



Employee Benefit Plan Deadlines Extended by COVID-19

On April 28, 2020, the Department of Labor (DOL) Employee Benefits Security Administration (EBSA) issued a deadline relief to help employee benefit plans, plan participants and plan service providers that are impacted by the COVID-19 outbreak.

The information for the deadline relief was included in Disaster Relief Notice 2020-01 for notices and disclosures required under ERISA. A compliance overview is included in this newsletter for specific details. The overview offers examples that help clarify the deadline relief and is very informative. The final rule extends the timeframes for health plan participants to:

- Request special enrollment
- Elect COBRA continuation coverage, pay COBRA premiums and notify the plan of a COBRA qualifying event
- File benefits claims and appeals and request external review of denied claims

The notice further extends the time for plan officials to furnish benefit statements and other notices and disclosures required under ERISA if good faith efforts are made to provide the documents as soon as administratively practical.

Typical COBRA deadlines are listed below:

- A 60-day period to elect COBRA
- A 60-day window for Individuals to notify the plan of a loss of coverage or disability extension
- A 45-day grace period after the initial COBRA election to pay premiums and a 30-day grace period for payment of subsequent premiums

Under the deadline relief, the “Outbreak Period” is defined as the period beginning March 1, 2020 and ending 60 days after the date on which the federal government declares the COVID-19 national emergency has ended, which has yet to be determined. Examples of the extension are provided in the Notice. (add link to Zywave Compliance bulletin)

In a nutshell, this deadline relief is a favorable turn of events for COBRA beneficiaries, plan participants for FSA and HRA, and plan providers as well. For Flexible Spending Accounts (FSA) and Health Reimbursement Arrangements (HRA) this relief extends the claim filing deadline for any active plan and any plan open for claims processing on March 1, 2020 until 60 days after the announced end of the National Emergency. For plans open and in their run-out period to file claims, this claim filing period will remain open until 60 days after the National Emergency ends. This claim filing deadline is not to be confused with the ability to spend or incur services, as it only extends the ability to file a claim or submit supporting flex card documentation.



Example: FSA plans renewing in January will continue to offer the ability to file claims for 2019 until 60-days after the National Emergency. Forfeitures for 2019 will not be determined until 60-days after the end of the National Emergency. This is an incredible “windfall” of time for those experiencing a delay in obtaining expense documentation due to the many healthcare closures during the outbreak.

A claim filing deadline for medical services is also extended under this relief notice. An example is clearly represented in the Compliance Overview.