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# Annual COBRA/Cal-COBRA Status Notification

Fax completed form to (866) 412-9280  
 or E-mail to [groupprocessing@choicebuilder.com](mailto:groupprocessing@choicebuilder.com)

## RESPONSE REQUIRED

<b>Company Name</b> <div style="border: 1px solid black; height: 20px; width: 100%; margin-top: 5px;"></div>						
<b>Group #</b> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <tr> <td style="width: 20px;">B</td> <td style="width: 20px;"></td> <td style="width: 20px;"></td> <td style="width: 20px;"></td> <td style="width: 20px;"></td> <td style="width: 20px;"></td> </tr> </table>	B					
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<b>Status</b>  <p style="text-align: center;"><i>You may select <b>one</b> of the following choices (see reverse side for COBRA status definitions)</i></p> <p><b>Effective January 1st 2024, our company will be subject to:</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> <b>Federal COBRA</b> (20 or more employees for at least 50% of the 2023 calendar year)</li> <li><input type="checkbox"/> <b>Cal-COBRA</b> (Up to 19 employees for at least 50% of the 2023 calendar year)</li> <li><input type="checkbox"/> <b>Exempt</b> (Church Plans Only)</li> </ul>						

**Note:** Failure to notify ChoiceBuilder® of a status change will expose your company to liability for COBRA non-compliance. If notification is not received, your group's COBRA status will remain unchanged.

**Please be advised that ChoiceBuilder will not process this request unless it is signed by an Authorized Group Contact. Please contact ChoiceBuilder to verify authorized group contacts.**

\_\_\_\_\_  
 Authorized Group Contact Signature

\_\_\_\_\_  
 Print Name

\_\_\_\_\_  
 Date (MM/DD/YYYY)

## RETURN PRIOR TO DECEMBER 31, 2023



# COBRA and Cal-COBRA General Guidelines

Federal (COBRA) and California State (Cal-COBRA) laws allow for continuation of group health benefits by individuals who lose coverage as a result of certain “qualifying/triggering events.” In order to maintain compliance with these laws, notification of your current group status must be submitted to ChoiceBuilder® on an annual basis. **If notification is not received, your group’s COBRA status will remain unchanged.**

COBRA or Cal-COBRA status is determined each **calendar year** based on the previous calendar year’s total employee count and does not change mid-year.

**General rules for determining your status are as follows:**

## **Federal COBRA (20 or more employees for at least 50% of the 2023 calendar year)**

- An employer with a group health plan that employs 20 or more “employees” on at least 50% of its “typical business days” during the preceding calendar year is generally subject to Federal COBRA law.
- “Employees” are all full-time and part-time common law employees, whether or not they are eligible for coverage under the employer’s group health plan.
- Self-employed individuals, independent contractors and corporate directors are not treated as employees for Federal COBRA purposes and need not be counted toward the total employee count.
- Part-time employees may be counted as a fraction of an employee. The fraction is based on the number of hours actually worked compared to the number of hours required to be considered a full-time employee, but not greater than 40 hours per week.
- Employers must aggregate employees from all divisions, subsidiaries and any other entities that make up a controlled group of corporations in determining total employee count.
- Employers may use either daily or pay-period methods of counting total employees.

## **Cal-COBRA (2 to 19 employees for at least 50% of the 2023 calendar year)**

- An employer with only 2 to 19 eligible employees on at least 50% of its “typical business days” during the preceding calendar year is generally subject to Cal-COBRA law.
- All full-time, part-time, leased and self-employed persons (such as partners in a law firm) are considered “employees” regardless of whether or not they are eligible for coverage.
- Agents, independent contractors and corporate directors are counted as eligible employees if they are eligible for the group health plan coverage.
- Employers must aggregate employees from all divisions, subsidiaries and any other entities that make up a controlled group of corporations in determining total employee count.

## **Exempt (Church Plans Only)**

- Employers maintaining church plans may be exempt from Federal COBRA requirements.
- Not all church-controlled organizations are exempt—legal counsel should be consulted in determining if your group qualifies for this exemption.
- Church plans are “plans established and maintained by a church or by a convention or association of churches which are exempt from taxes under Internal Revenue Code Section 501.”
- Employers maintaining a church plan for only 2 to 19 employees will not be exempt from Cal-COBRA.

**Please complete the reverse side of this form  
and e-mail or fax to ChoiceBuilder by December 31, 2023.**

## **RESPONSE REQUIRED**

