

ARPA COBRA Subsidy - Update from ABG

4/5/2021

If you did not receive our original communication you can access it here: [ABG ARPA UPDATE MARCH 2021](#)

KEY TAKAWAYS:

- The new report to identify Assistance Eligible Individuals and 'AEI 2021' status is expected to be available by 4/19/2021.
- After running the AEI report, Employers will update the status on the report directly, and upload it back into the portal to update Member Statuses.
 - (Employers will also have the option to manually update the status in the Portal on an individual basis)
- Model Notices are expected from the DOL within the next week

UPDATES ON WHAT WE KNOW THUS FAR ABOUT HOW THE SUBSIDY WILL BE ADMINISTERED:

Identifying Assistance Eligible Individuals:

- We anticipate the new AEI Status field, and AEI report ('QB AEI 2021') will be available on 4/19/2021. This date is still being finalized by our vendor.
- As the process for running this report is finalized, ABG will release guides and trainings to assist. The overall process to identify and update the eligibility of individuals:
 1. Employers will run the report in the COBRA Portal including Members in look-back period
 2. Employers will update the report to specify each QBs eligibility for the ARPA Subsidy
 - a. The eligibility of the subsidy will be controlled by a new field called "AEI 2021 Status"
 3. Employers will upload the updated report back into the COBRA Portal to update the status on the records in the COBRA Portal.
 - a. Records in the COBRA Portal will also be able to updated manually
- The 'QB AEI 2021' report will include the following fields:
 - Name
 - Member ID
 - AEI 2021 Status
 - SSN
 - Qualifying Event Date
 - First day of Coverage
 - Last day of Coverage
 - Event Type
 - Client Name
 - Plan Status
- *The subsidy administration will be controlled and initiated by the 'AEI 2021 Status' being added to the Portal this month. While it will be helpful for employers to consider specifying whether terminations are voluntary or involuntary, this is not required. The event types in the system **will not** be driving the administration of the subsidy, and will not eliminate the need to update the AEI status.*

Sending the required Letters:

- *We've received many inquiries on sending the letters. Please keep in mind,*
 - *Employers have 60 days from 4/1 to send the notices*
 - *Model notices are not available yet from the DOL. These are expected by 4/11*
 - *Employers must identify Assistance Eligible Individuals in the ABG COBRA Portal*

Elections:

- At this time it does not appear that participants will be able to make an election for the subsidy online.

2% Administration Fee

- The Remittance Report will have an identifier to distinguish between Employer Subsidies and ARPA Subsidies.

WHAT'S NEXT?

The most commonly asked question is '**Can we begin identifying individuals now?**' Each employer can and should make sure they have the information available internally to identify whether terminations were involuntary or not for the last 18 months; however, no information can be updated in the ABG COBRA Portal until the new field and report are released.

TIMELINE:

- 3/11/2021 – Bill is signed by President Biden
- 4/1/2021 – Subsidy Effective Date
- 30 days from 3/11 - DOL provides Model Notice for Second Election Window
- 4/19/2021 – tentative release date of new AEI 2021 report & status in COBRA Portal
- 45 days from 3/11 – DOL provides Model Notice for Subsidy Termination
- 60 Days from 4/1 – Assistance Eligible Individuals must be notified of subsidy by administrators
- Review the [ABG ARPA COBRA SUBSIDY FAQ](#)
 - Submit additional questions to cobrasupport@amben.com (due to the volume of requests, please be sure to outline your questions in your email and we will respond as quickly as possible.)

We understand that there are many questions surrounding the COBRA subsidy. If you have additional questions, please first review the [ABG ARPA COBRA SUBSIDY FAQ](#) in case your question is answered here. We will continue to update this document as more information becomes available, and will send email communications as more information becomes available.

Be well,

This information has been provided as an informational resource for ABG clients and business partners. It is intended to provide general guidance, and is not intended to address specific risk scenarios. Regarding insurance coverage questions, each specific policy must be reviewed in its entirety to determine the extent, if any, of coverage available for the impact of the Coronavirus.