

IAA Legislative Ledger



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COVID-19 Impacts Employee Health Plans Too!

IMMEDIATE IMPLEMENTATION (THAT MEANS NOW)

As a result of the national emergency, effective March 1, 2020, President Trump enacted the "Families First Coronavirus Response Act" and "Cares Act", which impacts business and employee benefits. The Department of Labor and the IRS have issued regulations effective "immediately" that extend certain employee benefit/ERISA-related notice, election and COBRA premium payment periods.

Effective March 1, 2020 the COBRA regulation timelines have been extended. The extension will end 60 days after the end of the national emergency; or March 1, 2021. COBRA regulation timelines will resume.

This will have a significant impact on group health plan administration. In particular, COBRA qualifying individuals will have up to 120 days after the end of the national emergency to elect COBRA and even longer to pay COBRA premiums for the period of the national emergency (COBRA premiums must be paid back to the original Qualifying Event date moving forward). See the below table as a guide.

NOTICE OR ELECTION PERIOD	REGULAR TIME PERIOD	RELIEF PROVIDED
COBRA election period	Generally, begins at termination of group health plan coverage and ends not earlier than 60 days after notice to qualified beneficiary	Election Period ends 120 days after end of national emergency.
COBRA premium payments	First monthly payment typically due 45 days after election; subsequent payments typically due every 30 days.	Premium payments for period of national emergency generally due no earlier than 90 days after end of national emergency.
COBRA qualifying beneficiary notifying plan administrator of COBRA qualifying event	60 days after qualifying event.	Notification period ends 120 days after end of national emergency.
Plan administrator providing COBRA election notices	14 days after learning of qualifying event.	14 days after learning of qualifying event, which could be as much as 74 days following end of national emergency.

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HIPAA Special Enrollment Period due to loss of other coverage	30 days after loss of other coverage	Enrollment period extended to 90 days after end of national emergency.
HIPAA Special Enrollment Period for new dependent due to marriage, birth or adoption	30 days after marriage, birth or adoption	Enrollment period extended to 90 days after end of national emergency.
HIPAA Special Enrollment Period due to termination of Medicaid or CHIP Eligibility	60 days after termination of Medicaid or CHIP	Enrollment period extended to 90 days after end of national emergency.
HIPAA Special Enrollment Period due to becoming eligible for Medicaid or CHIP assistance with respect to group health plan coverage	60 days after being determined as eligible for assistance	Enrollment period extended to 90 days after end of national emergency.
Filing of benefit claims and appeals of adverse benefit determinations	Various dates depending on type of claim	Deadline for claim or appeal is at least 60 days after end of national emergency.
Filing of request of external review of adverse group health benefit determinations	Various dates depending on type of claim	Deadline for claim or appeal is at least 60 days after end of national emergency.

For more information, please contact your IAA broker/Client Advocate.

Flexible Spending Account Claim Submission Update

On **April 29, 2020**, the IRS, Department of Labor, and other federal agencies published a final notice providing COVID-19 relief guidance that included extended run out periods for health Flexible Spending Account (FSA) and Health Reimbursement Arrangement (HRA) plans. As of May 12, 2020, the "Outbreak Period" has yet to be finalized. The Outbreak Period = End of National Emergency + 60 days. For all run out periods that end on or after March 1, 2020, plans must allow any day that were remaining in the original run out (after March 1) plus the "Outbreak Period" before the claims submission period can close. IAA is closely monitoring all federal regulations, and we are reviewing any claims that may have been denied prior to the release of the above regulation. If you believe that your claim needs to be reviewed, please contact our Flexible Spending Department at flexclaims@iaatpa.com or via phone at 888-599-1515.

Please contact your IAA Client/Broker Advocate with any questions!

Thank you,

Paul Kelly, President