

COBRA Timeline Extensions Due to COVID-19

Clackamas County April 2021

In response to the COVID-19 pandemic, the Department of Labor, Revenue and Treasury have extended certain deadlines associated with COBRA coverage. The deadlines noted below are paused beginning March 30, 2020 until the earlier of one year from the original deadline or until 60 days after the Federal government declares the national emergency for COVID-19 over:

COBRA Election Period:

The Federal law, COBRA, provides employees and their enrolled family members with the right to continue health insurance upon loss of coverage under the County's group plan. If you wish to continue coverage through the County, you (or a third party acting on your behalf) must enroll *in writing* for COBRA coverage within sixty (60) days from the later of:

- the date of the County's letter notifying you of your right to continue coverage, or
- the date the County-provided health coverage ends.

If the due date falls on a weekend or holiday, then the due date will be extended to the next regular working day.

Example 1: Assume the Federal government ends the national emergency on November 10, 2021. Frank's employment ended on August 15, 2020, and Clackamas County sent the letter notifying him of his right to continue coverage through COBRA on September 1, 2020. Under normal circumstances, Frank would have had until October 30, 2020 to submit his COBRA election. However, due to the Federal extensions, Frank now has until October 30, 2021 to submit his COBRA election. This is 1 year from the original deadline.

Example 2: In the scenario above, if the Federal government ends the national emergency May 1, 2021, then Frank would have until August 29, 2021 to submit his COBRA election. This is 60 days beyond the end date of the national emergency plus the 60-day COBRA election period.

COBRA Premium Payments:

New Enrollees

The first premium payment must be paid within 45 days from the date the election form is signed. The first payment must include the amount due from when premium begins through the month in which the completed election form is received by HR. If full payment is not received within 45 days, coverage will be canceled retroactively to the retiree/COBRA insurance eligibility date.

Example 3: Using example 1 above, Frank signed and turned in his COBRA election form on September 15, 2020. Under normal circumstances, Frank had until October 30, 2020 to make his payment for the period of September through October 2020. However, due to the Federal extensions, Frank now has until October 30, 2021 to make his payment for the period of September 2020 through October 2021. This is 1 year from the original deadline.

Example 4: Using example 2 above, Frank signed and turned in his COBRA election form on September 15, 2020. Under normal circumstances, Frank had until October 30, 2020 to make his payment for the period of September through October 2020. However, due to the Federal extensions, Frank now has until August 13, 2021 to make his payment for the period of September 2020 through August 2021. This is 60 days beyond the end date of the national emergency plus the 45-day initial payment period.

Current COBRA Participants

Premiums are due the 1st of the month in which the premium covers. Once a premium is 30 days overdue, a letter is sent notifying the participant that payment must be received within fifteen days. Otherwise, the policy will be cancelled. Once a premium is 45 days overdue, coverage will be canceled retroactively to the original due date. Participants are responsible for any claims incurred after the original due date.

Example 5: Assume the Federal government ends the national emergency on November 10, 2021. Jennifer did not make her August 2020 payment or any following payment. Under normal circumstances, Jennifer has until September 14, 2020 to submit her August 2020 overdue balance. Otherwise, the policy will be cancelled. However, due to the Federal extensions, Jennifer now has until September 14, 2021 to make her August 2020 payment. This is 1 year from the original deadline.

Example 6: In the scenario under example 5, if the Federal government ends the national emergency May 1, 2021, then Jennifer would have until August 13, 2021 to submit her August 2020 through July 2021 payments. This is 60 days beyond the end date of the national emergency plus the 45-day grace period.

COBRA Notification of a Qualified Life Event:

You may add or remove dependents from your COBRA coverage due to a Qualified Life Event such as:

- * marriage, divorce or legal separation;
- * termination of a domestic partnership relationship;
- * birth, adoption or guardianship;
- * loss of other coverage by a spouse or domestic partner;
- * loss of eligibility, such as dependent child reaching maximum age; or
- * death of a spouse, domestic partner or child.

To add coverage for a dependent, new enrollment elections must be submitted within 60 days of the date of the Qualified Life Event.

Example 7: Assume the Federal government ends the national emergency on November 10, 2021. Stacy gives birth to a child on July 15, 2020. Under normal circumstances, Stacy had until September 14, 2020 to add her new child onto her COBRA coverage. However, due to the Federal extensions, Stacy now has until September 14, 2021 to add her new child onto her COBRA coverage. This is 1 year from the original deadline.

Example 8: In the scenario under example 7, if the Federal government ends the national emergency May 1, 2021, then Stacy now has until August 28, 2021 to add her child onto her COBRA coverage. This is 60 days beyond the end date of the national emergency plus the 60-day qualified life event notification period.