



# TRAVISCOBRA ARRA RELEASE 8.30

## Letter Generation Procedure and Sample Letters

The first process of the ARRA Release will be to use the Cobra-Patch.exe to update your version of TravisCOBRA. Once this has completed successfully, please enter the system and go to the Help, About screen to confirm you are on version 8.30 of TravisCOBRA.

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## WHERE TO BEGIN

The update provides three new letters that allow you to re-notify PQBs having an event on or after 9/1/2008. The following are new letters:

- Letter 69 – ARRA Enrollment Form
- Letter 70 - ARRA Enrollment Confirmation
- Letter 71 – ARRA Open Enrollment Letter

These letters are automatically added to your system with the update.

The update provides two new macro codes to provide additional information to existing letters. The new macros are:

- Block 37 – ARRA Stimulus Election Wording: **The update will NOT automatically place this block in the correct template, you must insert this block into existing Eligibility Notices.** TravisCOBRA system will only recognize Block 37 in instances where the PQB is being re-notified due to ARRA or when the PQBs event is termination and the user has noted the PQB as ARRA Stimulus eligible.
- Block 38 – ARRA Stimulus Coverage Information: The update will automatically place this block in the correct template. This is a new block for the new letter (ARRA Enrollment Confirmation). This block will provide information to the PQB about their first four months of premiums.

## RE-NOTIFICATION PROCESS

Once you have verified your templates, both new and old, are set up to your satisfaction you can run the ARRA Re-Notification process, found under the Utility Menu. The re-notification process is going to notify PQBs who were terminated on or after September 1, 2008 and did not enroll in COBRA. The correspondence they receive allows them to make a new decision about enrollment based on new 65% subsidies being available. The re-notification process will also print a new ARRA enrollment form notifying them of the ARRA 65% stimulus subsidy beginning 3/1/2009.

The system uses the following criteria to determine what PQBs to re-notify in the system:

- All non-commenced PQBs with an event date occurring on or after 9/1/2008 and who have a qualifying event of termination.
- All pending PQBs with an event date occurring on or after 9/1/2008 and who have a qualifying event of termination.
- All enrolled PQBs with an event date occurring on or after 9/1/2008 and who have a qualifying of termination.

When the re-notification process is complete, the PQBs that the system has verified as eligible for re-notification will have a new record created for them in the system. Their old record in the system will be automatically termed and new Election notices, premium computation and enrollment forms will be printed as of the next Automatic Processing run. QBs enrolled prior to the re-notification process will receive a new ARRA Enrollment form. In addition, all PQBs matching these criteria will have a 65% stimulus subsidy reflected in their correspondence.

Below are specifications regarding coverage and enrollment periods, as well as payment due dates for PQBs who were enrolled, pending, or non-commenced at the time of re-notification:

- Non-commenced: the PQBs length of coverage will not be 18 months. It will start from 3/1/2009 and continue until their original 18 month COBRA end date. Their next payment due date will be 3/1/2009. Their new 60-day enrollment window will begin 3/1/2009 or the day the re-notification letter is printed (whichever is later). 65% subsidy begins on 3/1/2009 and lasts for 9 months.
- Pending: the PQBs length of coverage will be 18 months. It will start from their original first date after loss of coverage. Their payment due will be their first day after loss of coverage. Their new enrollment period will begin 3/1/2009 or the date the re-notification letter is printed, whichever is later. 65% subsidy begins on 3/1/2009 and lasts for 9 months.
- Enrolled: the PQB length of coverage will be 18 months. 65% subsidy begins on 3/1/2009 and lasts 9 months.

Once PQBs have been re-notified and choose to elect coverage, there will be a couple of things as the administrator you will want to examine:

- Was this PQB actually involuntarily terminated? If not, you will need to address this with the PQB
- Are the plans that were offered at the time of termination (i.e. the plans on the PQBs benefit screen) the plans that are available to them as of 3/1/2009? A lot of times at end of year, carrier changes or transfer can occur. Their rate and plans that were originally communicated to them may be different. If they choose to elect coverage, you will want to make sure it's the correct plans that are assigned.

## ONGOING ADMINISTRATION FOR ADDS AND ENROLLMENTS

New PQB adds can be performed in the same fashion as before. Adding a PQB with an event date of 9/1/2008 – 12/31/2009 is going to allow the PQB to be ARRA Stimulus Eligible. There will be a check box that can be populated on the event screen. Once checked, the system will take over from there.

When a PQB elects to enroll, and is ARRA eligible, you will proceed to the action tab, and select that they have:

1. Returned their enrollment form
2. Enrolled in ARRA

The 65% stimulus subsidy will begin as of 3/1/2009 if their event occurred prior to 3/1/2009 or it will be their first day after loss of coverage for events on or after 3/1/2009.

Once an enrollment form is received from an ARRA eligible PQB, an ARRA Enrollment Confirmation Letter will print letting the PQB know specific premium amounts due.

