



Brief Notes

NEWS FOR BROKERS & CONSULTANTS

Applies to: Commercial market group health plans subject to ERISA

COVID-19 Update: ERISA Plan Relief and Extension of Timeframes

On **May 4, 2020**, the IRS (Department of Treasury) and Employee Benefits Security Administration (Department of Labor), [announced](#) the extension of certain timeframes under the Employee Retirement Income Security Act (ERISA) and the Internal Revenue Code (the Code) for group health plans, disability and other welfare plans, pension plans (the Plans), and participants and beneficiaries of these Plans during the COVID-19 National Emergency.

The announcement requires that the Plans that are subject to ERISA or the Code must disregard the period beginning March 1, 2020 until 60 days after the announced end of the COVID-19 National Emergency or such other date announced by the Agencies (the “Outbreak Period”) for all plan participants and beneficiaries.

Here is an overview of the extended timeframes required by the announcement, and information on how Horizon Blue Cross Blue Shield of New Jersey (Horizon BCBSNJ) is prepared to implement the extensions for our customers:

The 30-day period (or 60-day period, if applicable) to request special enrollment under a group health plan

Employees of affected group health plans may elect to enroll under the group's health plan beyond the 30- or 60-day time period usually allowed. Horizon BCBSNJ will retroactively enroll members as needed.

The 60-day period to elect COBRA continuation coverage

Employees of affected group health plans may elect COBRA coverage later than

usual. Horizon BCBSNJ will retroactively enroll those individuals as needed.

The date for making COBRA premium payments

Regarding initial COBRA premium payments:

If an individual submits his or her COBRA election but does not furnish the initial premium payment, group health plans can choose to hold the enrollment request until the COBRA premium payment is received, or send the enrollment request for Horizon BCBSNJ to process.

If the group health plan chooses to hold the enrollment request, Horizon BCBSNJ will retroactively enroll the member into COBRA coverage when we receive the request and pay any eligible claims.

If the group health plan sends the enrollment request, Horizon BCBSNJ will process the request and eligible claims will be paid accordingly. Once the COBRA enrollment is processed, the COBRA premium will be added to the group health plan's monthly bill. If the monthly bill is not paid in full in a timely manner, the group coverage is at risk of termination for nonpayment of premium.

Regardless of which option the group health plan chooses, the maximum retroactive termination is generally limited to 60 days from when Horizon BCBSNJ receives written notice from the group. However, no retroactive termination will be made beyond the day after the last paid claim.

Regarding subsequent COBRA premium payments:

If an existing COBRA member stops making premium payments to the group and the group health plan chooses to cancel the COBRA coverage, Horizon BCBSNJ will support that transaction as well as the subsequent re-enrollment if and when the member furnishes payment to the group.

The maximum retroactive termination is generally limited to 60 days from when Horizon BCBSNJ receives written notice from the group. However, no retroactive termination will be made beyond the day after the last paid claim.

The date for individuals to notify the group health plan of a qualifying event or determination of disability

Group health plan participants and beneficiaries will have additional time to notify the individual of a COBRA qualifying event or a determination of disability. Horizon

BCBSNJ will support any required changes needed as a result of those notifications.

The date by which individuals may file a benefit claim under the group health plan's claims procedure

Horizon BCBSNJ is updating workflows to ensure that the period between March 1, 2020 and 60 days following the announced end of the National Emergency do not count toward existing claims timely filing limits.

The date by which claimants may file an appeal of an adverse benefit determination under the plan's claims procedure

Horizon BCBSNJ is updating workflows to ensure that the period between March 1, 2020 and 60 days following the announced end of the National Emergency do not count toward existing appeals filing limits.

The date by which claimants may file a request for an external review after receipt of an adverse benefit determination or final internal adverse benefit determination

Horizon BCBSNJ is updating workflows to ensure that the period between March 1, 2020 and 60 days following the announced end of the National Emergency do not count toward existing appeals filing limits.

The date by which a claimant may file information to perfect a request for external review upon a finding that the request was not complete

Horizon BCBSNJ is updating workflows to ensure that the period between March 1, 2020 and 60 days following the announced end of the National Emergency do not count toward existing filing limits.

Horizon BCBSNJ stands ready to help our customers, now and always.

If you have any questions, please contact your Horizon BCBSNJ sales executive or account manager.



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