

A background image showing a microscopic view of coronavirus particles, which are spherical with a textured surface and several protruding spikes. The image is rendered in shades of blue and white, with a central blue horizontal band containing the title text.

IRS and DOL Extend Several Benefit Plan Deadlines

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For Society of Professional Benefit Administrators



IRS/DOL Joint Regulations and Notice 2020-01

- Final regulations jointly issued by DOL/IRS
 - HHS was consulted and agrees with them
 - Unclear how applied to non-federal governmental plans
- Notice 2020-01
 - Some reporting/disclosure/fiduciary relief



Regulations—Outbreak Period is disregarded

- When applying certain time frames, the period March 1, 2020 through a date that is 60 days after the end of the National Emergency Period (“outbreak period”) is disregarded.
 - Unclear when National Emergency will end
 - Effective immediately
 - Technically has a retroactive effect



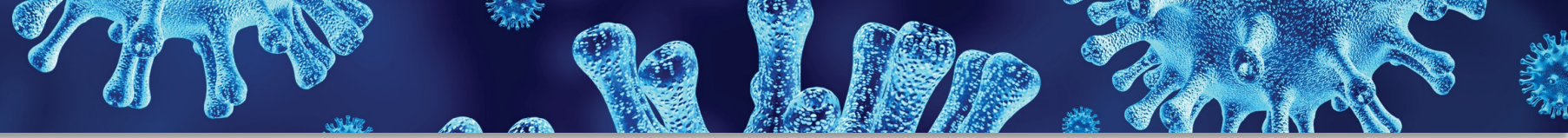
Regulations—Applicable Time Periods

- 30/60 day HIPAA special enrollment periods (only group health plans that provide other than excepted benefits)
- 60 day COBRA election period (group health plans)
- 60 day notice requirement for QBs to notify the Plan Administrator of certain events (group health plans)
- 45 (initial) and 30 day (subsequent) premium deadlines (group health plans)
- Time period to provide COBRA election notice



Regulations—Applicable Time Periods

- Time period for claims and appeals under the plan in accordance with ERISA Section 503 (all welfare plans);
- Time period for requesting external review and providing additional information for external review under ACA (only non-grandfathered group health plans)



Illustrations (assume June 29, 2020 is the end of the Outbreak Period)

Bob marries on February 2, 2020. Bob's group health plan gives him 31 days to request enrollment for himself and his new bride.

Bob is otherwise required to enroll on March 4 but doesn't.

Bob will have until July 3, 2020 to enroll, 4 days after the Outbreak Period ends (the 4 days of his 31 enrollment period that occurred during the Outbreak Period).



Illustrations

- Bob's employment is terminated on March 31. He loses coverage under his employer's plan as a result thereof.
- Bob is handed an election notice as he walks out the door. Bob would otherwise have until June 30 to elect COBRA.
- Bob will have until August 28, 2020 to elect COBRA (60 days after the Outbreak Period ends).



Illustrations

- Bob elects COBRA immediately (April 1) but doesn't pay his initial premium within 45 days.
- Bob's first premium will be due on August 12, 2020 (45 days after the Outbreak Period ends)



Illustrations

- Bob's plan requires claims to be submitted within 12 months (365 days) after the service is rendered.
- Bob receives services from a physician on January 1, 2020.
- Bob must submit his claim within 306 days after the Outbreak period ends.



Notices/Disclosures/Communications

- Do you need to update:
 - SPDs
 - COBRA Notices
 - Initial election
 - Special enrollment notice
 - EOBs