



American Rescue Plan Act (ARPA)
COBRA & Cal-COBRA

Carrier FAQ

Small & Large Group California

DOL Issues Model Notices, FAQs for COBRA Subsidy in the ARPA

On April 7, 2021, the U.S. Department of Labor (DOL) issued [FAQs](#) and [model notices](#) for the COBRA premium assistance provisions of the [American Rescue Plan Act](#) (ARPA). The ARPA provides a 100% subsidy for employer-sponsored group health insurance continued under COBRA and similar state continuation of coverage programs for eligible individuals. The subsidy applies from April 1 through Sept. 30, 2021. The notices and the FAQs appear on a new DOL [webpage](#) dedicated to the ARPA COBRA subsidy.

The Model Notices below from the DOL provide additional information and requirements:

- [General Notice and Election Notice](#) for group health plans with beneficiaries who have qualifying events from April 1 - September 30, 2021. [MS Word](#) | [PDF](#)
- [Notice in Connection with Extended Election Period](#) for use by group health plans with qualified beneficiaries currently enrolled in COBRA continuation coverage, due to a reduction in hours or involuntary termination (Assistance Eligible Individuals) as well as those who would currently be Assistance Eligible Individuals if they had elected and/or maintained COBRA continuation coverage. [MS Word](#) | [PDF](#)
- [Alternative Notice](#) for insured coverage subject to state continuation requirements from April 1 - September 30, 2021. [MS Word](#) | [PDF](#)
- [Notice of Expiration of Premium Assistance](#) for group health plans to Assistance Eligible Individuals 15 - 45 days before their premium assistance expires
- [Summary of COBRA Premium Assistance Provisions](#) lists the eligibility requirements and includes the Request for Treatment as an Assistance Eligible Individual form. [MS Word](#) | [PDF](#)

Important Dates:

- **March 11, 2021:** ARPA signed into law
- **April 1, 2021:** ARPA subsidy for COBRA premium begin
- **September 30, 2021:** ARPA subsidy for COBRA premium expires

Source: Department of Labor
Zywave (GoCompas)

COBRA Subsidy under ARPA (20+ eligible)

Employer groups subject to federal COBRA must notify qualified beneficiaries about premium assistance and other information about their rights under the ARPA, as follows:

- A **General Notice** (or **Alternative Notice**) to all qualified beneficiaries who have experienced a qualifying event from April 1, 2021, through Sept. 30, 2021.
- A **Notice in Connection with the Extended Election Period**, to certain individuals who became entitled to elect COBRA continuation coverage before April 1, 2021.
- A **Notice of Subsidy Expiration**.

A **Summary of the ARPA's COBRA Premium Assistance Provisions** must be attached to the General Notice, and the Notice in Connection with the Extended Election Period.

Who must the Notice in Connection with the Extended Election Period be provided to?

The ARPA requires group health plans to provide a Notice in Connection with the Extended Election Period to any "assistance-eligible individual" (or any individual who would be an assistance-eligible individual if a COBRA continuation coverage election were in effect) who became entitled to elect COBRA continuation coverage **before April 1, 2021**.

Assistance-eligible individuals under the ARPA are those who:

- Are a qualified beneficiary of the group health plan;
- Are eligible for COBRA because of the covered employee's **involuntary** termination (unrelated to gross misconduct) or reduction in hours of employment; and
- Elect continuation coverage.

The Notice in Connection with the Extended Election Period **does not** need to be provided to individuals whose maximum coverage period would have ended before April 1, 2021 (e.g., those with qualifying events before Oct. 1, 2019).

Source: Zywave (GoCompas)

COBRA Subsidy under ARPA (20+ eligible)

What information must the notices include?

With the exception of the Notice of Subsidy Expiration, the notices must include the following information:

1. The forms necessary for establishing eligibility for premium assistance
2. The name, address and telephone number necessary to contact the plan administrator and any other person maintaining relevant information in connection with premium assistance
3. A description of the extended election period under the ARPA (if applicable to the individual)
4. A description of the obligation of qualified beneficiaries to notify the plan if they become eligible for another group health plan or Medicare, and the penalty for failure to do so
5. A prominently displayed description of the right to a subsidized premium and any conditions on entitlement to the subsidized premium
6. A description of the option of the right to enroll in different coverage (if the employer permits this option)

The Notice of Subsidy Expiration must explain:

- That the premium assistance will expire soon;
- The date of the expiration; and
- That the individual may be eligible for coverage without any premium assistance through COBRA continuation coverage or a group health plan.

