



What makes a great COBRA partner?

Benefit Resource eBook



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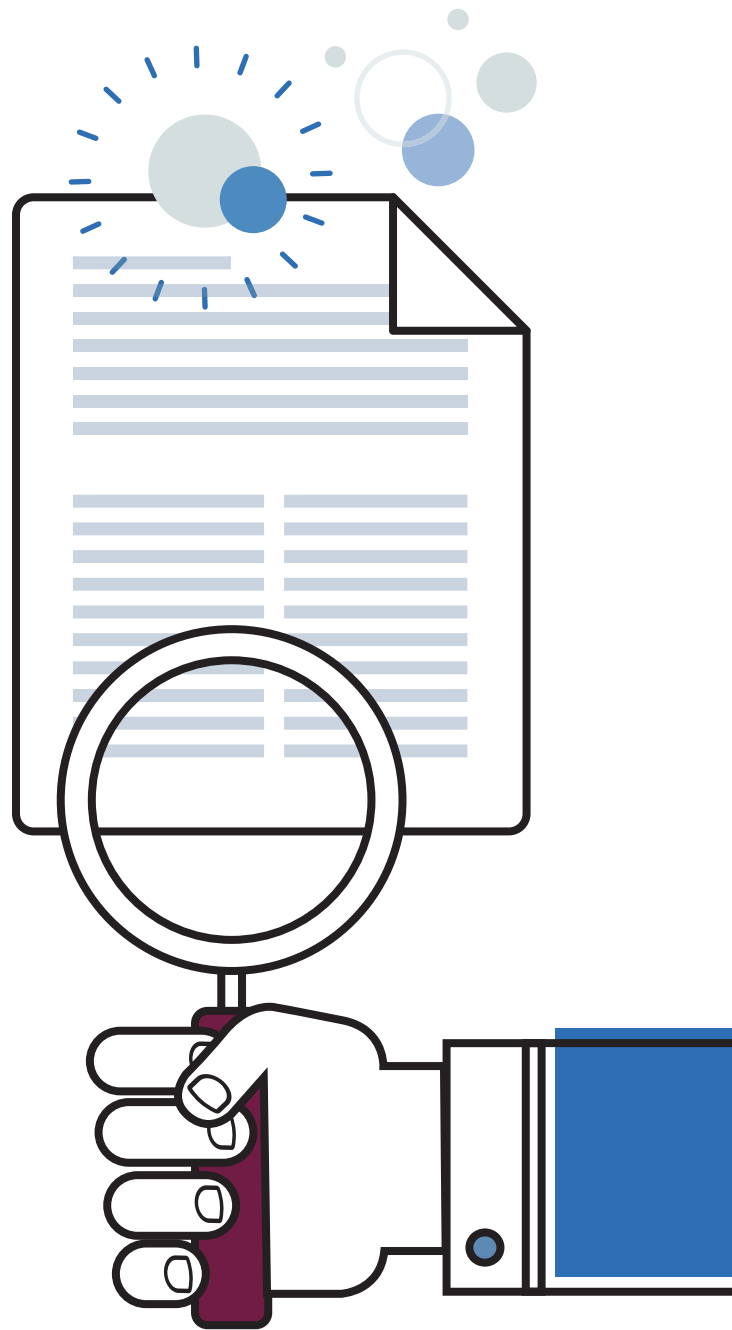
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Administering COBRA benefits for employees is a complicated responsibility. These tasks create challenges that lead to greater risks and, if handled improperly, can result in significant fines. In addition, existing policies and laws can be modified or interpreted to reflect changing trends in the economy and employment. Benefit administrators must be constantly informed about any pending changes to ensure your company remains compliant.

Instead of navigating this sea of red tape and regulations on your own, partnering with the right COBRA administrator takes the weight off your company, allowing you to focus on your primary business goals and objectives. With better administration of COBRA benefits, you can also reduce the risk of making a crucial mistake that could otherwise lead to a hefty fine.

But what qualities make a great COBRA partner?

