

Functional Data Tracker: COBRAedge

The Consolidated Omnibus Reconciliation Act (COBRA) is a landmark federal law that was passed by Congress in 1986 that provides continuation of group health benefits to employees and their families as a result of certain qualifying events where such coverage would have otherwise been terminated. COBRA extends to certain former employees, retirees, spouses, former spouses, and dependent children, but often requires these individuals to pay the full cost of coverage plus an administration fee.

Employers who **provide a group health plan** (including medical, dental, vision, and medical FSAs) **and had 20 or more employees** on at least half of their regular business days during the last calendar year are required to offer COBRA coverage and to provide notices to employees regarding the availability of this coverage.

SERVICE DETAILS

The NHCR team of compliance experts can help employers stay on top of all state and/or federal COBRA regulations. This service includes:

- Full administration of Federal COBRA regulations and State (Mini) COBRA regulations
- Distribution of Initial Notices, Qualifying Event Notices, and employer communication of elections
- Premium invoicing, collection, and distribution to employers or direct to carriers

PENALTIES FOR NON-COMPLIANCE

COBRA is enforced by the Internal Revenue Service (IRS), the U.S. Department of Labor (DOL) and the Department of Health and Human Services (HHS). Penalties for COBRA violations include:

- Excise tax penalties of \$100 per day (\$200 if more than one family member is affected)
- Statutory penalties of up to \$110 per day under the Employee Retirement Income Security Act (ERISA)
- Civil lawsuits

The IRS performs more than a dozen audit procedures for COBRA compliance, and places the burden of proof of compliance on the employer.

WHAT SETS NHCR APART FROM COMPETITION

Consultation: NHCR answers questions and consults with employers and brokers on requirements and how they apply to specific companies or situations.

Education: NHCR provides timely news updates and also regularly publishes webinars, white papers, and other educational resources.

Technology: all NHCR clients are given access to a secure web portal where they complete and submit paperwork, upload data, view forms, download notices, and more.

HOW TO ENROLL WITH NHCR

Go to www.navigatehcr.com and submit an "Interest Form" (via the blue link in the bottom right corner of the home page) or email our Care Team at careteam@navigatehcr.com.

CONTACT INFORMATION

The NHCR Care Team is accessible by phone and email Monday through Friday from 8 AM to 8 PM EST. Please contact us by phone at (855) 742-7427, option 2, or by email at careteam@navigatehcr.com and we will be happy to assist you with any of your compliance needs.