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## COBRA ADMINISTRATION

The **Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA)** requires most employers to offer continued coverage for plan participants who no longer qualify as active participants on the group health plan. This federal law has gone through many changes and has numerous requirements. 3PAdministrators can **relieve the burden** of COBRA administrative services to the employer for both self-funded and fully-insured health plans.

### **COBRA Administration from 3PA includes:**

- Notifying new participants of their COBRA rights and responsibilities
- Providing plan participants with enrollment packets when a qualifying event occurs.
- The enrollment packet includes:
  - Informational cover letter
  - Premium calculation worksheet
  - Individual right to election for all family members covered
  - Waiver of coverage letter to decline COBRA
  - HIPAA certificate of creditable coverage
- Tracking the enrollment period and first payment period
- Sending monthly premium notices
- Collecting premiums and assuring timely receipt
- Forwarding premium payments to the plan sponsor with monthly reports
- Verifying ongoing eligibility
- Notification to participants when COBRA is nearing termination
- Notifying participants when COBRA expires and providing a certificate of coverage
- Sending letters to address Medicare eligibility, NSF checks, new rate notification, etc.
- Maintaining all appropriate documentation of critical transactions

### **The plan sponsor provides information to 3PA when:**

New enrollees come on the plan  
When a qualifying event occurs  
When termination was involuntary  
When notified of a qualifying event for a dependent  
Demographic changes

Notification Forms are provided to the plan sponsor that includes all situations requiring notice to 3PAdministrators and Web Access for notification is also available.

Notice may be given via mail, fax or email.

### **Health Care Reform and COBRA-**

Being eligible for COBRA does not limit eligibility for coverage or a tax credit through the Marketplace (Health Care Exchanges). Additionally, an employee may qualify for a special enrollment opportunity for another group health plan for which you are eligible (such as a spouse's plan), even if the plan generally does not accept late enrollees, if you request enrollment within 30 days.

Let us do the work for you and assure compliance. **Call us today!**