

BRMS

Compliance Notice

As a result of recent federal regulatory guidance and legislation, there are significant changes impacting group health plans. These changes are the result of the COVID-19 National Emergency and as such are both urgent and temporary. As your third-party administrator, we want to inform you about these requirements for your plan and of our efforts to ensure your plan is compliant.

EXTENSION OF CERTAIN TIMEFRAMES

Background

On March 13, 2020, President Trump issued a proclamation that declared COVID-19 a National Emergency effective March 1, 2020. That proclamation recognized that plan participants and COBRA qualified beneficiaries may encounter delays in complying with certain plan obligations. As such, the Employee Benefits Security Administration (EBSA) division within the Department of Labor, as well as the Internal Revenue Service and Department of the Treasury (the Agencies) took action permitted under section 518 of the Employee Retirement Income Security Act (ERISA) to extend certain due dates. The Department of Health and Human Services (HHS), who oversees non-Federal government plans (non-ERISA) such as school districts, cities, counties, concurs with the action of the Agencies and encourages these entities to also extend due dates.

How Does This Impact Employee Benefit Plans?

For plan participants and COBRA qualified beneficiaries, due dates are automatically extended for the following activities where the original due date would have normally fallen on or after March 1, 2020:

- Election of COBRA, Making the Initial and Subsequent Monthly Payments
- Notification of a Secondary COBRA Qualifying Event
- Claim Submissions
- Requests for Prior Authorization or Pre-certification of services
- Claim Appeals
- Requests for an External Review
- Special Enrollment Periods, e.g. adding an eligible dependent

When Do Extensions Expire?

Based on EBSA's notice, it appears that the extensions are calculated on an *individual basis for each of the above activities*. As a result, new due dates are the earlier of:

- One year from the original due date; or
- 60 days from the date the President declares an end to the COVID-19 National Emergency

Actions by BRMS

COBRA qualified beneficiaries are being sent letters notifying them of the new due dates. *The letter expressly tells beneficiaries that their claims will be pending – not paid – until their COBRA premium payments are made and encourages them to continue to make timely payments.*

Comments on claim denials inform plan participants of the additional time they have to file an appeal. Similarly, any claim appeals that are upheld contain a statement about the extended time to file a second internal appeal or request an external review.

Action Needed by Employers

Extend Special Enrollment due dates, as described above.