

**BENEFIT CONTINUATION SERVICES
CLIENT ADMINISTRATION MANUAL**





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Welcome to BASIC!

For the implementation of your Benefit Continuation plan, this manual includes helpful information and instructions. Please take a moment to look through the manual and familiarize yourself with the contents. The more you understand about your Benefit Continuation plan, the easier it will be to maintain.

Visit our HR News website at www.basiconline.com/blog to read about important news and other topics including regulatory updates, employee benefits discussion, employer tips, and more.

If you have any questions about your Benefit Continuation plan, please call us at 800.372.3539.

We look forward to serving you!

Benefit Continuation Service Sequence

To start your Benefit Continuation plan, please provide the following information to BASIC:

- A completed *Premium Collection Form*.
- A completed *Employer Notice of a Takeover Qualifying Event Form* if there are any individuals currently on COBRA or any other type of continuation. We will notify these individuals that we are the new administrator.

Please take special note in respect to your plan start date reflected in the cover letter. BASIC Benefit Continuation administrative services will begin on this date.

BASIC does not perform functions that were the responsibility of the employer or previous administrator that were required prior to the plan start date. For example, BASIC will not issue election offers for qualifying events that occurred on dates before the start of our administration.

Accurately completed forms are a vital component in the administration of COBRA continuation. Forms not fully or accurately completed will be returned to the employer. Forms will not be processed until all data is received.

Once the above information is received and processed, we begin management of your plan. Under COBRA regulations, generally the employer or the insurance carrier will distribute the COBRA General Initial Notice (GIN) required by Department of Labor (DOL) COBRA regulations.

If the insurance carrier does not send out this notice, BASIC can send it out on your behalf. Employee demographic and plan start information needs to be entered online. See [Request a General Initial Notice](#) for instructions. Once this information is entered, BASIC will send the GIN to newly benefit-eligible employees and any dependents.

When an employee experiences a qualifying event (also called an eligibility event), the employer must notify BASIC within 30 days of the qualifying event. COBRA legislation requires that the employer notify the administrator of the following events:

- Termination
- Reduction of hours below the minimum required to participate in benefit plan(s)
- Death of the employee
- Divorce or legal separation
- Dependent child ceasing to be a dependent
- Employer's bankruptcy

Note on Medicare Entitlement

Although extremely rare, the employer must also notify the administrator in the event of Medicare entitlement (enrollment) if loss of eligibility occurs as a result of the enrollment, meaning loss of coverage is forced on the individual and/or their dependents because of Medicare enrollment. This is extremely rare because forcing employees off your group health coverage because they have reached Medicare age is a violation of Medicare Secondary Payer rules. Also, voluntary drops in coverage in favor of Medicare (like all other voluntary drops in coverage) are not COBRA qualifying events, even if loss of coverage results for dependents.

If the employer notice to the administrator is received beyond the 30-day requirement, the employer assumes any penalties incurred. If the employer notice to the administrator is well beyond 30 days, special handling will be necessary. BASIC may advise employers to seek the assistance of an experienced benefits attorney.

Once the employee experiences a qualified event which would trigger loss of coverage, the employer should terminate the employee's coverage with all applicable carriers.

The continuee or other qualified beneficiary must notify the administrator of the following events:

- Divorce or legal separation
- Dependent child ceasing to be a dependent
- Other secondary qualifying events (some secondary qualifying events mean a change in premium; employers should verify correct premiums with their carriers)

To notify BASIC that a qualifying event has occurred, sign into your account and enter the qualifying event online. See [Add a Qualifying \(Eligibility\) Event](#) for instructions.

As a backup, a *Qualifying Event Notification Form* is available. However, we strongly encourage all clients to utilize the web portal for faster processing and ease of use.

Once the qualifying event has been received, BASIC will send COBRA Election Notices to the qualified employee and dependents. For other types of continuation, different election notices can be sent that do not mention COBRA. You will not be sent a copy of this notice, but after processing, you may view the notice on the employee's Letters area in your account.

For benefit plan reinstatement, continuees electing continuation are asked to complete the notice or elect online. Under federal COBRA law, continuees have 60 days from the date of the notice or the loss of coverage date, whichever is later, to make an election. Election and payment time frames may be different for state continuation and other types of continuation administration. Once an election and initial payment are made, BASIC notifies the employer by email within 48 hours of receipt. The employer should reinstate the employees retroactive to the original loss of coverage date. BASIC does not communicate with the insurance carrier regarding enrollments or terminations.

Under COBRA law, payments are due by the first of the month for that month of coverage, with a 30-day grace period for payments not received by the first. For other types of continuation, payment time frames may be different. If payment is received after the close of the grace period, a letter will be sent to the continuee and the employer notifying them that the employee is terminated from coverage.

BASIC charges COBRA continuees an additional 2% above the premiums for handling the payments. This 2% fee is maintained by BASIC. Other types of continuation may have different rules for payment handling fees; those fees are also maintained by BASIC. With subsidized coverage, this fee will be calculated based on the original premium amount and assessed to the client in the case of fully subsidized coverage, or in the case of partially subsidized coverage, to the qualified beneficiary unless BASIC is directed otherwise by the client.

