to 60 days AFTER the end date of the COVID-19 national emergency, which is yet to be determined.

- The date a group health plan sponsor or administrator has to provide a COBRA election notice
- The 60-day election period for COBRA continuation coverage
- The date for making COBRA continuation coverage premium payments
- The date for individuals to notify a health plan of a qualifying event or disability
- Special health plan enrollment periods (e.g., for marriage, birth, adoption)

If I have a suspension policy, does it need to be lifted?

Suspension policies should be lifted, as there is no grace period applied.

What if I have a self-funded plan?

All plans must be administered according to the new guidance; self-funded plans are not excluded.

How will Chard Snyder be communicating with COBRA participants?

- Chard Snyder will send a letter monthly to all COBRA participants who are past the grace period. The letter will confirm:
 - Coverage is not free
 - If you are able to continue to pay for coverage you should, so that you do not have to pay back as much after the grace period is expired
 - Coverage will terminate retroactively for non-payment if no payment is made before the end of the grace period (60 days after the end date of the COVID-19 national emergency)
 - Participants who choose to voluntarily terminate their COBRA coverage need to send Chard Snyder a request to terminate the benefit so that it doesn't interfere with other coverage
- Chard Snyder will also include a colored insert with COBRA coupons stating the information above.
- Updates to the COBRA Election Notice are in legal review and will be released shortly. Participants are not required to receive an updated election notice in order to be entitled to the above extensions.

**Note: If SPD's are updated, employers are required to send those to COBRA participants as well. Chard Snyder can mail those at a cost TBD at the employer's request.*

What about participants whose coverage was already terminated for non-payment or those who missed a deadline falling on or after 3/1/2020?

- Communication to those participants is not required. Chard Snyder will continue to accept all appeals and notify the employer, and will make every effort to track and grant all appeals already denied before the regulations were announced.

Historically we have processed terminations for non-payment AND only reinstated participants after a first payment was received. How will that change?

- Participants will be reinstated before any payment is made
- No participants will be terminated or suspended for non-payment
- All COBRA participants will have open-ended coverage through whichever comes first of the following EITHER:
 - Their COBRA expiration date
 - OR
 - 60 days AFTER the end of the COVID-19 national emergency when they are eligible for termination for non-payment

How does this change reinstatement and termination of COBRA coverage?

- If we are sending a file feed to a carrier, we will reach out to them to see how this may change their files.
- If we are sending a manual update to the carrier via email, fax or online portal, we will update the system to generate those reinstatement updates without the typical trigger of a first payment.
- If we are sending a manual update to the employer/broker via email, fax or online portal, we will update the system to generate those reinstatement updates without the typical trigger of a first payment.