Health Net of California, Inc.
Health Net Life Insurance Company
CA4151-03-235
4151 East Commerce Way
Sacramento, CA 95834

MAY 28, 2021

«FIRST_NAME» «MI» «LAST_NAME»
«ADDR_LINE_1»
«ADDR_LINE_2»
«CITY», «STATE» «ZIP_CODE»-«ZIP_CODE_4»



# Important Information about the American Rescue Plan and Cal-COBRA

From Health Net of California, Inc. and Health Net Life Insurance Company (Health Net)

The American Rescue Plan Act of 2021 (ARP) was designed to provide help to American families. Terms include help with premium costs for people who had a decline in work hours. These terms also include help with premium costs for those who lost their employment, through no fault of their own. We want you to know about this limited premium help and to give you information to learn if you qualify.

- Go to page 2 “Summary of the COBRA Premium Assistance Provisions under the American Rescue Plan Act of 2021” to find out if you qualify. This applies to state continuation health coverage, like Cal-COBRA.
- If you qualify, there is **no cost** for your Cal-COBRA coverage during April 1, 2021 through September 30, 2021. **Health Net will refund the premium you paid for coverage during this period.** We will contact you if you qualify for a refund.
- You will be disenrolled from your Cal-COBRA coverage once the premium assistance period ends September 30, 2021. If you want to keep Cal-COBRA coverage after September 30, 2021, you will pay the full premium amount starting October 1, 2021.

**If you think you qualify and want to apply for Cal-COBRA premium help:**

1) Complete the “Request for Treatment as an Assistance Eligible Individual” form.
2) Return the form to Health Net by July 30, 2021.

**We’re here to help!**
If you have any questions about this letter, call Health Net at **800-977-2207.**

Sincerely,
Cal-COBRA
Membership Accounting and Eligibility

# Summary of the COBRA Premium Assistance Provisions under the American Rescue Plan Act of 2021

President Biden signed H.R. 1319, the American Rescue Plan Act of 2021 (ARP), on March 11, 2021. This law subsidizes the full COBRA premium for "Assistance Eligible Individuals" for periods of coverage from April 1, 2021 through September 30, 2021.

To be eligible for the premium assistance, you:

- **MUST** have a COBRA qualifying event that is a reduction in hours or an involuntary termination of a covered employee's employment;
- **MUST** elect COBRA continuation coverage;
- **MUST NOT** be eligible for Medicare; AND
- **MUST NOT** be eligible for coverage under any other group health plan, such as a plan sponsored by a new employer or a spouse's employer. *

**♦ IMPORTANT ♦**

◊ If you do not elect to receive the premium assistance within 60 days of receipt of this form, you may be ineligible for the premium assistance.

◊ If you elect COBRA continuation coverage with premium assistance, and then become eligible for other group health plan coverage (not including coverage that is only excepted benefits (such as dental or vision coverage), a Qualified Small Employer Health Reimbursement Arrangement, or a health flexible spending arrangement), or if you become eligible for Medicare, you MUST notify Health Net in writing. If you fail to provide this notice, you may be subject to a penalty of $250 (or if the failure is fraudulent, the greater of $250 or 110% of the premium assistance provided after termination of eligibility). You won't be subject to the penalty if your failure to notify Health Net is due to reasonable cause and not due to willful neglect.

◊ Employers that don't satisfy COBRA continuation coverage requirements may be investigated by the Department of Labor and may be subject to an excise tax under the Internal Revenue Code.

◊ If you elect COBRA continuation coverage and are eligible for the premium assistance, you cannot claim the Health Coverage Tax Credit. You also cannot qualify for a premium tax credit to help pay for coverage through a Health Insurance Marketplace®[1], such as on HealthCare.gov, for any months that you are enrolled in COBRA continuation coverage with or without the premium assistance.

For specific information on Health Net's administration of the ARP premium assistance or to notify Health Net of your ineligibility to receive premium assistance, contact Health Membership COBRA Direct Pay unit at 1-800-977-2207.

For more information regarding ARP premium assistance and eligibility questions, visit https://www.dol.gov/cobra-subsidy or contact the Department of Labor at askebsa.dol.gov or 1-866-444-EBSA (3272)



* This restriction does not include coverage under a plan that provides only excepted benefits, a qualified small employer health reimbursement arrangement, or coverage under a health flexible spending arrangement.

[1] Health Insurance Marketplace® is a registered service mark of the U.S. Department of Health & Human Services.

**To apply for ARP Premium Assistance, complete this form and return it to Health Net. If you do not complete this form and return it within 60 days of receipt, you may be unable to receive the premium assistance.**

**Send the completed "Request for Treatment as an Assistance Eligible Individual" to:**

**Health Net**
**Att: COBRA DP Unit**
**MSC: CA4151-03-235**
**4151 East Commerce Way**
**Sacramento, CA 95834**

**You may also want to read the important information about the rules for premium assistance included in the "Summary of the COBRA Premium Assistance Provisions Under the American Rescue Plan Act of 2021."**

| | | |
|---|---|---|
| Health Net of California, Inc.<br>Health Net Life Insurance Company (Health Net) | **REQUEST FOR TREATMENT AS AN ASSISTANCE ELIGIBLE INDIVIDUAL** | Attn: COBRA DP Unit<br>MSC: CA4151-03-235<br>4151 East Commerce Way<br>Sacramento, CA, 95834 |