If a participant's payment is returned by the bank due to insufficient funds or otherwise and the premium amount has been forwarded to the employer, the employer will be responsible for returning the premium amount to BASIC. In addition, BASIC reserves the right to require a participant to make payment with a cashier's check or money order if a previous check has been returned by the bank due to insufficient funds or otherwise.

Renewal

It is vital that employers notify BASIC 60 days prior to any rate increases to ensure timely communication to current continuees. The *Premium Collection Form* may be used to communicate these changes. BASIC will send a letter regarding the rate change to the continuees.

To maintain compliance with federal law, BASIC requires that any changes in rates must be submitted to BASIC by the 15th of the month prior to the effective date. Failure to supply any changes in rates by this deadline will result in a delay of the effective date for the rate change. If received after the 15th of the month prior, implementation will be delayed at least until the first of the month following the month for which rates were received.

BASIC cannot charge participants for retroactive premium changes. If you fail to communicate any changes in rates before BASIC's deadline, you may have to pay the premium difference to your carrier. BASIC will not have any liability for any losses in premium differences due to a Plan Sponsor's failure to communicate rate changes or corrections to BASIC in a timely manner.

At the renewal of the plan subject to COBRA, the employer should treat COBRA continuees in kind with active employees, ensuring that the continuee receives all necessary enrollment forms and/or premium change notification. This does not hold true if the COBRA continuation has expired.

As an example, rates received January 20 will generally be effective no earlier than March 1.

Reporting

To receive 24/7 access to critical data on your continuation participants, sign into your account to view a variety of reports to assist you with needed information. Please do this often to track your continuation participants.

Upon continuation election and termination, you will receive email notification of these events; however, it is your responsibility as the client to review the website for other needed information. See the tabs on each employee's record for detailed information.

While BASIC performs administration services for continuation, you are ultimately responsible for ensuring the accuracy of carrier records each month. Review the reports we have available and reconcile that information with the data held by your carriers. See [Reports](#) for instructions.

Reports include the following:

- Continuation ACA. Individual data that may be needed for Affordable Care Act (ACA) reporting purposes.
- General Initial Notice Substantiation. Gives name and demographic data for those sent this important COBRA document.
- Coverage Change. A summary of all additions, terminations, and changes.
- Payment Account Summary. Gives participant name, continuation status (pending, active or terminated), individual payment dates and amounts, active benefits, and paid through dates.
- Plan Structure. A configuration summary of your payment plans and corresponding data sets that should be used when submitting data files.

While we will provide prompt, accurate and complete data, it is not possible for BASIC to provide concessions indefinitely even in situations when we were found to be in error. To maintain a productive, effective relationship and minimize expense in our mutual continuation administration, please monitor our communications and respond promptly and completely.

You are obliged to maintain up-to-date contact information online; this includes email and mailing addresses and phone numbers. BASIC periodically sends important plan notifications regarding balances, deadlines, and/or plan changes. We are not responsible for any consequences resulting from communications not received due to inaccurate contact information.

Premium Disbursements

Premium payments received from participants are posted to your Remittance Account. This posting is normally scheduled for the 7th of each month for premiums received up to the date of remittance, including all funds received to that point for the previous calendar month's (and any earlier month's) obligations. Week-ends, holidays or other circumstances may affect the timing.

Only the amount currently due for a participant will be remitted. Any prepayments or overpayments will be held and applied to future remittances.

If a participant payment is rejected for non-sufficient funds (NSF) that amount will be subtracted from your Remittance Account balance and/or next remittance. If there are not sufficient funds to cover the returned payment, you will be asked to return a portion of a prior distribution.

Funds posted to your Remittance Account are held there until you move them. You may do this by scheduling a recurring ACH transfer to a bank account on file or requesting a check disbursement to an address on file. See [Remittances](#) for instructions.

Please note you, the client, are the default payee for transfers from your Remittance Account.

To change the payee to your BASIC Agent/broker or another business entity, submit a support request that includes the payee

name (to whom checks should be made payable) and mailing address.

Due to the special reporting required, adding or changing the payee to a carrier is a Premium Service, which carries an additional fee. Contact your BASIC Agent for assistance.

Mailing

Timely communication is a critical component of all continuation administration. BASIC will communicate enrollments and terminations to the employer on a timely basis. Employers must notify BASIC within 30 days of a qualifying event. If this is not done, BASIC maintains the right to refuse the notice and to decline services to that continuee.

A few additional items should be stressed:

- To determine if Notifications and Elections are received or sent within the appropriate time frames, U.S. postmark dates will be used.
- All communication sent from BASIC will be sent via first class mail.
- All communications will be sent to the last known address on record. It is vital that employers notify BASIC immediately of a change of address or if an alternative address should be used.
- Mail returned due to an unknown address will not be resent.
- BASIC will send all participant communications directly to the continuee. Employers will not receive copies, though all documents are available for view in the employee's Letters area in your account.

You are ultimately responsible for ensuring the accuracy of carrier records each month.



