



COBRA: COSTS

WHO PAYS FOR COBRA COVERAGE?

Employees can be required to pay for COBRA continuation coverage, but the amount charged can't exceed 102% of the cost of the plan.

COBRA VIOLATION FINES

Noncompliance fines fall into two categories:



- Tax Penalties: \$100 per employee (or family member) for each day of noncompliance
- Statutory Penalties: Up to \$110 per day

Note: Statutory penalties occur due to ERISA (Employee Retirement Income Security Act) infractions.

WHAT ELSE DO I NEED TO KNOW?

- The COBRA coverage election period must be at least 60 days long
- Continuation coverage must be identical to the current group plan for active employees and beneficiaries
- COBRA continuation coverage is required to extend from the date of the qualifying event for least 18 or 36 months
- Coverage can be terminated early if payment is not received within 45 days of election and 30 days after subsequent premium due date



Alpine is BerniePortal's exclusive third-party administrator that helps small & mid-sized businesses manage their employee benefits and COBRA.

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