



1) Initial Notification - One of the requirements of participation in our plan is to do an initial notification to all employees actively enrolled in the plan. This is an important part of the Federal COBRA Law, and we find it very helpful in educating your employees about what to do in case of a COBRA need. Even if you have done this in the past, we will need to do it again, as our letter has our name and contact information on it. This is done simply by emailing us a spreadsheet with every active employee's name, social security #, home address, dependent and coverage information. A blank template is available online at www.unitedagencies.com/cobra. We will then mail an initial notification letter to each employee at their home. (This is available in Spanish also.)

2) New Hires - Simply fax or email us a Newly Covered Employee form for any newly covered employee, or an existing employee who is newly enrolled in the plan. If you prefer, there is a form that you can complete online at www.unitedagencies.com/cobra with all of the information required. We then mail an initial notification letter to each new employee at their home in either English or Spanish.

3) Qualifying Events - If an employee were to have any of the following occur, you must notify us so that we can send them a letter offering COBRA:

- Involuntary Termination of Employment
- Voluntary Resignation
- Reduction in Work Hours (To no longer qualify for coverage)
- Divorce / Legal Separation (The Spouse can continue coverage)
- Death of Employee (The Widow can continue coverage)
- Medicare Entitlement (If they are become eligible for Medicare)
- Loss of Dependent Status (Children that are too old to be on Parent's Plan)

To notify us of any of these changes you can simply fax or email us a Qualifying Event form or complete the form online at www.unitedagencies.com/cobra. At this time, you will also need to notify us of the current home address for this employee (or spouse), and the plan and monthly premium that they have been enrolled in. We will send a letter to their residence (in either English or Spanish) offering them COBRA Enrollment.

4) American Recovery and Reinvestment Act of 2009 (ARRA) Premium Reductions - At the same time we send an employee a Qualifying Event Notice, we will also send them an application to apply for premium reduction assistance under the ARRA regulations. For an employee to be eligible, they have to be involuntarily terminated between 09/01/08 and 12/31/09, and NOT be eligible for any other coverage. (This means that if they are eligible to be added on to their new employer's plan, or their spouse's employer's plan, then they are not eligible for the premium reduction – Even if they have to pay for the other coverage and / or choose not to elect the other coverage.) If the Employee is eligible for the ARRA premium reduction, then they will pay 35% of the premium due, and you will be reimbursed for the remaining 65% in the form of a Credit on your Payroll Taxes. You deduct the total amount of premium that you paid on behalf of your ex-employees on lines 12(a) and 12(b) of the Form 941. *Please note: In your year end tax return, the IRS will require the names, social security numbers and amounts for each employee that you requesting reimbursement for premiums paid.*

5) COBRA Administration - If an ex-employee or spouse wishes to continue with COBRA Coverage, they will contact us directly, and we will notify you immediately, so that you can notify the Insurance Company to re-enroll them on the Plan as a COBRA Participant. We will bill the ex-employee for all applicable premiums (plus a 2% Administration Charge), and forward the premiums to you on the 10th of every month. If an ex-employee is late with their payment, we will notify them of their cancellation from the coverage, and notify you so that you can delete them from the bill.

Communication is the key to making this work, please contact us at **(800) 800-5880** or email us at cobra@unitedagencies.com if you have any questions or comments.



Burbank, CA
(800) 800-5880

www.unitedagencies.com