Liability For Non-Compliance

Substantial penalties and excise taxes can be assessed at \$110 per day per violation with limits as high as \$500,000 for non-compliance with COBRA and/or state laws. With COBRA, although it affects insurance, is an employer law. The employer has certain responsibilities under COBRA and the employer is liable for COBRA failures. Were there to be a failure in COBRA law compliance, several different entities may levy penalties including the IRS and DOL. Penalties could include claim payments to qualified beneficiaries, court levied damages, attorney fees, and ERISA claims. Likewise, state Departments of Insurance and other entities enforce compliance with state continuation laws that may apply to you.

In addition, the IRS regularly performs audit procedures for COBRA compliance. Therefore, the employer and BASIC must maintain a significant and credible paper trail of compliance documentation. Liability between the employer and BASIC is "hand-in-hand." The employer's liability will reside in areas of continuation administration under their control and management. BASIC liability will rest in the areas of third-party administration responsibilities.

HIPAA Compliance

Provisions of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) apply to the offerings you purchase from BASIC. Authoritative information regarding the requirements of HIPAA is available to clients with BASIC's HIPAA Compliance offering. For more information, please visit our website at www.basiconline.com.

Substantial penalties can be assessed
for compliance violations.

Business Processing Event Timeline



	Description	Duration	Responsibility
1	Submit BASIC Purchaser Details with fees	Varies	Agent
2	BASIC receives and previews BASIC Purchaser Details	2+ days (if clean)	BASIC
3	BASIC enters the new business	1+ days	BASIC
4	BASIC sends a welcome email to client with instruction on how to register for a webinar or schedule a one-on-one education call	3 days	BASIC
5	Client attends webinar or participates in education call	Varies; dependent on client schedule	BASIC/Client
6	Enter client information to establish the client account	1 day	BASIC
7	Receive completed <i>Premium Collection Form</i> and Takeover Qualified Beneficiary (TQB) information	Varies	Client
8	Process the TQB information and send notification of the change in continuation administration	7-14 days	BASIC

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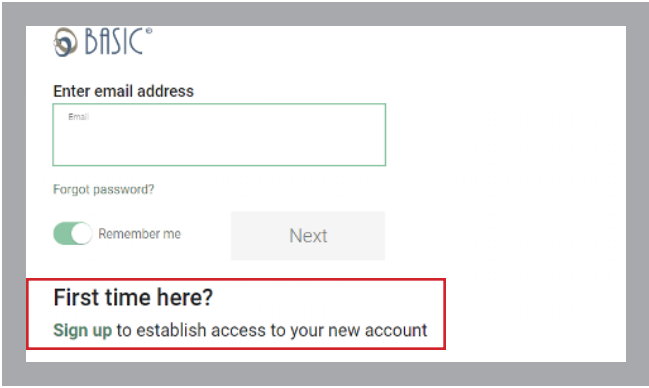
Sign Up / Sign In

This section covers how to establish access to your new account and manage your payment plans and employees. Please note, Google Chrome is the preferred web browser for client account access.

To access your Benefit Continuation plans, go to cdaclient.basiconline.com.

The first time you access your plan online, you will need to complete the **Sign Up** process. On the **Sign In** page, below **First time here?** click **Sign Up** to establish access to your new account.

Enter your email address and create a password, then follow the on-screen instructions to complete the process. Once you've done that, you can return to the **Sign In** page and enter your new credentials to access your account.



Overview

Your **Overview** page lets you access all the tools you need to manage your Benefit Continuation plan.

The screenshot shows the 'OVERVIEW' page of the client administration system. The top navigation bar includes 'Alerts', 'Settings', 'Support', 'Contact Us', and 'Cary'. The main navigation menu has 'OVERVIEW', 'EMPLOYEES', 'OFFERINGS', 'FUNDING', 'FILES', 'BILLING', and 'REPORTS'. The 'OVERVIEW' page features a large 'OVERVIEW' heading and a balance display showing '\$0.00' for 'Yellow Ridge Resort - BAM + B...' with a sub-label 'Cash Account Available Balance'. Below this, there are two main sections: 'EMPLOYEES' on the left and 'PLANS' on the right. The 'EMPLOYEES' section includes a search box 'Search By Name ...', an 'Add Employee' button, and an 'Add Event' button. The 'PLANS' section displays a table with columns for 'Plans (2)', 'Active', 'Employee Contribution', 'Employer Contribution', 'Expenditures', and 'Remittance'. The table lists two plans: '09/19 - Health...' with 1 active employee and a contribution of \$2,700.00, and 'BCS-COBRA' with 0 active employees and no contributions.

View Payment Plans

From the **Overview** page, select **Offerings** from the top menu and then select **View Plans** from the drop-down list. You will be able to view the payment plans that may be offered to your continuation participants.

To the left of each plan listed, under **Actions**, you will find a “snowman” icon (: or three vertically-aligned dots). Click an icon to view the **Plan Summary**, **Eligibility** and **Pricing** for that plan.

From the left navigation menu, choose **Pricing** to view the rates that have been entered for the plan.

Select **Overview** from the top menu to return to the **Overview** page.

