



## COBRA Extension Communication

### Notices Include COBRA Extension Deadlines

On April 29, 2020, the Federal government extended certain COBRA deadlines for COBRA Qualified Beneficiaries should they need additional time due to the current COVID-19 pandemic. The government has stated that the period starting March 1, 2020 and ending 60 days after the announced end of the National Emergency (the "Outbreak Period") must be disregarded when applying certain COBRA time periods (The government has not yet identified the end date of the National Emergency, and thus the end date of the Outbreak Period currently remains unknown).

**To ensure our partners, clients, and participants are fully aware of the COBRA Extension Deadlines, the below bullets outline OCA's communication strategy as it relates to different COBRA notices.** For additional information on OCA's COBRA communication workflow to existing/new qualified beneficiaries, please log into [OCA's COBRA portal](#).

#### COBRA Notices

- **COBRA Election Notice:** COBRA Election Notices sent as of May 11, 2020 will include OCA's COBRA extension language. For elections processed on/after 5/11 (and until the end of the Outbreak Period) OCA will postpone sending the "Failure to Elect Notice" if election is not made within the standard 60-day time-frame. Instead, OCA will generate "The Failure to Elect" notice when the Outbreak Period has ended, and OCA is able to determine the 60-day election time frame. Regardless, OCA encourages employers to terminate coverage at the time of the qualifying event and not reinstate coverage until if/when a COBRA election is made. **NOTE:** *In deciding whether to terminate coverage at the time of the qualifying event, you must confirm with the insurance carrier (including any stop loss carrier) that coverage will be retroactively reinstated without limitation to*
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*the extent that the election and initial premium payment are both timely made. Some insurance carriers limit retroactive reinstatements to 60 days. If there are limitations on retroactive reinstatement's, you may have to maintain active coverage for qualified beneficiaries following the qualifying event subject to retroactive termination if the election and firm premium payment have not been made.*

- **Failure to Elect Notice:** OCA will send the Failure to Elect notice (and include the extension notice) to any Qualified Beneficiary ("QB") who did not originally receive the updated COBRA election notice. This will allow OCA to communicate the extension deadlines to all eligible QBs.
- **Failure to Remit Payment Notice:** OCA will continue sending out the Failure to Remit Notice (and include the extension notice) if/when payment is not received within the 30-day grace period. Based on IRS guidance, during the extension, you can terminate coverage due to not paying premium timely. However, the key will be whether the carrier will be willing to reinstate coverage after all those months if they are terminated. NOTE: In deciding whether to terminate coverage when a monthly premium is not paid by the end of the grace period, you must confirm with the insurance carrier (including any stop loss carrier) that coverage will be retroactively reinstated without limitation to the extent that the monthly premium payment is timely made. Some insurance carriers limit retroactive reinstatements to 60 days.

To stay informed with OCA's operational updates, please visit [oca125.com/covid19actions](https://oca125.com/covid19actions).

## Benefit Administration Done Right

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