

COBRA Subsidy Process

The American Rescue Plan Act provides economic relief related to the COVID-19 pandemic by providing a 100-percent subsidy of the COBRA monthly premium from April 1, 2021 through September 30, 2021.

These instructions include the:

- [Spreadsheet Process](#) – Employees terminated from 10/31/2019 and later.
- [Insurance System Process](#) – Instructions for terminating employees in the insurance system between 4/30/2021 and 8/31/2021.

Spreadsheet Process

The subsidy applies only to certain qualified beneficiaries (employees, spouses, state-registered domestic partners, and dependent children) who are eligible under federal COBRA laws. To identify the qualified beneficiaries who were involuntarily terminated or whose hours were reduced (voluntarily or involuntarily), the Program is providing each employer with up to two spreadsheets:

- The first spreadsheet (Separation List) contains a list of employees whose employer-paid benefits terminated effective 10/31/2019 and later.
- The second spreadsheet is blank so you can add any additional employees whose employer-paid benefits terminated effective 10/31/2019 or later that are not on the previous list.

Note: If you only received the second list, then the query did not find any terminated employees for the period under your agency sub/agency code.

Please review all instructions before completing the spreadsheets. Incomplete spreadsheets will be returned with a request to complete the information.

Please return the spreadsheets as soon as possible, but no later than within two weeks of receiving them.

Separation List Spreadsheet

1. This list contains the agency number, name of the employee, the SSN, the benefits end date, and two questions.

Agency	Name	SSN	Benefit End Date or Cobra Start Date	Was the employee involuntarily terminated?	Did the employee lose coverage from a reduction in hours?
011	Smith, Joe	999990001	9/30/2020	No	No

- From the dropdown menu for the first question, select 'Yes' or 'No' to the question 'Was the employee involuntarily terminated?'
- From the dropdown menu for the second question, select 'Yes' or 'No' to the question 'Did the employee lose coverage from a reduction in hours?' Note: The reduction in hours can be voluntary or involuntary.
- Complete the questions for **all** employees on the list.
- Once complete, return the spreadsheet to Outreach and Training through FUZE.
- Outreach and Training will share the spreadsheet with the Customer Service team. The Customer Service team will use the spreadsheets to determine the Assistance Eligibility Individuals (AEI) eligibility and process COBRA forms received.

Additional Subsidy Eligible Spreadsheet

Use this spreadsheet to add any additional names of employees that may be eligible for the COBRA Subsidy.

- Complete **all** fields for each employee that may be eligible for the COBRA subsidy that was not contained on the *Separation List*.
- If you are adding more than one employee, copy and paste the first line. This will make the drop-down menus available as you add additional names. Do this prior to entering an employee's information to prevent any errors.

Agency	Employee Last Name	Employee First Name	Employee SSN	Street Address	City	State	Zip	Employer paid benefit end date	Choose from Dropdown Reason adding This employee to the list	Was the employee involuntarily terminated?	Did the employee lose coverage from a reduction in hours?
011									COBRA Pre HCA management	No	No

- Enter the employee's last name, first name, SSN, street address, city, state, and zip.

4. Enter the employee's benefit end date. Use the format: MM/DD/YYYY.
5. From the dropdown menu of the column 'Choose from dropdown reason adding this employee to the list' select the reason for adding the employee. The reasons include 'COBRA Pre HCA management', 'Left off HCA's list', or 'Became COBRA Subsidy eligible after 4/1/2021'.
 - a. "COBRA Pre HCA management" – Individuals who are federally eligible for COBRA as of 4/1/2021 but were never enrolled in PEBB or SEBB as the organization was not a PEBB or SEBB organization at the time of benefit loss.
 - b. "Left off HCA's List" – Individuals you believe to be subsidy eligible who was not on the *Separation List Spreadsheet*.
 - c. "Became COBRA Subsidy Eligible after 4/1/2021" – Individuals who became COBRA Subsidy eligible after the information was pulled for the spreadsheet and need to be added to our list of subsidy eligible individuals. If you coded the individual in the insurance system with the 2021 COBRA Subsidy Eligible reason, you do not have to add them to the spreadsheet.
6. From the dropdown menu for the first question, select 'Yes' or 'No' to the question 'Was the employee involuntarily terminated?'
7. From the dropdown menu for the second question, select 'Yes' or 'No' to the question 'Did the employee lose coverage from a reduction in hours?' Note: The reduction in hours can be voluntary or involuntary.
8. Complete a separate line for each terminated employee.
9. Once complete, return the spreadsheet to Outreach and Training through FUZE.
10. Outreach and Training will share the spreadsheet with the Customer Service team. That team will use the spreadsheets to determine the AEI eligibility and process COBRA forms received.

Insurance System Process

PEBB Process

1. If an employee is involuntarily terminated or has a reduction in hours (involuntary or voluntary) with an effective date of 4/30/2021 through 8/31/2021, use reason code **56 – 2021 COBRA Subsidy Eligible** on the A.41 screen when terminating benefits. By using the new termination reason, additional spreadsheets will not be required.
2. The employee will receive the COBRA Subsidy packet. No other action will be required by Perspay staff.
3. If you have already terminated employees effective 3/31/2021 in Pay1 that should have been a code 56, add them to the Additional Subsidy Eligible spreadsheet.

SEBB Process

1. If an employee is involuntarily terminated or has a reduction in hours (involuntary or voluntary) with an effective date of 4/30/2021 through 8/31/2021, select **2021 COBRA Subsidy Eligible** from the termination drop-down menu on the Employment tab. By using the new termination reason, additional spreadsheets will not be required.
2. The HCA will mail a COBRA Subsidy packet to the employee at the address we have on file. No other action will be required by BA staff.
3. If you have already terminated employees effective 3/31/2021 in Pay1 that should have been a code 56, add them to the Additional Subsidy Eligible spreadsheet.