



Pandemic-related Deadline Extensions

On May 4, 2020, the Departments of Treasury and Labor published new regulations entitled Extension of Certain Timeframes for Employee Benefit Plans, Participants and Beneficiaries Affected by the COVID-19 Outbreak which extend some participant filing, notice and/or payment deadlines under ERISA health and welfare plans.¹ This *Compliance Alert* provides a high level overview of the new rules and their general applicability.

Basic Rule

Deadlines for making certain elections or payments under ERISA plans that would have been due on or after March 1, 2020, have been extended to at least 60 days after the pandemic National Emergency currently in effect is declared over by the President of the United States.

This period from March 1, 2020 until 60 days after the National Emergency ends is called the Outbreak Period. Its duration will be determined by the date the National Emergency ends. Thus, none of the applicable filing, notice or payment deadlines are enforceable before the end of the Outbreak Period.

Applicability

The rule is designed to help minimize the possibility of participants losing benefits or the right to exercise their rights under a plan during the COVID-19 pandemic because of a failure to comply with certain pre-established deadlines. These include deadlines related to:

- COBRA elections
- COBRA second qualifying event notices
- COBRA payments
- Medical, dental, disability, medical care reimbursement account (MCRA) claim and appeals filings
- HIPAA Special Enrollment requests

What's Not Affected

The rule does not apply to the deadlines related to:

- Active employees initially enrolling in a plan
- Change in status events, except a change in status that also qualifies under the HIPAA Special Enrollment rules
- Claim filing deadlines under Dependent Care Reimbursement Accounts
- The plan's obligation to timely process claims and appeals

In addition, the deadline extensions do not affect the length of coverage under COBRA, only the time allowed for electing and paying for COBRA.

¹The Department of Health and Human Services encourages, but does not require, non-federal governmental group health plans to also extend filing and payment deadlines.



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Next Steps

HPI is in the process of implementing the new rules for our clients' affected plans, which includes:

- Drafting Summaries of Material Modification to incorporate the extended filing and payment deadlines
- Identifying participants retroactively affected
- Posting information for plan participants on the HPI web site
- Referring participants to the web site for information on the new rules in Explanations of Benefits, COBRA Election Notices, and appeal acknowledgements and determinations

HPI will update the information in this *Compliance Alert* when the National Emergency has ended and the actual duration of the Outbreak Period can be defined. In the meantime, please contact your HPI Account Service Team with any questions you may have.

The information contained in this Alert is based on our current understanding of how significant developments may affect group benefit plans. It should not be construed as specific legal advice or legal opinion. The contents are for general information purposes only and are not a substitute for the advice of legal counsel.