

## COBRA Changes Due to COVID-19

### **NATIONAL EMERGENCY**

On March 13, 2020, President Trump issued the Proclamation on Declaring a National Emergency Concerning the Novel Coronavirus Disease (COVID-19) Outbreak and by separate letter made a determination, under section 501(b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 et seq., that a national emergency exists nationwide beginning March 1, 2020, as the result of the COVID-19 outbreak (the National Emergency).

As a result of that determination, the Federal Emergency Management Agency (FEMA) issued emergency declarations for every state, territory, and possession of the United States.

Certain timeframes have been extended under the Employee Retirement Income Security Act and the Internal Revenue Code for group health plans (including COBRA coverage) during the COVID-19 National Emergency.

### **OUTBREAK PERIOD**

Plans must now disregard the “Outbreak Period”, which is the National Emergency Period (March 1, 2020 – end date not yet determined) to 60 days after the end of the National Emergency Period, when determining COBRA election and payment timelines.

### **CHANGES TO THE COBRA ELECTION DEADLINE**

COBRA continuation coverage provisions generally provide a qualified beneficiary a period of at least 60 days to elect COBRA continuation coverage under a group health plan.

Under the new temporary rules, the individual has 60 days from the end of the Outbreak Period to elect COBRA. There are different Outbreak Period end dates for 11 different parts of the country.

### **PREMIUM PAYMENT DUE DATES**

Under COBRA rules, the individual has 45 days from the date of election to make the first COBRA premium payment and 30 days to make subsequent payments.

Under the new temporary rules, the Outbreak Period is disregarded when determining if payments are timely.

### **ADDITIONAL INFORMATION**

The above information is based on Department of Labor guidance. These rules are subject to change. Check the Department of Labor ([www.dol.gov](http://www.dol.gov)) website for updates.

The Department of Labor has issued a FAQ on the COBRA deadlines and other items you may helpful in regard to COVID-19.

<https://www.dol.gov/sites/dolgov/files/EBSA/about-ebbsa/our-activities/resource-center/faqs/covid-19.pdf>