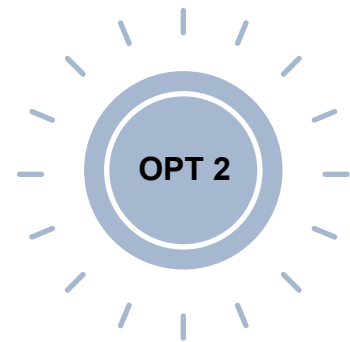
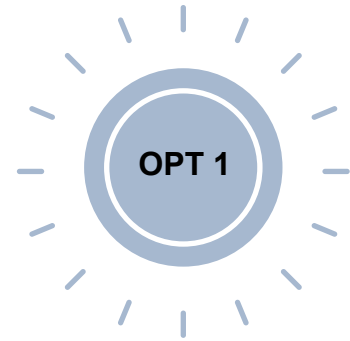




People seeking COBRA continuation coverage are often dealing with tough circumstances, including a job termination, the loss of a loved one or another major life event. These circumstances require those affected to grapple with additional, more pressing matters, such as finding new employment or handling a family member's estate.

In these trying times, individuals need dedicated customer service representatives to help them navigate their insurance coverage options, key coverage deadlines and necessary steps to reinstate coverage.

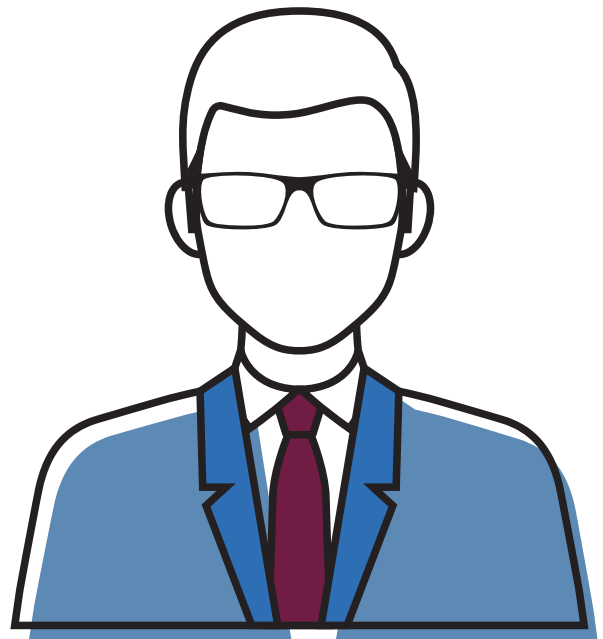
For qualified individuals to take full advantage of their COBRA benefits, they need to know which options exist and when important deadlines are approaching. Without having a knowledgeable representative to speak with, those covered by COBRA might not reinstate coverage and could easily become disgruntled, creating additional problems and stress for companies' HR teams.





One of the biggest complaints employees have about their COBRA coverage is the inability to connect with someone who can explain to them what's happening. When you're looking for a COBRA administrator, identify one that provides dedicated account support to qualified COBRA beneficiaries and can communicate how their coverage is progressing. Your COBRA partner should demonstrate robust product expertise with high-touch customer service experience. Keep an eye out for administrators that offer 24/7 access to COBRA resources, as well as coverage information, payment history, billing detail and reporting options.

This helps current and former employees gain more support during these trying times and streamlines your company's role in the process. With less focus spent on managing employees' expectations with their COBRA benefits, your company saves time and money that can then be invested back into the business.





There's inherent complexity in administering COBRA benefits, as it involves many different moving targets that require pinpoint timing and accuracy. From determining qualifying beneficiaries and events to mailing coverage notices and retaining proof of mail notification, all of this information needs to be tracked and maintained for future reference.

Not every company or benefits provider is able to make COBRA a priority. The overriding reason you should partner with an outside COBRA administrator is to take all the pressure off your company and not have to worry about onerous and ever-changing federal regulations.