What timing requirements apply?

Potential assistance-eligible individuals must elect COBRA **within 60 days** of receipt of the relevant notice. The COVID-19-related deadline relief **does not apply** to the notices or elections related to the ARPA's COBRA subsidies.

- The General Notice or Alternative Notice must be given to qualified beneficiaries that have qualifying events at any time from **April 1, 2021, through Sept. 30, 2021**. These may be provided separately or with the COBRA election notice following a qualifying event.
- The Notice in Connection with the Extended Election Period must be provided by **May 31, 2021**.
- The Notice of Subsidy Expiration must be provided **45 to 15 days** before the individual's subsidy expires.

Source: Zywave (GoCompas)

Cal-COBRA Subsidy under ARPA (1-19 eligible)

Below you will find a high level summary of how each California carrier will handle Cal-COBRA notifications and or processing. Many of the carriers are diligently working to internally define their approach to handling Cal-COBRA subsidy and awaiting further guidance for their legal compliance team and or from the IRS.

Who is responsible for the subsidy payment?

Carrier	Links	Cal-COBRA
Aetna		For State COBRA, ARP reimburses carriers directly and Aetna will apply for the ARP premium tax credit.
Anthem Blue Cross	FAQ	Anthem will pay the premium and collect the subsidy for <20 group's AEIs.
Blue Shield of CA	FAQ	Blue Shield is the Cal-COBRA administrator and will administer a COBRA subsidy payment including administrative fee, for coverage months between 4/1/21 and 9/30/21.
CaliforniaChoice	FAQ Notice Form	Health Plans are responsible for 100% of the full Cal-COBRA premium. Billing will be administered by WageWorks/HealthEquity. The Employer is not required to do anything.
Cigna		<i>Pending</i>
Community Care Health		<i>Pending</i>
Covered California for Small Business		Health Plans are responsible for 100% of the full Cal-COBRA premium.
Delta Dental (Allied Administrators)	FAQ	The offset and tax credit is the responsibility of the insurer (Delta Dental).
Guardian	Notice	Guardian must offer to pay 100% of AEI state continuation coverage premiums under ARPA.
Health Net	Member Letter Second Letter	As the Cal-COBRA administrator, Health Net will obtain the tax credit from the government for any Cal-COBRA premiums under ARPA.
Humana	FAQ	Humana is responsible for the subsidized premium payments, which will qualify the insurer to receive the tax credit. A process is being established to support this subsidy and will be communicated to the employer group and/or member as soon as possible.
Kaiser Permanente	Notice	Kaiser Permanente will issue refunds directly to AEIs if they have already paid COBRA premiums for coverage between April 1, 2021 and September 30, 2021 and claim the payroll tax credit for Cal-COBRA AEIs.
Lincoln Financial Group		<i>Pending</i>
MediExcel Health Plan		MediExcel Health Plan (MEHP) is a foreign entity licensed by the DMHC as a Mexican Prepaid Health Plan under Section 1351.2 of the Knox-Keene HMO Act. Given its status as a foreign entity, MEHP will not qualify to obtain the recoupment of advances for subsidized premiums from the IRS for AEIs enrolled in MEHP Cal-COBRA Coverage. As such, MEHP will not be offering AEIs any subsidized Cal-COBRA Health Coverage.
MetLife	Notice	<i>Pending</i>
National General		<i>Pending</i>
Oscar Health Plan	FAQ	<i>Pending</i>
Principal Financial Group	Notice	<i>Pending</i>
Sharp Health Plan		<i>Pending</i>
Sutter Health Plus		<i>Pending</i>
UnitedHealthcare	FAQ	For state continuation of coverage laws for groups 1 to 19, UHC handles the premium.
UNUM		<i>Pending</i>
Western Health Advantage	Notice	<i>Pending</i>

Who is responsible for sending the subsidy notification?