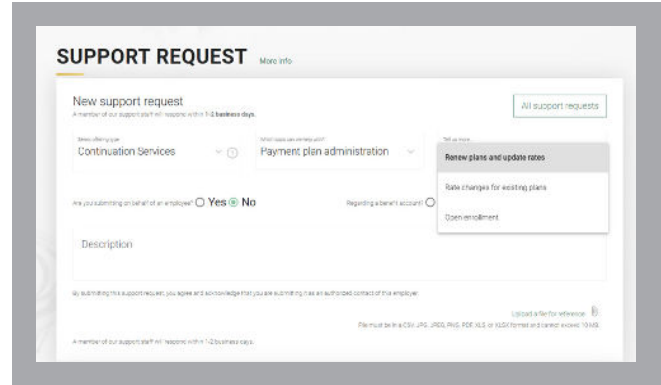
The screenshot shows the 'PLANS' page. At the top, there is a 'Select Plan Start Year' dropdown set to '2023' and a 'Status' filter. Below this is a table with columns: 'Actions', 'Plan Name', 'Employees', 'Status', and 'Plan Start Date'. The table lists four plans: '09/19 - Healthcare FSA' (1 employee, Active, 03/01/2023), 'HMO 750' (Active, 03/01/2023), 'WEST COBRA' (Active, 03/01/2023), and 'BCS Immersion - LOA' (Deleted, 01/01/2023). A red box highlights the 'Actions' column for the first three plans.

The screenshot shows the 'PRICING MODEL' page. It includes an 'Effective Date' dropdown set to '04/01/2023' and a 'Price Model Options' dropdown set to 'TW'. Below this, it says 'Total: 1 of 1'. The main section is the 'PRICING TABLE' with columns: 'TIER', 'PRICE', 'FEES', and 'TOTAL PRICE'. The table lists three tiers: 'EE + 1' with a price of \$1,000.00 and a total price of \$1,000.00; 'Family' with a price of \$1,500.00 and a total price of \$1,500.00; and 'Single' with a price of \$500.00 and a total price of \$500.00.

Add a Payment Plan

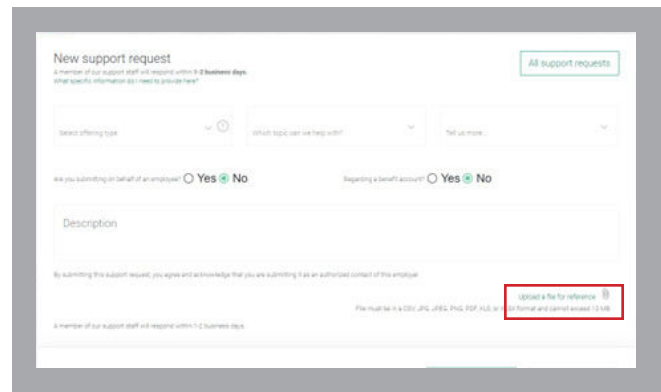
To add a plan, click **Support** at the top of the **Overview** page. Follow the prompts to create a support request.

Select **Continuation Services** for the offering type, then **Payment plan administration**. To submit new plans, choose **Renew plans and update rates**. To submit plan corrections, choose **Rate changes for existing plans**.



Use the **Upload a File for Reference** link to attach a completed *Premium Collection Form* and any rate sheets you have received from your carrier so that we have complete information and can ensure accurate entry of the plan's parameters.

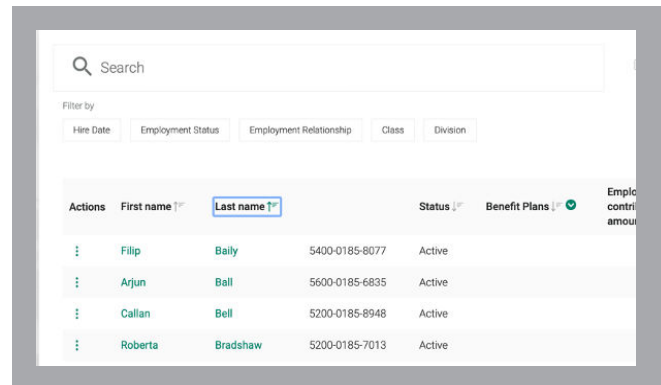
A support request ensures that we have easy, secure access to your submitted documents, contextualized to your account.



View Employees

Select **Employees** from the top menu and select the **View Employees** option in the drop-down menu.

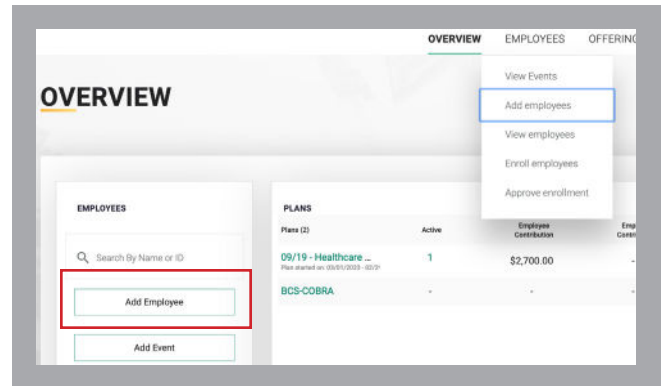
You may search the list by Employee Name or ID and filter the results by Employment Status or Class if desired.