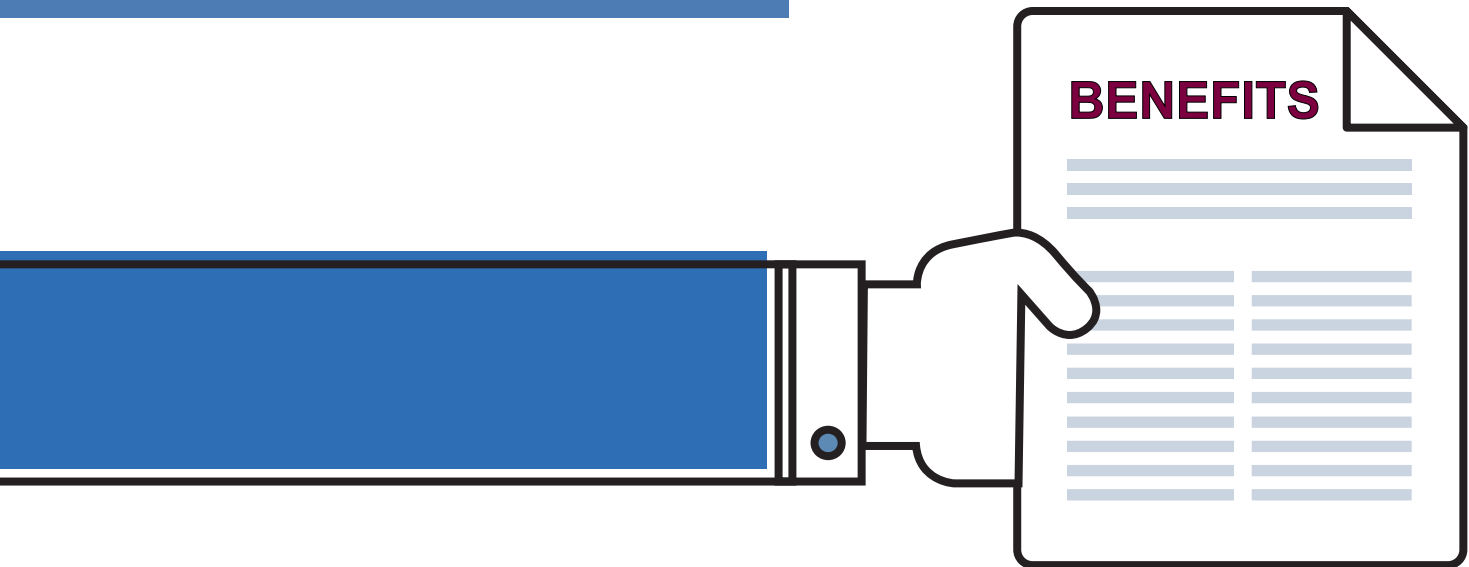




Companies - especially those with fewer than 100 workers - face major hurdles in administering COBRA plans. Staff in the Human Resources department will have many different priorities, including handling payroll, open enrollment for benefits and corporate culture issues. Since there are so many irons in the fire, it raises the likelihood of a misstep when it comes to notifying an employee or qualified beneficiary of their COBRA rights following a qualifying event.



Transferring this responsibility to a dedicated plan administrator alleviates the potential for errors in this process. Further, you should partner with a COBRA administrator that makes the process of adding or terminating coverage as simple as possible through online services and educational support.





At their core, COBRA laws consist of time-frames and deadlines. Whether it's due to disgruntled employees calling the U.S. Department of Labor (DOL) to complain about not receiving notification or the DOL performing an audit, there's always the risk of a COBRA violation if steps are not followed to the letter of the law. This means it's absolutely paramount that your COBRA partner's services fulfill your needs - otherwise your company may end up paying some major fines.

If your COBRA administrator fails to notify employees in a timely fashion, the IRS can levy a penalty that can exceed \$200 per day for each employee that wasn't notified, while ERISA statutory penalties of \$110 per day also accrue. Additionally, if an individual did not sign up for COBRA as a result of the missed notification and then has a major medical expense, the employer may be required to cover those costs.





Every COBRA administrator will claim they have the best compliance. But there are certain standards you should expect from an administrator. At the most basic level, your partner should ensure the company remains COBRA compliant to avoid fines and disgruntled former employees. In addition to Federal COBRA standards, many states have enacted what are commonly referred to as “mini-COBRA” laws, which must also be taken into account. In addition, simply having a plan administrator handle compliance won’t suffice to offer you peace of mind.

