

# NOTICE TO BROKERS

## *Frequently Asked Questions Regarding the Outbreak Period*

Question	Answer
1. Can you explain the charges for the two letters?	<p>A. Option 1: The Outbreak Letter will be \$3 per letter for Medcom to mail.</p> <p>Option 2: A merged pdf document will be provided at no charge and the employer will mail.</p> <p>B. The American Rescue Plan Act (ARPA) letters will be a one-time \$5 fee.</p> <p>ARPA includes multiple notice requirements but the charge includes all letters.</p>
2. Who will receive the invoices for these services?	The services will be ACH'd from the employer.
3. Can you estimate how much this will cost?	Please log onto the portal and review the qualified beneficiary report and participant reports. You can export into excel or print the list and count the individuals on the list. We will only send one letter per household if they have the same address.
4. Why are you sending notices back to March 1, 2020 if their 12-month window has expired?	The plan sponsor has a fiduciary responsibility to notify affected individuals about the 12-month window.

## NOTICE TO BROKERS

### Frequently Asked Questions Regarding the Outbreak Period

<p>5. If an individual lost coverage November 1, 2020, and was rehired January 1, 2021 and is currently still employed, do they need a notice?</p>	<p>In this example, they would need an Outbreak Letter but not an ARPA letter because they would be eligible for COBRA for November and December assuming benefits were offered on January 1, 2021.</p>
<p>6. When is the Outbreak Letter required to be mailed?</p>	<p>The Plan Sponsor has a fiduciary responsibility to send out the Outbreak Letter. The Outbreak Letter should be mailed as soon as reasonably possible to inform the affected individuals of the updated guidelines provided by the DOL on February 26, 2021.</p>
<p>7. We noticed that some new reports are available online. When will we receive instructions on what is needed for these reports?</p>	<p>We are pushing a Qualifying Event Type Report, a Qualified Beneficiary Report, and a COBRA Participant Report online. We will send additional instructions on how to audit these reports shortly.</p>
<p>8. If an employee termed July 2020 and never elected COBRA, can they come back on the plan April 1, 2020?</p>	<p>Under ARPA, the individual can skip months to start COBRA April 1, 2021 if COBRA has not expired, and they are not eligible under another group plan or Medicare.</p>
<p>9. Why are you going back to notify individuals back to November 1, 2019 if their COBRA has expired?</p>	<p>Under ARPA the individual has a right to elect COBRA and receive a subsidy for any or all months that they would be eligible (during the first 18 COBRA eligibility months) that fall between April 1, 2021 and September 30, 2021. Therefore, someone who first became eligible for COBRA on November 1, 2019 would reach the end of the 18 months on April 30, 2021 and thus</p>

## NOTICE TO BROKERS

### Frequently Asked Questions Regarding the Outbreak Period

	entitled to a COBRA subsidy for April 2021, if otherwise qualified.
10. When will this be communicated to the employers?	Our plan is to inform employers in the next few days about the Outbreak Letter requirements and that information is needed by April 15 <sup>th</sup> . We will send a separate communication regarding ARPA a few days after the Outbreak email, to eliminate confusion. Please be sure to communicate to your producers and clients about the additional fees.