Add Employees

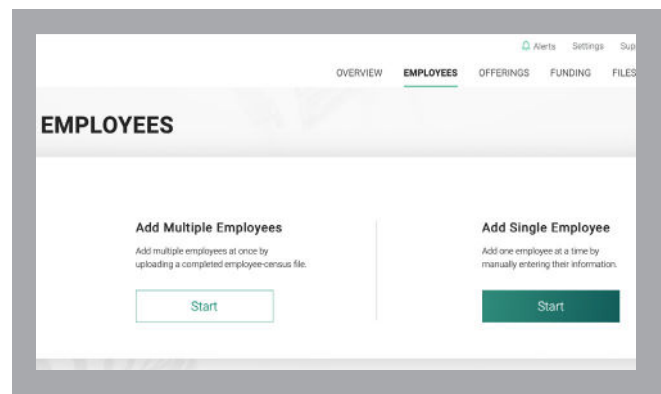
You can add an employee directly from the **Overview** page by clicking the **Add Employee** button on the left side of the screen.

You can also select **Employees** from the top menu and then click the **Add Employees** option in the drop-down menu.



Click the **Start** button under **Add Multiple Employees** on the left side of the screen to upload a census file with information for multiple employees.

Uploading a file ensures that we have easy, secure access to your submitted documents, contextualized to your account



To manually enter one employee's information, click the **Start** button under **Add Single Employee** on the right side of the screen.

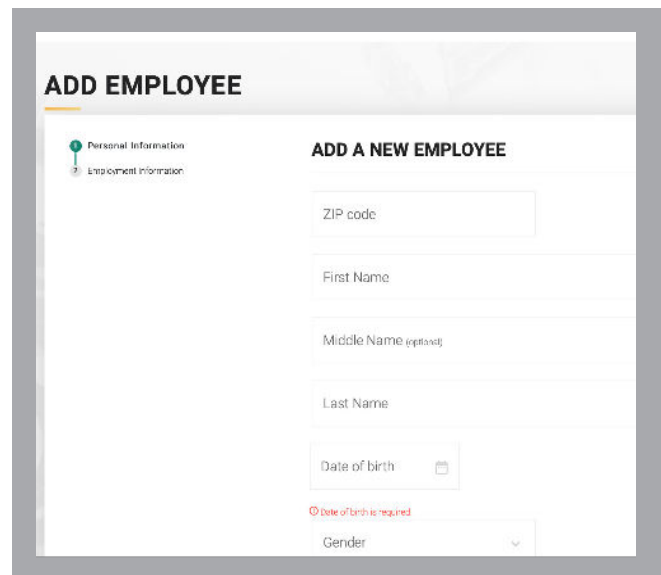
To be able to search your list of employees by Employee ID or see an Employee ID on reports, or if your carriers require an Employee ID as an identification number, be sure to enter one during this step.

The same applies for Division, Subdivision and Class.

NOTE: If any of these options are not available for selection, please contact us for assistance.

Click **Add** when the entry is complete.

If there are dependents that should be associated with the employee, you can add those records when requesting a General Initial Notice.



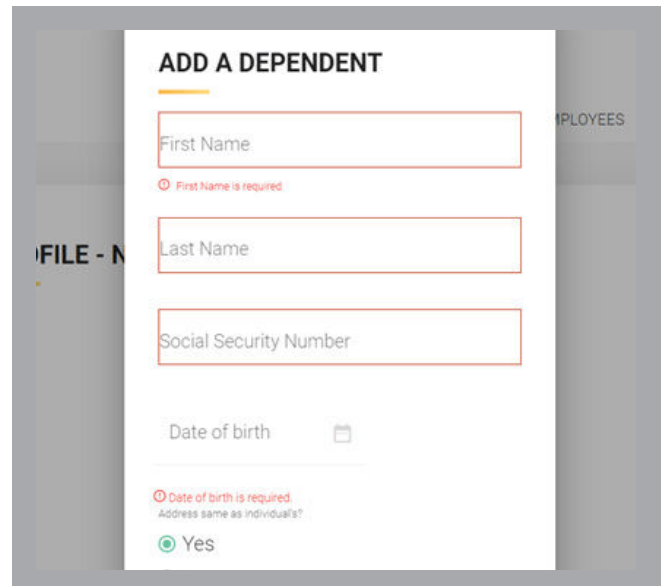
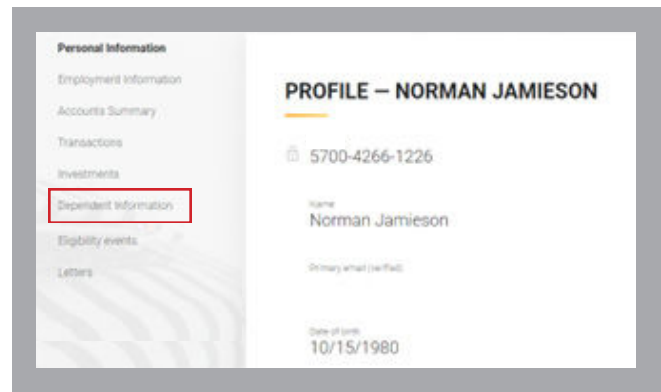
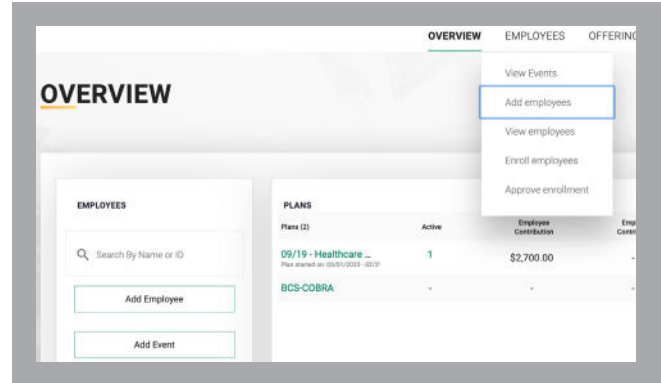
Request a General Initial Notice

