

EXTENSION OF COBRA DEADLINES DURING CORONAVIRUS OUTBREAK PERIOD

May 4, 2020

Please read this insert carefully as certain deadlines affecting COBRA continuation coverage have been extended during the coronavirus national emergency. You may have another opportunity to elect COBRA coverage.

On May 4, 2020, the Internal Revenue Service and Department of Labor adopted an emergency regulation that extends certain COBRA deadlines during the coronavirus "Outbreak Period." The Outbreak Period runs from March 1, 2020 until sixty (60) days following the announced end of the National Emergency (or another date determined by the federal government in a future notice). Health plans must disregard the Outbreak Period when determining deadlines for electing COBRA coverage and payment of COBRA premiums, and for notifying the health plan of a Qualifying Event that is a divorce, separation, loss of dependent status or a disability.

Examples:

- 1) Terry loses coverage on December 31, 2019 due to a reduction of hours and received a COBRA election notice on January 15, 2020. Terry did not elect COBRA coverage by March 15, 2020, which was the deadline under the normal COBRA election rules. The 15-day portion of his COBRA election window that falls within the Outbreak Period (March 1-March 15) is disregarded. Terry's COBRA election period will now end fifteen (15) days after the end of the Outbreak Period.
- 2) John loses coverage due to a reduction of hours and received a COBRA election notice on April 1, 2020. John's COBRA election period will end sixty (60) days after the end of the Outbreak Period. Until John elects COBRA coverage, the health plan will inform providers that John does not currently have coverage but will have coverage retroactively if he elects COBRA coverage during his election period and timely pays his COBRA premium covering the month of service (see 3(a), below).
- 3) Susan was receiving COBRA coverage on April 1, 2020. More than 45 days had passed since Susan had elected COBRA. Susan made a timely March COBRA premium payment but has not made any payments since then. As of August 1, 2020, Susan has made no premium payments for April, May, June or July. For purposes of this example, assume that the Outbreak Period ends on July 30, 2020. Susan's premium payments for four months (April through July) are due by August 29, 2020.
 - a) The health plan will pay for benefits and services retroactively only if Susan pays the COBRA premium by August 29, 2020. Until Susan pays the retroactive COBRA premium(s), the health plan will inform providers that Susan does not currently have coverage but will have coverage retroactively if she pays her COBRA premiums covering the month of service.

- b) If Susan only submits payment equivalent to two months' premiums by August 29, 2020, benefits and services provided on or before May 31, 2020 would be covered but the plan would not be obligated to pay for benefits or services that occurred after May 2020.

Please call a Member Services Representative at the number on your COBRA election form or in your plan's summary plan description if you have any questions or need another copy of your COBRA election forms.