

ARPA COBRA Subsidy - Update from ABG

4/19/2021

KEY TAKAWAYS:

- The AEI Report and Utility will be available for use on Friday April 23, 2021
- Additional Trainings and resources will be sent by ABG this week
- ABG will be sending the required ARPA Notices once available. A fee of \$15/QB will apply if using ABG for the ARPA subsidy administration. By using the AEI utility you are agreeing to this fee.
- Attestation is available for an additional \$3.75/QB fee.
- If you were not a client with ABG prior to 10/1/2019, you will need to review your internal records to identify participants who may be eligible, or reach out to your prior Administrator. If you are able to obtain the information, ABG can add those participants to our system and generate the required ARPA Notifications. The same \$15/QB fee will apply.
- The overall process will be:
 - Employer runs AEI report in ABG COBRA Portal
 - Employer updates AEI status
 - Employer uploads updated report back into ABG COBRA Portal
 - Required ARPA Notices are mailed
 - Member sends forms back to ABG (cannot do online) & enrolls in subsidy
 - ABG processes Member elections and attestations (if selected)
 - ABG remits back non-subsidized premiums on normal monthly schedule and collects 2% for subsidized premiums.

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

- Over the weekend the ABG COBRA Portal was updated to include the functionality to report AEIs to ABG. This functionality will be visible to employers on **Friday, April 23, 2021**. (This date is controlled by our vendor and cannot be moved sooner)
 - Unfortunately this report will not be available in the Broker Portal.
- The QB AEI 2021 Report will be generated in a CSV format. The report will include a column labeled **AEI 2021 Status**, which will default to the status of "Unknown" when it is initially generated. The user managing this report and the status will complete the AEI 2021 Status column with the status of Unknown, Eligible (for the subsidy), or Ineligible (for the subsidy), to update the participant record.
- The QB AEI 2021 Utility will be used to upload that report back into the Portal, and subsequently update the Member's AEI status.
 - Employers will be able to upload the report into the Portal at their convenience.
- Linked here is the [AEI template](#), which shows the formatting of the report once it is available to you. If you have already identified some of your AEI eligibility participants, you can add them into this report in advance, if you wish. In order to upload the report back into the Portal, only the first 4 fields (Last Name, First Name, MID and AEI 2021 Status) are required.
 - Note, the Member ID in this case refers to their ABG COBRA Portal Member ID.
 - The report cannot be uploaded back into the Portal until April 23, 2021.
- **Be on the lookout for additional communications this week with training videos and tools on how to use the tool and report.**
- **Reminder: a fee of \$15/QB will apply if using ABG for the ARPA subsidy administration. By using the AEI utility you are agreeing to this fee.**
- If you were not a client with ABG prior to 10/1/2019, you will need to review your internal records to identify participants who may be eligible, or reach out to your prior Administrator. If you are able to obtain the information, ABG can add those participants to our system and generate the required ARPA Notifications. The same \$15/QB fee will apply.
 - The information will need to be provided to ABG on the [ARPA Member Gathering Form](#). Due to system requirements no exceptions to the data requested or formatting can be made. You can submit the completed form to cobrasupport@amben.com or via sendsecure.amben.com.

Sending the required Letters:

- At this time the new DOL Notices are not yet available in the COBRA Portal. This means, that while you will be able to update the AEI status in the system beginning Friday April 23rd, the letters will not immediately be sent. We are working with our vendor and will communicate as soon as this functionality is available.
- Although the letters will not be immediately sent, they will be sent based upon each Member's AEI status before the 5/31/2021 deadline, and once our vendor has updated the Portal to include them.
- **Reminder: there is a \$15/QB fee for the ARPA subsidy administration, which is inclusive of the required letters. If you update a Member's AEI status, you will be charged this fee.**
- The subsidy includes the 102% premium normally charged under COBRA.
- The 2% administration fee will still be collected and retained by ABG.
- The 2% administration fee will be deducted from the monthly remittance.
- To the extent that the remittance does not cover any subsidized 2% administration fee, we will be debiting this from existing accounts for those who receive the remittance via Direct Deposit. If the Remittance is received via check this will be invoiced.

Elections:

- Some Assistance Eligible Individuals are required to make an election to take advantage of the subsidy – this is required by ARPA itself. **Employers should not automatically apply the ARPA subsidy to anyone’s record at this time.**
- Employers will have the option to require an attestation before the subsidy is applied. Employers who choose to do this will be charged an additional \$3.75/QB fee which includes the additional form and the ABG processing of that form which cannot be done online.
 - While ARPA itself allows for an attestation of eligibility, and the Model Notices include such a form, it is not expressly required within the Bill that Employers include this. As such this functionality will be optional for all employers and you must **opt in** in order to utilize it.

2% Administration Fee:

- **Reminders:**
 - The subsidy includes the 102% premium normally charged under COBRA.
 - The 2% administration fee will still be collected and retained by ABG.
 - The 2% administration fee will be deducted from the monthly remittance.
 - In the event that the monthly premium remittance for collected billed COBRA premiums is less than the 2% ABG COBRA billing fee for the subsidized COBRA premiums, ABG will debit the remaining billing administration fee from the client’s designated bank account per the terms of the administrative service agreement. Please be sure to alert your bank to allow drafts from our company ID 9165530001.
 - If the client does not have an ACH banking agreement in place and ABG sends the monthly premium remittance via check, any insufficient funds to cover the monthly 2% premium billing administration fee for subsidized COBRA premiums will be invoiced with the regular monthly COBRA administrative service fee.

Summary of ABG FEES:

ARPA Subsidy Administration – Base Fee	\$15/QB	<i>Includes sending initial communications to those in look back period and currently active and pending QBs, tracking subsidies beginning/end dates, processing election forms, sending subsidy termination letters, and sending ARPA notices to any new QBs during subsidy window.</i>
ARPA Attestation Add-On	\$3.75/QB	<i>Includes sending an attestation with the ARPA paperwork, so participants must sign off on their eligibility of the subsidy. Includes ABG including the additional form with ARPA notifications, and collecting and processing any forms.</i>
AEI Report Upload	\$195/file	<i>Employers have the ability to run, update, and upload the AEI Report through the Employer Portal. This is the recommendation and preferred approach. This is not an automatic fee. This fee only applies if an Employer requests for ABG to load the report on their behalf, instead of uploading it through the self-service Employer Portal. In this scenario only a \$195 fee will apply per file. This is not required, and our recommendation is that Employers upload the report through the self-service Portal.</i>

WHAT’S NEXT?

During the week of 4/19/2021, ABG will be releasing recorded trainings and guides to assist Employers with the new AEI tool and utility. Keep an eye out for communications during this week, as well as the availability of the tool on April 23, 2021.

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.