To request that a General Initial Notice of COBRA Rights (GIN) be sent for any individual on your list of employees, first ensure that the employee's information has been entered. Complete the **Add Employee** process outlined above, if necessary.

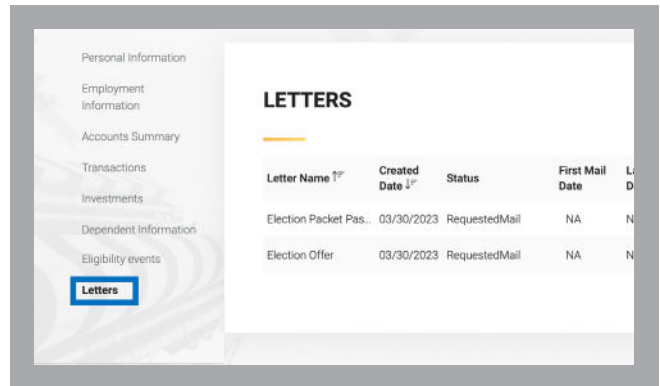
On the **Overview** page, click **Add Event** on the left side of the screen, or search your list of employees and click that employee's name.

From their **Profile**, click **Dependent Information** in the left navigation menu to add any dependents, if necessary.

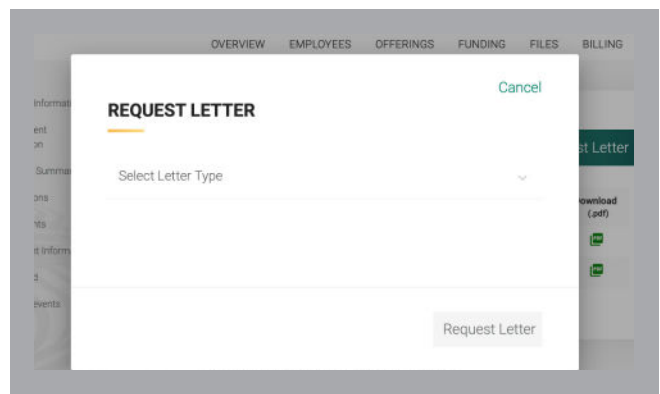
Please note that spouses are required to receive their own GIN, either by addressing a joint envelope to them or by sending them a separate notice if they live at a different address than the employee.



From the employee's **Profile**, click **Letters** in the left navigation menu.



In the **Request Letter** modal, select **General Initial Notice** from the **Letter Type** drop-down menu and click the **Request Letter** button. This will return you to the **Letters** screen and the GIN will be displayed.