## PERSONAL INFORMATION

| Name and mailing address of employee (list any dependents on the back of this form) | Telephone number<br><br>E-mail address (optional) |
|---|---|

To qualify, you must be able to check 'Yes' for all statements.

| | |
|---|---|
| 1. The qualifying event was a loss of employment that was involuntary or a reduction in hours. | ☐ Yes ☐ No |
| 2. I elected (or am electing) COBRA continuation coverage. | ☐ Yes ☐ No |
| 3. I am NOT eligible for other group health plan coverage (or I was not eligible for other group health plan coverage during the period for which I am claiming premium assistance). | ☐ Yes ☐ No |
| 4. I am NOT eligible for Medicare (or I was not eligible for Medicare during the period for which I am claiming premium assistance). | ☐ Yes ☐ No |

I make an election to exercise my right to ARP premium assistance and attest that I meet the requirements for treatment as an Assistance Eligible Individual. To the best of my knowledge and belief all of the answers I have provided on this form are true and correct.

Signature → _____ Date → _____

Type or print name → _____ Relationship to employee → _____

**For Further Assistance, you may contact the Department of Labor's Employee Benefits Administration at 1-866-444-3272, or online at https://www.askebsa.dol.gov/WebIntake.**

**DEPENDENT INFORMATION** (Parent or guardian should sign for minor children.)

Name Date of Birth Relationship to Employee SSN (or other identifier)

a. _____

| | |
|---|---|
| 1. I elected (or am electing) COBRA continuation coverage. | ☐ Yes ☐ No |
| 2. I am NOT eligible for other group health plan coverage. | ☐ Yes ☐ No |
| 3. I am NOT eligible for Medicare. | ☐ Yes ☐ No |
| 4. The qualifying event was an involuntary termination or a reduction in hours. | ☐ Yes ☐ No |

I make an election to exercise my right to ARP premium assistance. To the best of my knowledge and belief all of the answers I have provided on this form are true and correct.

Signature → _____ Date → _____

Type or print name → _____ Relationship to employee → _____

Name Date of Birth Relationship to Employee SSN (or other identifier)

b. _____

| | |
|---|---|
| 1. I elected (or am electing) COBRA continuation coverage. | ☐ Yes ☐ No |
| 2. I am NOT eligible for other group health plan coverage. | ☐ Yes ☐ No |
| 3. I am NOT eligible for Medicare. | ☐ Yes ☐ No |
| 4. The qualifying event was an involuntary termination or a reduction in hours. | ☐ Yes ☐ No |

I make an election to exercise my right to ARP premium assistance. To the best of my knowledge and belief all of the answers I have provided on this form are true and correct.

Signature → _____ Date → _____

Type or print name → _____ Relationship to employee → _____

Name Date of Birth Relationship to Employee SSN (or other identifier)

c. _____

| | |
|---|---|
| 1. I elected (or am electing) COBRA continuation coverage. | ☐ Yes ☐ No |
| 2. I am NOT eligible for other group health plan coverage. | ☐ Yes ☐ No |
| 3. I am NOT eligible for Medicare. | ☐ Yes ☐ No |
| 4. The qualifying event was an involuntary termination or a reduction in hours. | ☐ Yes ☐ No |

I make an election to exercise my right to the ARP premium assistance. To the best of my knowledge and belief all of the answers I have provided on this form are true and correct.

Signature → _____ Date → _____

Type or print name → _____ Relationship to employee → _____

**Use this form to notify your plan that you are eligible for other group health plan coverage or Medicare and therefore not eligible for premium assistance under the ARP.**

| | | |
|---|---|---|
| Health Net of California, Inc.<br>Health Net Life Insurance Company (Health Net) | **Participant Notification** | Attn: COBRA DP Unit<br>MSC: CA4151-03-235<br>4151 East Commerce Way<br>Sacramento, CA, 95834 |

## PERSONAL INFORMATION

| Name and mailing address | Telephone number<br><br>E-mail address (optional) |
|---|---|

## PREMIUM ASSISTANCE INELIGIBILITY INFORMATION – Check one

| | |
|---|---|
| I am eligible for coverage under another group health plan.<br>If any dependents are also eligible, include their names below.<br>Insert date you became eligible_____ | ☐ |
| I am eligible for Medicare.<br>Insert date you became eligible_____ | ☐ |

## IMPORTANT

**If you fail to notify your plan when you become eligible for other group health plan coverage or Medicare AND continue to receive COBRA premium assistance you may be subject to a penalty of $250 dollars (or if the failure is fraudulent, the greater of $250 or 110% of the amount of the premium assistance provided after termination of eligibility). You won't be subject to the penalty if your failure to notify the plan is due to reasonable cause and not due to willful neglect.**

**Eligibility for other coverage is determined regardless of whether you take or decline the other coverage.**

**However, eligibility for coverage does not include any time spent in a waiting period.**

To the best of my knowledge and belief all of the answers I have provided on this Form are true and correct.

Signature ➔ _____ Date ➔ _____

Type or print name ➔ _____

If you are eligible for coverage under another group health plan and that plan covers dependents you must also list their names here:

_____ _____

_____ _____