A PQB can have the ability to Opt Out of the ARRA stimulus if they choose. On the PQB personal/edit screen there will be an ARRA Opt Out field for you to populate this date. The system will not offer the 65% stimulus subsidy past the date entered into this field.

## PAYMENTS

A new field will display on the payment detail page named Stimulus. This field represents the 65% stimulus subsidy and can be differentiated from a regular subsidy.

## REPORTS

The Notification Report (Reports, Employer, Notification) has been modified so users can filter for only re-notification PQBs. The new options allows for the user to select a box showing "Only ARRA Re-Notifications".

A new report named ARRA Payroll Premium Reduction Report has been added with the new update. The report will show payments for PQBs that applied to premiums that had a 65% stimulus subsidy. This can be found under the Report menu and Selection Premium, ARRA Premium Report.

## COBRA DOWNLOADER

The download module has been modified to allow users to import PQBs who are ARRA Eligible. The details of the field are below:

- Field Name: Stimulus
- Field Number: 180
- Maximum Width: 1
- Description: PPQB Is ARRA Stimulus Eligible, T/F
- Record Type: 1, primary
- Required: NO

## BLOCK 37 – ARRA STIMULUS ELECTION WORDING

The Health Insurance Assistance for the Unemployed Act of 2009 was enacted as part of the American Recovery and Reinvestment Act of 2009. This new law gives you and your additional qualified beneficiaries who were offered participation in the Group Health Continuation Plan the opportunity to reconsider enrolling in the continuation plan during an extended election period ending on {M015}. You may also be eligible for premium assistance equal to 65% of your paid continuation premiums for up to nine months of your continuation period beginning as early as March 1, 2009 .

In order to be certified as qualified for premium assistance, you must (a) have been involuntarily terminated from employment with the employer shown above between September 1, 2008 and December 31, 2009, (b) have become eligible for COBRA or other state-law based continuation coverage subsequent to that involuntary termination and (b) not have become eligible for other group health insurance coverage or Medicare since your original termination date.

Also, premium assistance is reduced for those who are eligible for assistance but whose Modified Adjusted Gross Income (MAGI) is above \$125,000 per year (\$250,000 for joint filers). Premium assistance is not available at all for those whose MAGI is \$145,000 per year (\$290,000 for joint filers).

If you decide to enroll, as evidenced by your completing and signing the enclosed Enrollment Form which confirms your belief that you are an “Assistance Eligible Individual” and that you would like to enroll at this time in the Group Health Continuation Plan, then once we receive your completed and signed Enrollment Form on or before the end of this special enrollment period we will validate your eligibility for premium assistance. Once that verification is complete, you will be notified of our validation and of the amount of premium needed to be paid by you in order to start your continuation coverage. Once that premium payment is received, your new period of continuation coverage will begin as of March 1, 2009 or the date your coverage as an active employee ceased, whichever is later.

No coverage is being offered to you between the date of your original loss of coverage as an active employee and the date your continuation coverage begins under this offer.

## BLOCK 38 – ARRA STIMULUS COVERAGE INFORMATION

<b>Schedule Of First Payment</b>			<b>{M129}</b>
Amount Due if Premium Paid			
By.....:	{M083}		{M087}
Amount Due if Premium Paid			
By.....:	{M084}		{M088}
Amount Due if Premium Paid			
By.....:	{M085}		{M089}
Amount Due if Premium Paid			
By.....:	{M086}		{M090}



**LETTER 70 – ARRA ENROLLMENT CONFIRMATION**

{B001}

{M005}

{B011}

Dear {M011}:

We have reviewed your Group Health Continuation Plan Enrollment Form and agree that you are eligible for premium assistance under the American Recovery and Reinvestment Act of 2009. Your coverage in the Group Health Continuation Plan will begin as of {M013} and may continue up to {M039}.

In order for coverage to begin, we must receive your initial premium payment as shown on the enclosed form. Payment of premium going back to your start of coverage date under this enrollment offer must reach us no later than 45 days from the date of this letter in order for your coverage to begin.

{B038}

If at any time you become eligible for any other group health plan or become eligible for Medicare during this period you are enrolled in continuation coverage and qualify for premium assistance, you must notify us immediately of your eligibility by contacting us at the address and telephone number indicated.

{B004}

Sincerely,

{M018}

{M019}

{B021}

**LETTER 71 – ARRA OPEN ENROLLMENT LETTER**

{M005}

{B011}

Dear {M011}:

You are eligible to enroll in benefit coverage that is different from the coverage you have been offered or are in which you are enrolled under the Group Health Enrollment Plan. This benefit coverage, if elected by you and your other qualified beneficiaries, will replace the coverage you have been offered or have elected under the Group Health Continuation Plan.

Details of the coverage are found on the informational materials accompanying this letter.

For more information, please contact the Plan Administrator at:

{B004}

Sincerely,

{M018}

{M019}

{B021}