



Group Benefits Designers, Inc.

Health ~ Dental ~ Vision ~ Life ~ Disability ~ Voluntary

We're All In This Together!

We want to make sure you know your GBD Team is here for you! Please keep in touch, we are "open" and working. As always you can reach us by phone, email and our cell phones.
~ The GBD Team

Compliance Concerns

As you know, legislation passed in response to COVID19 has impacted medical plan benefits. For those of you with ERISA documents, this may likely require an update to your SPD's and WRAP documents. Items of consideration:

- The coverage of COVID19 testing and treatment required in the FFCRA impacts medical plan documents and changes need to be reflected in your SPD's.
- People are driving less, which has resulted in some auto insurers issuing

rebates to policy holders. Similar to auto insurers, the reduction in dental and vision claims may lead dental and vision carriers to issue rebates as well. Please keep in mind that these rebates will be subject to the same rules as MLR rebates. There is generally a 90-day timeframe for issuing rebates to employees. This is especially important if a policy you receive a rebate on is 100% voluntary (employee paid). The rebate will come to the company, but the rebate funds belong to the employees.

- When plans are contributory, your WRAP documents can include specifics for how rebate money will be treated. Documents can be written to allow for the plan sponsor to keep the entire rebate, but this must be documented in the WRAP.

***If you are currently thinking, "WRAP documents? I don't have a WRAP document!" Now may be a good time to get one in place and we are here to help.

- COBRA—Please see attached alert regarding changes to COBRA due to COVID19 Legislation.

Health and Wellness

- Every group insurance carrier has created resource pages with pertinent information for how they are handling benefits during COVID19. It is important you visit your carrier's website for FAQ's and read their emails for information related to your benefits.
- It is also important, always, but now more than ever, to be attentive of employee's mental health. Promote the use of Employee Assistance programs (EAP) if available. Medical carriers may also be allowing for virtual mental health visits. Check with your carrier for benefits specific to your plan. Some apps to help: Sanvello, Calm.com
- If you have employees working from home, their make-shift workstation may be leading to body pain and discomfort. Dr. Benjamin Hopsicker of Alexandria Wellness center is offering telemedicine consults and seminars on healthy home ergonomic workstations. Contact Dr. Hopsicker at drben@alexwellchiro.com to learn more.

Additional Support

COVID19 has certainly raised many question and will impact "how" we work from this point forward. Your GBD team has cultivated a trusted network of business advisors and other professionals that can assist our clients as needed. Should you find yourself needing additional support or have questions about the following, please let us know: Human Resources, Employment Law, Payroll, Retirement/401K, Business Insurance.

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Emergency Regulation Has Significant Immediate COBRA Implications

New [emergency regulations](#) released by the Trump Administration to extend certain employee benefit plan deadlines will have significant impact on COBRA administration. The regulation essentially stops the clock on all COBRA deadlines for the period starting March 1, 2020 and lasting until 60 days following the end of the COVID-19 national emergency, as determined by the Administration (the “Outbreak Period”).

Relative to COBRA elections, this means that qualified beneficiaries will have the Outbreak Period PLUS 60 days to determine if they wish to elect coverage. For example, let’s say an employee loses coverage based on a termination of employment and receives their COBRA election notice on April 1, 2020. Typically, they would have 60 days, or until May 31 to elect coverage. Now, they will have the Outbreak Period PLUS 60 days. So, in our example, assuming the Outbreak Period ends June 29, they would have until August 28, 2020 to elect coverage.

This new rule also extends the payment deadlines for COBRA premiums. Meaning that no premium payment can technically be required until the end of the Outbreak Period. All COBRA premium payments that would have been otherwise due during the Outbreak Period will instead be due 30 days after the end of the Outbreak Period. Thus, for example, if a qualified beneficiary is on COBRA as of March 1 and the Outbreak Period ends June 29, he would have until July 29 (thirty days later) to pay premiums for March, April, May, and June. In this example, the qualified beneficiary IS ELIGIBLE to receive coverage under the plan during the interim period, and that coverage may not be denied until after the applicable deadline has passed.

In addition to the COBRA deadlines, the regulation extends the timeframes for group health plan participants to:

- (1) request a special enrollment period under ERISA;
- (2) notify the plan about a qualifying event or determination of a disability;
- (3) file a benefit claim;
- (4) file an appeal of an adverse claims determination;
- (5) file or address an external review.

A related piece of guidance, also just released by the Trump Administration, [EBSA Disaster Relief Notice 2020-1](#), protects group plans that need to postpone plan deadlines during the COVID-19 outbreak. Under this guidance, if a plan fiduciary acts in good faith, but fails to issue a notice, disclosure, or document on-time between March 1, 2020, and 60 days after the announced end of the COVID-19 National Emergency, they will not violate ERISA. Group plan sponsors simply need to issue the required materials as soon as practical. They can also use reasonable electronic alternative means of communicating, including email, text messages, and continuous access to websites.



KELLY's COBRA team is currently evaluating the implications of these changes and will provide additional guidance for our COBRA administration clients as soon as possible.

KELLY is not a law firm and cannot dispense legal advice. Anything contained in this communication is not and should not be construed as legal advice. If you need legal advice, please contact your legal counsel.