

COBRA Compliance and Mandated Notices Requirements

Participant Activity	Employer's Required Actions		Admin America's Actions
An Employee elects a COBRA-Eligible benefit for the first time	Within 30 days of enrollment , notify Admin America of New Plan Member via COBRAPoint Client Portal at cobra.adminamerica.com	➡	Through United States Postal Service (USPS) Proof of Mailing, Admin America sends a General Rights Notice to the Participant "And Family."
Employee Experiences a COBRA Qualifying Event: - Termination of Employment - Reduction of Hours resulting in loss of coverage	Within 30 days of the event or loss of coverage , notify Admin America of the Qualifying Event, plan information, and affected dependents via COBRAPoint Client Portal (<i>Check for accuracy. A \$10.00 charge will be assessed for reprocessing</i>)	➡	Through USPS Proof of Mailing, send a Specific Rights Notice (COBRA Election Notice) to the participant and any covered dependents.
COBRA law requires for a Specific Rights Notice to be sent to the last known address of all COBRA-Eligible Qualified Beneficiaries even if the employee indicates, for any reason, that they would not be interested in COBRA.			
Job loss due to gross misconduct	<i>Be extremely careful and always consult legal counsel before categorizing someone as "Gross Misconduct" for COBRA purposes. This will deny COBRA to the participant. It is Admin America's experiences that Gross Misconduct is extremely rare</i>	➡	Send the QBs a Notice of Denial of COBRA Due to Gross Misconduct - <i>this notice is not mandatory</i> , however, it does help avoid confusion and limits potential liability
Death of Employee Divorce or legal separation Loss of dependent status The General Rights notice instructs the employee & dependents that they must notify the employer within 60 days of an event.	Within 15 days of receipt of notification of the plan change , notify Admin America of the event, plan information and affected Dependents via COBRAPoint Client Portal <i>[On the portal, you will enter a "New QB" and enter the Dependent directly. On the Event tab, choose "Dependent" and the event. Process QB as normal.</i>	➡	Through USPS Proof of Mailing, Send the Dependents (Qualified Beneficiaries) a Specific Rights Notice
COBRA Qualifying Event occurs and Employee has a <u>Medical Flexible Spending Account (FSA)</u>	If Admin America does not administer the FSA: Notify Admin America of the total Annual Election, Amount contributed as of the date of the event, and amount paid. If Admin America does administer the FSA: Notify changes@adminamerica.com of the termination reason and date	➡	If the Participant has a negative balance (has been paid more than he/she contributed) no COBRA will be offered on the FSA If the Participant has a positive balance (has contributed more than paid) the FSA will be included in the COBRA Specific Rights Notice
Termination of COBRA: • Participant fails to make a timely payment (by the end of the 30-day grace period) • Participant voluntarily drops COBRA • Participant completes maximum period on COBRA.	<i>Client is responsible for terminating coverage the carrier(s) and verifying that the carrier(s) have removed participants from future invoices</i>	←	<ul style="list-style-type: none"> Admin America will notify the client of the participant's status and need to be terminated via e-mail by the middle of the following month. Termination of COBRA Notice sent to participant

Other Communications

Activity	Admin America's Actions	Other's Actions
Participant Elects COBRA	If payment is not received with election, coupons will be issued, and participant will have 45 days to catch up on back payments	Participant makes initial payment
	Participant is elected and paid to current, Admin America will notify carriers to reinstate coverage. Clients will be notified to expect participant to return to carrier invoice	<ul style="list-style-type: none"> Carrier Enrollment Department updates participant status Client monitors future bills for COBRA Qualified Beneficiaries
Participant and/or providers experience difficulties verifying coverage	Note reinstatements can take 7-10 business days to update by provider: If there is an Access to Care issue; AA will contact the carrier for assistance. AA will assist Providers in verifying coverage as much as possible. If provided, Admin America may contact a carrier account manager or broker for additional assistance.	Carrier Enrollment Department updates status as soon as possible.
Qualified Beneficiaries experience a secondary Qualifying Event or extension of COBRA	If a Qualified Beneficiary notifies Admin America of a secondary Qualifying Event (<i>Death of Employee, Divorce, loss of Dependent Status</i>) or COBRA Extension granted by the Social Security Administration, Admin America will notify the Client and Carrier directly.	Carriers will adjust the last day of COBRA.
Client request participant information	Admin America may direct clients to the COBRAPoint portal to run on-demand reports.	Additional information may be requested to cobra@adminamerica.com
Open Enrollment/ Annual Renewal	Admin America will contact the Plan Administrator and/or Broker prior to the plan's scheduled renewal. When requested, Admin America will assist in Open Enrollment at no fee if all required materials are received 15 days <u>prior to the Renewal Date</u> . An additional fee will be charged for Admin America-assisted Open Enrollment after the 15th (\$25.00 per COBRA Open Enrollment packet). Admin America will always send new rate information to participants at no cost.	Plan Administrator and/or Broker must provide completed renewal paperwork to Admin America. If Admin America is not assisting in Open Enrollment, <u>the Plan Administrator will be responsible for performing Open Enrollment with the Qualified Beneficiaries</u> (Check for accuracy, a \$20.00 per QB will be assessed for reprocessing.)