Add a Qualifying (Eligibility) Event

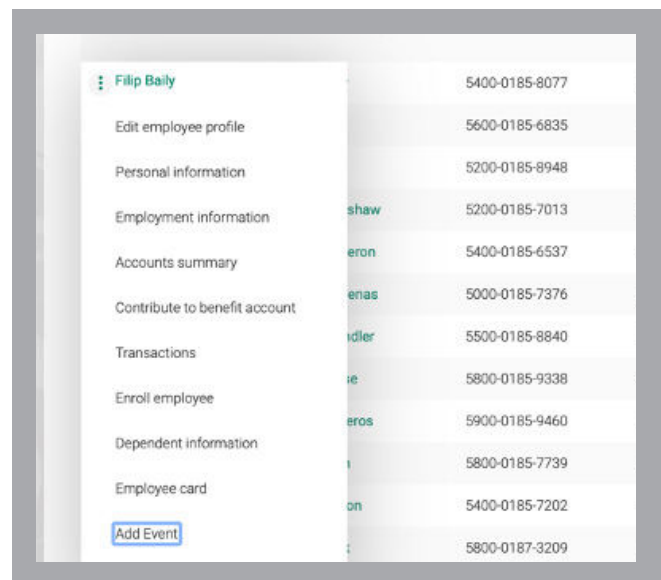
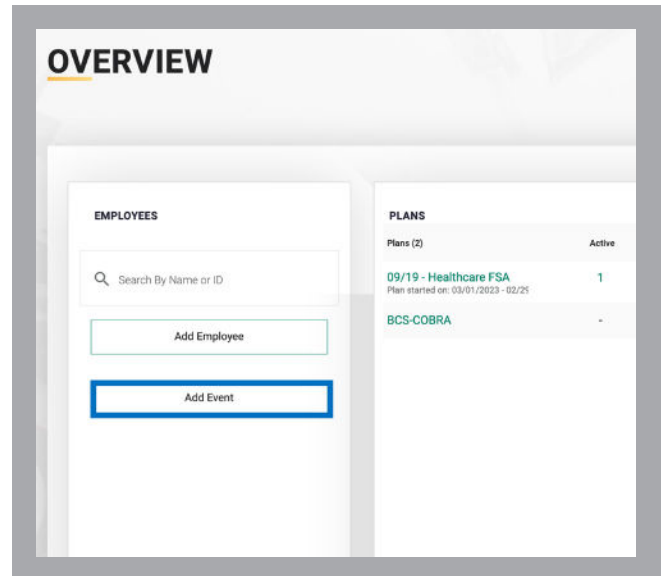
If a COBRA qualifying event has occurred, a COBRA election notice must be sent. If another kind of eligibility event has occurred that entitles an employee to a continuation offer, election notices may be needed, depending on the setup of your plans.

To request that a COBRA election notice or other offer be sent, first ensure that the employee's information has been entered. Complete the **Add Employee** process outlined above, if necessary.

Click that employee's name on the list to display their information. Confirm that the records are accurate, including any dependent entries. If necessary, add dependents as described in the section above.

On the **Overview** page, click **Add Event** on the left side of the screen, or search your list of employees and click that employee's name.

NOTE: When an eligibility event occurs, use the **Add Event** process outlined here to enter the individual's event information and initiate a continuation offer. **To terminate the employee's participation in any BASIC CDA benefit plans, the Remove Employee function must also be used.**



There are five steps to entering an event.

ADD EVENT

1 Demographic Information
2 Dependent Information
3 Event Details
4 Eligible Plan
5 Review

DEMOGRAPHIC [Edit Information](#)

Name
Norman Jamieson

Date of birth
10/15/1980

Gender
Male

Address
2302 International Lane, Madison, WI 53704

[Cancel](#) [Next](#)

First, confirm the demographic information for the employee.

Next, review or add dependent information. For COBRA purposes, all individual dependents must be added. Click **Next** if no dependents exist.

In the **Event Details** step, click the **Event Type** drop-down menu to view the list of event types that are available. Choose the event that applies, enter the **Qualifying Event Date** and indicate who incurred the event, then click **Next**.

1 Demographic Information
2 Dependent Information
3 Event Details
4 Eligible Plan
5 Review

EVENT DETAILS

Event Type
Involuntary Termination

Qualifying event date
05/01/2023

Incurred by
Filip Bailly

[Add Plan](#)

[Back](#) [Next](#)

In the **Eligible Plan** step, click the **Add Plan** button to see the list of available plans.

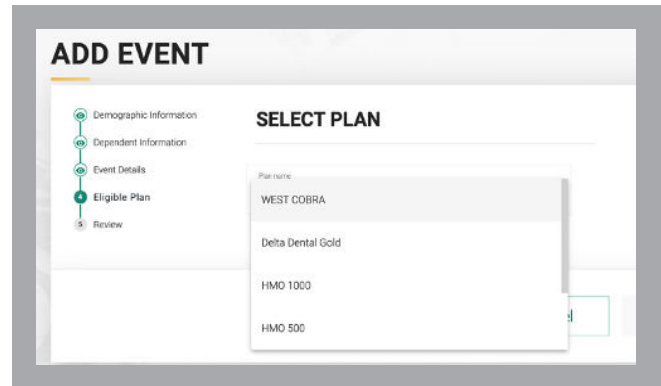
ELIGIBLE PLAN

There are no plans yet. Select Add Plan to add an eligible plan for the employee.

[Add Plan](#)


[Back](#) [Next](#)

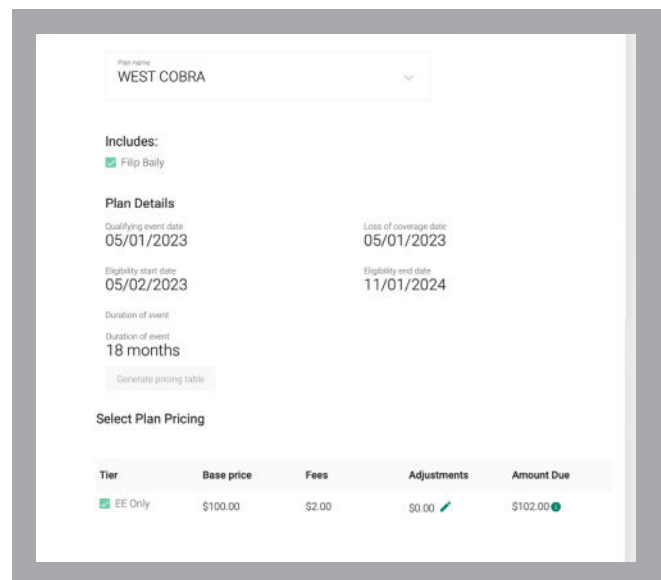
Select all plans that should be offered. If a plan to be offered is not listed, you will need to cancel the event entry and contact BASIC to resolve the issue.



