

We understand businesses may be forced to make difficult decisions in these uncertain times. First and foremost, we wish you and your employees safety and good health.

Most employers with 20 or more employees must follow COBRA continuation of coverage notice rules, if they make certain changes to an employee's health coverage. Smaller employers may be subject to similar state laws. Not following the rules properly may cause an employer to incur large fines.

**If your clients are considering layoffs, furloughs, reduction of work hours or other actions which impact your clients' employees' eligibility for health coverage, please remember Cobra Control Services (CCS) is here to help. CCS administers continuation of coverage for an extremely low, per-event cost. We do not charge a per-employee-per-month fee, and you only pay for what you use.**

### **Large Quantity Qualifying Event Notice Transactions**

If you or your clients intend to separate 25 or more employees, call us and we'll explain how you can use an Excel file to upload all of your qualifying event notice requests. Just email Susan McDade at [SMcDade@BASusa.com](mailto:SMcDade@BASusa.com) or call her at (610) 992-2552 for details. We're waving our regular \$125 file processing fee, in an effort to help our clients manage costs.

No one likes to think about layoffs or terminating health coverage. CCS can help you navigate the required communications easily, inexpensively, and consistent with legal requirements.

## **COVID-19-Related FAQs**

If you need assistance issuing a COBRA notice, please contact your Account Manager or [service@cobracontrol.com](mailto:service@cobracontrol.com).

### **Q1. Is Cobra Control Services open during the Pennsylvania Governor's mandated shutdown?**

A. Yes! BAS/CCS is fully operational. We are here and ready to help. All staff are fully prepared to assist you with your COBRA needs.

### **Q2. Do you know the COBRA requirements for layoffs, reduction of hours or furloughs?**

If you reduce a covered employee's hours and if the employee loses health coverage, you may have to offer the employee (and covered dependents) a COBRA election. This could be the case even if the layoff or reduction in hours is temporary! You should send a COBRA notice like you would for any other COBRA qualifying event.

### **Q3. Can we pay an employee's COBRA premiums?**

Yes! An employer can pay for all or a part of the employee's COBRA premiums. Cobra Control Services can help by sending COBRA notices indicating your contribution for coverage. We also manage collection of premium payments.

#### **Q4. How long do we have to offer an employee COBRA?**

COBRA timelines are set by law. You have 30 days to let CCS know about an employee's COBRA event. CCS will send a COBRA notice to the employee by US mail with proof of sending within 14 days.

#### **Q5. Do small companies even need to offer COBRA?**

Most employers with 20 or more employees must follow the COBRA rules if they make certain changes to an employee's health coverage. Smaller employers may be subject to similar state laws. Not following the rules properly may cause an employer to incur large fines. CCS administers state continuation (also known as Mini COBRA) for many states.

#### **Q6. How long does COBRA coverage last?**

For a reduction of hours or termination of employment, COBRA can last up to 18 months. If a continuant is disabled within the first 18 months of COBRA coverage and provides a determination of disability from the Social Security Administration in a timely manner, coverage may be extended from 18 to 29 months. There are different time frames for other COBRA events.

#### **Q7. Can we provide a COBRA continuant with a longer time to pay the premium?**

Federal COBRA guidelines require that continuants be provided 45 days for the first COBRA payment. All subsequent payments are due on the 1<sup>st</sup> of the month for that month of coverage, but continuants do have a 30-day grace period for making payment. Yes, an employer may provide an employee with a longer timeframe to pay but should keep in mind that they are setting a precedent for all future similar requests.

#### **Kind Regards,**

COBRA Control Services, LLC  
Benefit Allocation Systems, LLC  
MyEnroll<sup>360</sup>