

# COBRA

## Administration

If you were audited by the IRS, how confident would you be in your COBRA procedures?



*COBRA can be daunting, time-consuming, and costly.*



The IRS estimates that most employers in the U.S. **have not fully met their COBRA obligations.**

### Fines and penalties for noncompliance include:

- IRS: nondeductible excise tax of up to \$100 per day per violation for each qualifying beneficiary
- ERISA Penalties including up to \$110 per day
- Public Health Services Act violations
- Department of Labor (DOL) audit
- Private lawsuits, which often occur against employers and plans

Source: **IRS.gov**

### *PrimePay makes it simple!*



#### 3 Steps to COBRA Compliance

Our *Three Steps to COBRA Compliance* means all you're required to do is:

1. Let us know of your new plan participants.
2. Notify us of qualifying events.
3. Run reports once a month.












#### Dedicated COBRA Success Specialist

We take care of the rest! PrimePay will match you with your own dedicated success specialist who will assist you with your COBRA administration, questions, and concerns.

*Find the full list of features on the back!*

This is a list of benefits you'll receive when you partner with PrimePay for COBRA administration.

|   |   |                        |
|---|---|------------------------|
| <p><b>Dedicated COBRA Success Specialist</b><br/>Your specialist will assist you with any questions or concerns you may have. PrimePay provides email and toll-free phone support Qualified Beneficiaries.</p>  |    |                        |
| <p><b>COBRA Portal</b><br/>You will have a real-time portal that establishes employee and qualified beneficiary records and COBRA compliance actions, tracks key COBRA-related dates, electronically archives COBRA notices, and offers a full range of COBRA administration reports.</p>   |    |                        |
| <p><b>Notice Furnishing</b><br/>We complete all required notice furnishings including Initial Rights Notices, HIPAA Special Enrollment Notices, etc. We also issue several complimentary non-required notices, such as Change of Address or Late Payment Notices.</p>   |    |                        |
| <p><b>Proof of Mail records for all required COBRA notices are maintained.</b></p>  |    |                        |
| <p><b>Tracking</b><br/>Track Maximum Coverage Period, first day of COBRA/last day of COBRA, COBRA Enrollment Period, Initial Measurement Period, Initial Payment Grace Period, and subsequent Payment Grace Period for all qualified beneficiaries.</p>   |  |                        |
| <p><b>COBRA election forms will be collected and processed.</b></p>   |  |                        |
| <p><b>Real-time Participant Portal</b><br/>Where you can submit new COBRA events, view participant records and run reports.</p>   |  |                        |
| <p><b>Collect and process COBRA payments</b><br/>We will process all checks, money orders, Visa®, Mastercard®, and one-time or recurring ACH.</p>   |  |                        |
| <p><b>COBRA premiums are remitted montly to carrier(s).</b></p>   |  |                        |
| <p><b>We'll manage Open Enrollment for you.</b><br/>PrimePay will manage the annual Open Enrollment period for COBRA population, including preparing a COBRA Open Enrollment Form, collecting additional communications to explain benefit plan changes, determining if any required annual notices should be distributed, printing and mailing Open Enrollment packets, collecting and processing Open Enrollment Forms, providing qualified beneficiary confirmation of election changes, issuing new Payment Coupons, and notifying the carrier or client of participant election changes.</p> |   | <p><i>Optional</i></p> |
| <p><b>Access to PrimePay's HR Advisory Service</b><br/>Our comprehensive online HR and Benefits resource center available at your fingertips.</p>   |   | <p><i>Premium</i></p>  |
| <p><b>Carrier Notification</b><br/>PrimePay notifies carrier(s) of COBRA elections, changes, and terminations.</p>  |   | <p><i>Premium</i></p>  |