



COBRA and HIPAA Procedures and Work Flow

Sold Case Submission – Member Enrollment

BRS will make available the Employer Services Agreement and Set-up Checklist upon receipt of membership applications for groups of two (2) or more. Alternatively, a broker may facilitate the completion of the Set-up Checklist and deliver the Employer Services Agreement to the group contact when initially signing up a group with BRS. **All original paperwork should be sent to BRS.** BRS will forward the completed paperwork to COBRA Outsourcing Company.

New Group Installation

Once COBRA Outsourcing Company has received the signed agreement and Setup Checklist from BRS, they will build the employer information in their system. At that time, the Client Service Specialist assigned to BRS will contact the employer to schedule a 30-minute implementation call. During this call, the employer duties will be reviewed including the notification procedures and client website (www.cobraoutsourcing.com). BRS is making this service available but the relationship is ultimately between the BRS member and COBRA Outsourcing Company. BRS is neither liable nor responsible for any aspect of COBRA or HIPAA compliance or for members that fail to enroll.

Takeover of Pending and/or Enrolled Qualified Beneficiaries

COBRA Outsourcing Company will assume compliance administration for any current COBRA qualified beneficiaries at the time of member implementation. The takeover process will be reviewed during the implementation call.

Current Plan Members (Active Employees and Dependents)

The COBRA regulations require notification of COBRA general rights to all plan members. This includes employees and enrolled dependents. If the member has not consistently done the required notification, COBRA Outsourcing Company will communicate the COBRA general rights to all participants for an additional fee. **(Please see Employer Services Agreement-Schedule A)** This service will be reviewed during the implementation call.

New Plan Members

Ongoing new plan members (new hires and/or new dependents) must be notified of their COBRA general rights within 90 days of plan enrollment. Members will use the COBRA Outsourcing Company client website to communicate all new plans members. A notice of HIPAA Special Enrollment Rights will be sent to all benefit eligible employees who have chosen to waive all plan coverage.

Qualifying Events

Each employer is responsible for notifying the insurance carrier(s) of any coverage termination due to a qualifying event. COBRA Outsourcing Company must also be notified via the client website of those same qualifying events. The notification to COBRA Outsourcing Company will trigger the generation of the Specific Rights letter and COBRA election form. This letter includes a HIPAA Certificate of Creditable Coverage if the qualified beneficiary was enrolled on a medical plan at the time of the qualifying event.

COBRA Elections & Terminations

If a qualified beneficiary elects COBRA and pays the required premium within the allotted grace period, COBRA Outsourcing Company will notify the appropriate insurance carrier of the election. The qualified beneficiary will reappear on the carrier billing statement along with the employer's active employees. When a qualified beneficiary terminates from COBRA continuation, COBRA Outsourcing Company will notify the appropriate carrier. The employer should always pay the carrier as billed. The carrier billing statement will reflect any retroactive premium adjustments regarding the elections and terminations.

Premium Processing and Management Reports

COBRA Outsourcing Company will collect all premium payments from the qualified beneficiaries. Monthly premium notices are mailed to the enrolled COBRA participants. The notice informs the participant of the amount due, the due date and the remittance address. COBRA requires a 30-day grace period for all premium payments. Once the month's grace period has elapsed, COBRA Outsourcing Company will reconcile the monthly payments and remit one check to each employer for their respective premiums less the 2% administration fee.

A number of web reports are available by the 10th of each month to all employers. The reports summarize election and termination activity as well as current enrollment and premium paid through information. The reports will be reviewed during the implementation call. Any report discrepancies must be reported immediately to COBRA Outsourcing Company.