Carrier	Links	Cal-COBRA
Aetna		State Cobra is carrier direct so Aetna will be sending the notifications.
Anthem Blue Cross	FAQ	Anthem will be sending the notices to the Cal-COBRA continuation AEIs, <20 groups. During this period employers must review their records for AEIs, and update this spreadsheet and return to Anthem via Small.Group@anthem.com .
Blue Shield of CA	FAQ	Blue Shield is the Cal-COBRA administrator, and will provide a new election notice within 60 days by 5/31/21 to all qualifying individuals who lost coverage due to involuntary termination or reduced hours. Individuals must attest to their eligibility.
CaliforniaChoice	FAQ Notice Form	Plans and issuers are required to notify qualified beneficiaries regarding the premium assistance.
Cigna		<i>Pending</i>
Community Care Health		<i>Pending</i>
Covered California for Small Business		Plans and Issuers are required to notify all qualified enrollees of their option for COBRA continuation and their rights under ARP.
Delta Dental (Allied Administrators)	FAQ	For Cal-Cobra, only the Alternative Notice is required and is the responsibility of the "issuer" or insurer. Only if the state has an extended election period would the Extended Election Period notice be required.
Guardian	Notice	Guardian will handle mailing notices to AEIs. Employers will need to provide mailing addresses of all eligible AEIs.
Health Net	Member Letter Second Letter	Health Net mailed ARPA notifications to active and cancelled Cal-COBRA members who are within their 36-month enrollment window.
Humana	FAQ	Cal-Cobra packets will <i>not</i> be sent out for previously termed members, who did not elect State Continuation coverage at the time of their termination. Existing State Continuation members, or new members effective on or after April 1, 2021, will receive a communication from Humana's Billing department, outlining the premium subsidy and how it will be applied to their account.
Kaiser Permanente	Notice	Kaiser Permanente will send the ARP notices to the employer's current Cal-COBRA population and include the model summary ARP notice and request to be treated as an AEI in the Cal-COBRA information packet for newly eligible members.
Lincoln Financial Group		<i>Pending</i>
MediExcel Health Plan		<i>Pending</i>
MetLife	Notice	MediExcel Health Plan (MEHP) is a foreign entity licensed by the DMHC as a Mexican Prepaid Health Plan under Section 1351.2 of the Knox-Keene HMO Act. Given its status as a foreign entity, MEHP will not qualify to obtain the recoupment of advances for subsidized premiums from the IRS for AEIs enrolled in MEHP Cal-COBRA Coverage. As such, MEHP will not be offering AEIs any subsidized Cal-COBRA Health Coverage.
National General		<i>Pending</i>
Oscar Health Plan	FAQ	<i>Pending</i>
Principal Financial Group	Notice	Principal will mail a new notice to eligible individuals and provide them with a new opportunity to elect continuation benefits and request for subsidy.
Sharp Health Plan		<i>Pending</i>
Sutter Health Plus		<i>Pending</i>
UnitedHealthcare	FAQ	UHC will send the notices to qualified individuals.
UNUM		<i>Pending</i>
Western Health Advantage	Notice	While WHA is continuing to evaluate our processes, they are preparing to notify current CalCOBRA participants, as well as those who could be eligible for the premium subsidy (potential AEIs), of the premium assistance availability.

Who is required to identify and track the AEIs start/end date for the subsidy?

