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Administration

Quick Alert

IRS and DOL Provide Relief Due to COVID-19 **Relief for Participants and Plan Sponsors from Certain Time Deadlines**

Today, recognizing the impact of the COVID-19 Pandemic, the [Internal Revenue Service and the Department of Labor released guidance](#) that extends the period of time that a participant has in enrolling in coverage under a health plan, paying for COBRA continuation coverage, submitting claims for coverage and disputing denials of claims for benefits. The guidance also extends the period of time that a group health plan sponsor or administrator (OCA in this case) has to provide a COBRA election notice. [Agency FAQs were also released related to the guidance.](#)

Essentially, the guidance provides that actions that must be taken with the time period from March 1, 2020 until 60 days after the time the federal government declares the COVID-19 emergency has ended will be disregarded.

The guidance states that the following actions that are required to be taken during the "Outbreak Period" are extended until after the Outbreak Period ends:

- Special health plan enrollment periods;
- 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;
- The date that individuals can make a claim for benefits (essentially extending the run-out period for reimbursement by health plans, health FSA or HRA plans until after the pandemic is over);
- The dates for appeal of denied benefit plans and external review of claims denials; and
- The date a group health plan sponsor or administrator has to provide a COBRA election notice

What is OCA's Opinion...

The guidance provides a number of helpful examples illustrating how this relief will operate. Unfortunately, there is no guidance provided on what changes must be made to notices and summary plan descriptions. Also, no guidance is provided on how to resolve terminations of COBRA coverage for failure to pay March premiums (which would be part of the Relief Period).

We also do not know when the national emergency will end. The guidance seems to think it will end tomorrow but the evidence indicates it will be extended, possibly months or even longer. That means election periods and payment periods that began or otherwise ended during the Relief Period could be open for a very long time. Lastly, this guidance does not allow cafeteria plan salary reduction elections to be changed or revoked nor does it allow an increase in the FSA carryover amount - two issues that we have asked the IRS and Treasury Department to provide guidance.

We will continue to communicate "next steps" and "best practices" as we learn more.

Sincerely,
OCA

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