Instead, look for a partner that provides transparency on notifications, mailings and other documentation so you stay abreast of the details on coverage, without forcing you to intervene. Your COBRA partner should also provide comprehensive mailing, tracking and documentation services through an easy-to-use online portal.

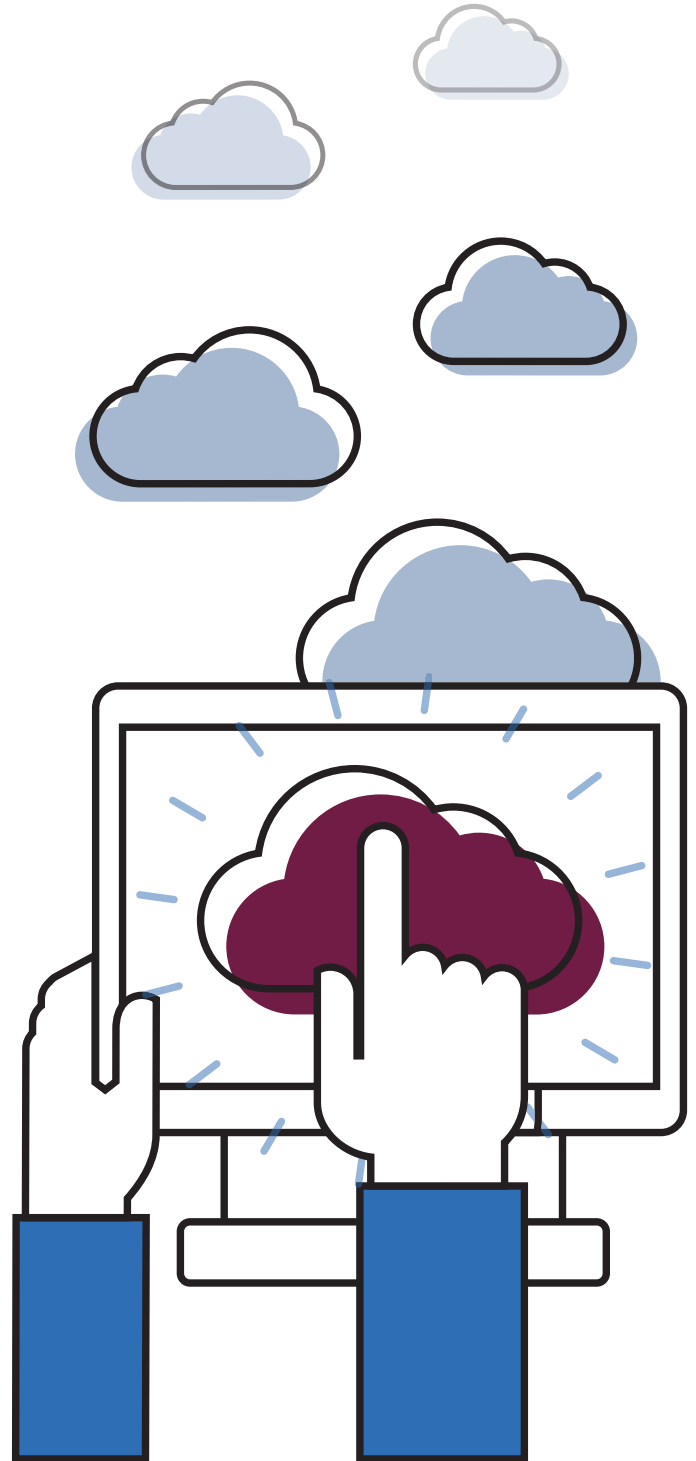


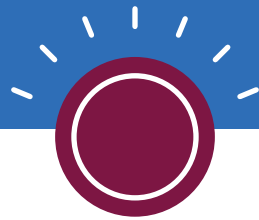
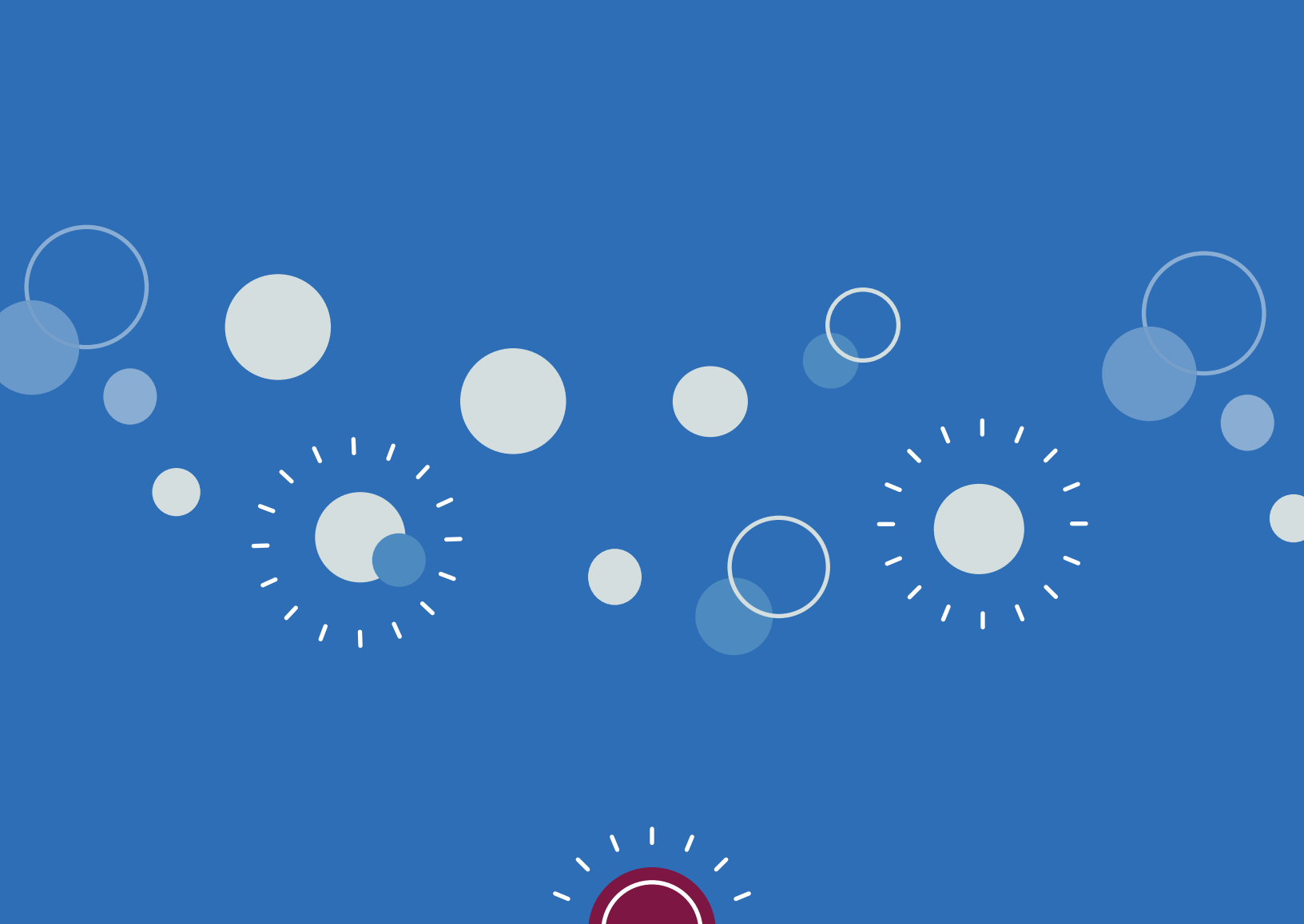


Benefit Resource has a robust web-based platform for COBRA that provides employers with on-demand reporting and pertinent information they need to maintain peace of mind that everything is being handled correctly. This ensures consistent, accurate legal and regulatory compliance for all services rendered, including:

- Notices to qualified beneficiaries.
- Mailing and documentation services.
- Premium collection, notices and reports.
- Online services for employees and COBRA participants.
- Implementation and educational services.
- Document retention services.
- Relationship management.

As a COBRA administrator driven by providing high quality customer service and maintaining compliance, Benefit Resource is more than just a great partner - we're the right partner for you.





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