Carrier	Links	Cal-COBRA
Aetna		Aetna will send premium assistance eligibility forms directly to QBs for their completion. On that form QBs will attest to whether they are assistance eligible. The notices alert QBs that they are subject to fines if they submit false answers.
Anthem Blue Cross	FAQ	Employers have been provided this spreadsheet to populate with eligible member data, throughout the subsidy period. That spreadsheet should be submitted to Anthem.
Blue Shield of CA	FAQ	Blue Shield is the Cal-COBRA administrator, and will provide a new election to all eligible AEIs individuals who lost coverage due to involuntary termination or reduced hours. Individuals must attest to their eligibility.
CaliforniaChoice	FAQ Notice Form	Employers must identify all employees whose employment was terminated involuntarily or who have lost coverage due to a reduction of hours, from October 31, 2019 to current. Group must complete the Notice of Assistance Eligible Individual Form to COBRA-ARPA@calchoice.com or fax to (714) 908-3549 no later than June 14, 2021 . CaliforniaChoice will identify AEI's for Cal-COBRA members based on the qualifying/ triggering event reported by the group at the time of employee termination.
Cigna		<i>Pending</i>
Community Care Health		<i>Pending</i>
Covered California for Small Business		<i>Pending</i>
Delta Dental (Allied Administrators)	FAQ	<i>Pending</i>
Guardian	Notice	Employers will need to provide Guardian with the mailing address of all AEIs currently on state continuation.
Health Net	Member Letter Second Letter	Health Net will send notices and ask individuals to attest that they are Assistance Eligible Individuals.
Humana	FAQ	Existing Cal-Cobra members, or new members effective on or after April 1, 2021, will receive a communication from Humana's Billing department, outlining the premium subsidy and how it will be applied to their account.
Kaiser Permanente	Notice	Kaiser Permanente will reach out to the employer to confirm individuals are assistance eligible. The employer is also responsible for confirming that an individual is assistance eligible under ARP because of employment termination or a reduction of hours as well as notifying Kaiser Permanente if an AEI has a change in eligibility.
Lincoln Financial Group		<i>Pending</i>
MediExcel Health Plan		MediExcel Health Plan (MEHP) is a foreign entity licensed by the DMHC as a Mexican Prepaid Health Plan under Section 1351.2 of the Knox-Keene HMO Act. Given its status as a foreign entity, MEHP will not qualify to obtain the recoupment of advances for subsidized premiums from the IRS for AEIs enrolled in MEHP Cal-COBRA Coverage. As such, MEHP will not be offering AEIs any subsidized Cal-COBRA Health Coverage.
MetLife	Notice	All customers, including those MetLife did not contact, will need to independently review the act and any related guidelines and inform MetLife if they have assistance eligible employees based on their specific circumstances.
National General		<i>Pending</i>
Oscar Health Plan	FAQ	<i>Pending</i>
Principal Financial Group	Notice	Principal is requiring employers to email them by May 12 with the name and street address for any employee or former employee who became eligible for state continuation due to involuntary termination of employment or reduction in hours and who would still be in their continuation period as of April 2021 or later. Notification is required for individuals who are involuntarily terminated or have their hours reduced between now and September 30, 2021.
Sharp Health Plan		<i>Pending</i>
Sutter Health Plus		<i>Pending</i>
UnitedHealthcare	FAQ	<i>Pending</i>
UNUM		<i>Pending</i>
Western Health Advantage		Eligible individuals will need to complete and return the Request for Treatment as an Assistance Eligible Individual form along with an Election Form in order for WHA to determine their qualification, which may also be verified with the employer. AEIs not currently enrolled in continuation coverage as of April 1st, and AEIs who previously elected coverage but discontinued before April 1st, may elect COBRA up to 60 days after they receive the notice from the employer of the premium subsidy availability.

Who can a employer and/or member contact with questions?

Carrier	Links	Cal-COBRA
Aetna		Members will contact the number listed on the letter or on their ID card.
Anthem Blue Cross	FAQ	Member Services: 855-383-7248
Blue Shield of CA	FAQ	Member Services: 888-319-5999
California Dental Network		<i>Pending</i>
CaliforniaChoice	FAQ Notice Form	800-542-4218
Cigna		<i>Pending</i>
Community Care Health		<i>Pending</i>
Covered California for Small Business		<i>Pending</i>
Delta Dental (Allied Administrators)	FAQ	DPO/FFS Delta Dental: 1-800-765-6003 DeltaCare USA DHMO: 1-800-422-4234
Guardian	Notice	888-482-7342
Health Net	Member Letter Second Letter	EMB Cal COBRA Team: 800-977-2207
Humana	FAQ	Dedicated service line for all COVID-19 related questions. Phone number: 1-800-592-3005 and Email: COVIDquestions@humana.com .
Kaiser Permanente	Notice	Kaiser Permanente's account manager or visit account.kp.org .
Lincoln Financial Group		<i>Pending</i>
MediExcel Health Plan		Client Management: 619-421-1659 x2024
MetLife	Notice	MetLife Account Executive
National General		<i>Pending</i>
Oscar Health Plan	FAQ	<i>Pending</i>
Principal Financial Group	Notice	800-247-4695
Sharp Health Plan		<i>Pending</i>
Sutter Health Plus		<i>Pending</i>
The Hartford		<i>Pending</i>
UnitedHealthcare	FAQ	866-414-1959
UNUM		<i>Pending</i>
Western Health Advantage	Notice	888-499-3198