



4/2/2021

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Dear Sam Sample:

SUPPLEMENTAL NOTICE
Important COBRA Deadline Changes and ARPA Premium Assistance

Within the past few weeks, new regulations and laws have been issued that significantly impact the costs and deadlines associated with COBRA coverage. You may be eligible for premium assistance and/or extended deadlines to elect COBRA coverage. The following information highlights the changes, how they impact you, and the actions that you can take to maximize the benefits of these new laws. Please note, this is an informational notice only and if you are determined to be eligible for a COBRA subsidy you will receive an additional communication.

COBRA Election Deadlines

On February 26, 2021, the Department of Labor issued revised guidelines related to the deadlines by which COBRA participants are required to elect and pay for extended health coverage. These guidelines clarify the original extended deadlines that were announced in May 2020 as a result of the COVID National Emergency.

- If your COBRA election deadline was March 1, 2020 or later, you have up to **one (1) year from the election deadline printed in your original COBRA rights notification letter** or up to 120 days after the date the National Emergency is declared over to make your election, whichever is sooner. There is currently no estimated date for when the National Emergency will end.
- Example 1: Assume that the COVID National Emergency later this year is declared over with an end date of September 15, 2021. If you became eligible for COBRA and received your notification letter in June of 2020 with an election deadline of July 31, 2020, you now have until July 31, 2021 to elect to continue coverage (i.e., one year from the original election deadline).
- Example 2: Likewise, assume that the COVID National Emergency later this year is declared over with an end date of September 15, 2021. If you became eligible for COBRA and received your notification letter in December of 2020 with an election deadline of February 28, 2021, you will have until January 13, 2022, to elect to continue coverage (i.e., September 15, 2021 + 120 days after the date that the National Emergency is declared over).

COBRA Premium Payment Deadlines

- Under normal circumstances, you have 45 days from the date in which you elected COBRA to make your initial premium payment. You may have up to one year beyond that 45-day deadline or 60 days plus 45 days after the declared end of the National Emergency (whichever is earlier) to make your first payment.
- Normally, monthly premiums are due on the first of the month with a 30-day grace period. With the extended guidelines you may have up to one year from the end of the 30-day grace period or 60 days plus 30 days after the end of the National Emergency, whichever is sooner, to pay your monthly premium.
- If you miss any of these updated extended deadlines for enrollment or premium payments, your COBRA coverage will lapse and cannot be reinstated.

ARPA Premium Assistance



On March 11, 2021, the \$1.9T American Rescue Plan Act (ARPA) was signed into law by President Biden. This law included assistance to cover 100% of COBRA premiums for Americans who experienced a loss of coverage due to involuntary termination or reduction in hours. While this is exciting news for many members who are potentially eligible for this assistance, ARPA requires our office to **WAIT to make eligibility determinations until late May** after the final guidance is released. Once the new guidance is released, we will identify members eligible for premium assistance and notify those members by mail. Based on the current guidance, here is what you need to know:

- We cannot determine your eligibility until late May.
- You should continue to pay any premiums due.
- This letter is not intended to indicate your eligibility for premium assistance. You may or may not be eligible for premium assistance.
- ARPA premium assistance is designed to pay for coverage between April 1, 2021 and September 30, 2021 for eligible COBRA or state continuation benefits.
- If you were offered COBRA or state continuation benefits for any reason other than involuntary termination or reduction in hours (such as leaving your job voluntarily), you will not be eligible for premium assistance.
- If you are eligible for another group health plan (such as through a new employer or a spouse's employer) or if you are eligible for Medicare, you will not be eligible for premium assistance.
- If you are eligible for the ARPA premium assistance:
 - o We will let you know by mail in late May.
 - o Until we notify you in late May, continue to pay your premiums.
 - o You will not owe premiums for April 2021 – September 2021 for eligible benefits.
 - o We will refund any payments you made for April and May premiums.
 - o You may still owe premiums if you are enrolled in benefits not eligible for premium assistance.
- The above is informational only and the ARPA premium assistance information is based on current guidance. These laws and their interpretation may change.

Meanwhile, you should continue to pay any premiums due. Yes, we said it again. It is that important! If you miss any of these updated deadlines for premium payments, your coverage will lapse and cannot be reinstated. Should you have any questions regarding the new deadlines for elections, payments or premium assistance, please contact us at ARPA@myCobraPlan.com.

Sincerely,
myCobraPlan Customer Service