

Important ARPA update: Identifying AEIs and providing notices

This overview will provide guidance to employers who actively use the COBRAPoint portal (employer portal) or may not use the COBRAPoint portal and therefore will require a file of their potential Assistance Eligible Individuals (AEI's) to determine eligibility status.

Brokers, please note that at this time, the COBRAPoint Broker Portal will not allow brokers to update an AEI's eligibility status. Since the employer groups will be closer to the reasoning or scenario in which an individual had their qualifying event that generated the initial COBRA offering, LBS will be working with employer groups on your behalf.

LBS is asking employers to identify individuals who may be subsidy eligible. There are two ways that LBS will be collecting this information from employers outlined below:

1. Employers who use COBRAPoint

COBRAPoint released technology to help employers identify subsidy-eligible individuals. The **QB AEI 2021 Report** and the **import** are now available on COBRAPoint. These tools will assist clients in identifying the participants in the lookback period (*anyone eligible for COBRA before April 1, 2021 who may or may not have elected and/or paid for COBRA coverage but is still within their COBRA continuation period*) who may be Assistance Eligible Individuals (AEIs) and updating their eligibility status.

- The report will include a column labeled AEI 2021 Status, which will default to the status of **Unknown** when it is initially generated.
- Complete that column with a status from Unknown to either **Eligible** (for the subsidy), or **Ineligible** (for the subsidy), in order to update the participant record.
- Once the file is updated by the employer, the employer will upload the completed report to the **import** in your employer portal.
- You can use this same process to identify subsidy-eligible individuals throughout the subsidy period.

Please reference the [video](#) or the [written instructions](#) providing a step by step overview of navigating the COBRAPoint portal when collecting this information.

2. Employers who do not use COBRAPoint due to current file feeds already in place

If an employer does not use COBRAPoint to handle their COBRA terminations because they have a direct file feed set up between themselves and LBS, their HRIS vendor and LBS or Excellus BlueCross BlueShield (BCBS) and LBS (*that is not part of the Excellus BCBS Small Group*), employers can reach out to their LBS COBRA Administrator to have this file produced on their behalf. The LBS COBRA Administrator will email the file directly to the employer. The employer will have to update the file as the video mentions in the same format ([video/written instructions](#)). Instead of the file being imported back into COBRAPoint by the employer, the employer will send back to LBS and LBS will load into COBRAPoint on their behalf.

Note: Lifetime Benefit Solutions is an independent company providing COBRA Administration Services for Excellus BlueCross BlueShield (BCBS).

Subsidy-eligible individuals are those who meet all the following criteria:

- Any qualified beneficiary who experienced a reduction in hours or an involuntary termination of employment.
- Has at least one medical, dental, vision, EAP, or HRA plan (not including health FSA or QSEHRA).
- Has a Last Day of Coverage (LDOC) of April 1, 2021 or later.
- The individual must not be eligible for other group health coverage.

Member Attestation

For all AEI Notices that are sent out by LBS as part of the 'look back' period or those with a future termination date, LBS will be including a section for a potential AEI to attest that they qualify for the premium assistance and have met the qualifications as set forth by the Department of Labor (DOL). The DOL references specifically that for an individual to meet eligibility requirements, the individual:

- *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.

LBS is providing this window of opportunity from now until May 13th for employers to update the 'eligible' or 'ineligible' status of an AEI to prevent any AEI notice as part of the 'look back' to assist in identifying individuals who truly should not receive a notice. Therefore, while the window is open for employers through May 13th to assist in identifying eligibility status and the member's having to formally attest they meet eligibility criteria, LBS will process any returned AEI notice under a 'good faith' assumption that the member has qualified.

Any discrepancies received from individuals based on the information provided from employers after this window closes will be reviewed with the employer by their LBS COBRA administrator on an individual case by case basis.

Employer Reporting for Tax Credit Information

LBS continues to work with our vendor partner, COBRAPoint, in determining criteria required to be provided to employer to submit against their payroll taxes. More information will be forthcoming from LBS soon.

Notice Charges

For all AEI notices that will be sent out before May 31, 2021, LBS will charging back to the employer a \$4.00 fee per initial subsidy letter mailed. The charge is to cover the cost of the additional mailing along with the associated work. After the AEI notices are sent out initially through May 31, 2021 individuals with future termination of employment event will be considered normal maintenance of business. There will be no separate fee for these AEI notices after May 31st, 2021.

In addition, any previously terminated employer who is no longer with LBS and in need of AEI reporting for their new COBRA administrator, will be charged \$250 per report generated if the employer does not have another line of business with LBS. Information on report will include the member's information, the event date of the termination and if any reason code for the COBRA termination event was received.

Next Steps

LBS is requiring the above information no later than May 13, 2021 to identify AEIs in the lookback period and mail the AEI notices required to be sent out May 31, 2021. LBS will be sending out an email for most employers. [Click here](#) to view the communication. Please note that Excellus BCBS Small Group COBRA employers will have a different employer email with a different operational approach sent out. [Click here](#) to view the Excellus BCBS Small Group COBRA employer communication.

Please encourage your employer groups to use the COBRApoint portal to update individuals' AEI status, request a file from their LBS COBRA administrator if they do not use the COBRApoint portal or reach out to LBS if they have questions.

We appreciate your partnership as we navigate and support these regulatory changes. Please reach out to your dedicated LBS Client Service Consultant with any questions you may have.

Sincerely,
Lifetime Benefit Solutions