After selecting the plan(s), you can review the dates involved in this offer. If any are incorrect, you will need to cancel the event entry and contact BASIC to resolve the issue.

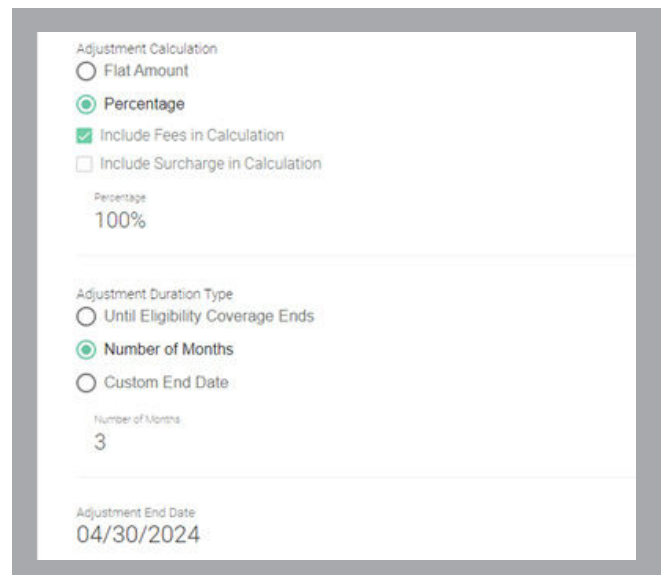
If the dates are correct, click **Generate Pricing Table** to see the premium that will be charged.

To enter a subsidy that will reduce the premium owed for each coverage level, click the  icon to the right of an amount under **Adjustments**.



Select whether the subsidy is a flat amount or percentage of the total due. For percentage adjustments, also indicate whether administrative fees should be subsidized.

Specify the duration of the subsidy and confirm the adjustment end date, then click **Save**.



Continue to add all plans that should be offered to the employee and their dependents, indicating who had coverage for each plan individually.

If there are multiple subsidized levels of coverage to be offered, you will need to repeat the adjustment process for each.

You will have an opportunity to review the entire entry. If correct, click **Validate and Submit Offer**.

After a short delay, documents will be generated that reflect your entry. To see the documents, follow the instructions below.

The screenshot shows a form with three main sections: Demographics, Event Details, and Eligible Plan. At the bottom, there are two buttons: 'Back' and 'Validate And Submit Offer'.

Demographics
 Name: Filip Baily
 Date of birth: 07/14/1976 Gender: Male
 Address: 1 Testing Ln, Madison, WI 53704

Event Details
 Eligibility event: Involuntary Termination Qualifying event date: 05/01/2023
 Incurred by: Filip Baily

Eligible Plan

Plan Name	Qualifying Date	Loss of Coverage	Eligibility Start	Eligibility End	Status
WEST Medical	05/01/2023	05/01/2023	05/02/2023	11/01/2024	Included

Viewing Employee Information

To view detailed information on the plans that are in effect for employees and their dependents, select **Employees** from the top menu on the **Overview** page and select the **View Employees** option in the drop-down menu. Locate the employee on your list and click the **:** icon to the left of their name below **Actions**.

You can view the employee's Account Summary, Transactions, Dependent Information and more.

To view the letters that have been sent to the employee and their dependents, select **Letters** from the left navigation menu. You can view and download each document.

The screenshot shows a table with columns for 'Actions', 'First name', and 'Last name'. The 'Last name' column is highlighted with a blue box. Below the table, there are three rows of employee data, each with a vertical ellipsis icon in the 'Actions' column.


Actions	First name ↑	Last name ↑
⋮	Filip	Baily
⋮	Arjun	Ball
⋮	Callan	Bell

The screenshot shows the 'LETTERS' page with a navigation menu at the top (OVERVIEW, EMPLOYEES, OFFERINGS, FUNDING, FILES, BILLING) and a 'Request Letter' button. Below is a table of letters with columns for Letter Name, Created Date, Status, First Mail Date, Last Mail Date, Sent To, and Download (.pdf).

Letter Name ↑	Created Date ↓	Status	First Mail Date	Last Mail Date	Sent To	Download (.pdf)
Election Packet Pas...	03/30/2023	RequestedMail	NA	NA	Filip Baily	📄
Election Offer	03/30/2023	RequestedMail	NA	NA	Filip Baily	📄

Remittances

To schedule a transfer of funds posted to your Remittance Account, select **Transactions** from the top menu on the Overview page and then **Remittance**.

In your Remittance Account, you will see the funds collected for the period preceding the date the remittance was run, designated by carrier. To view individual transactions that comprise a posting, click the  icon to the right of that row.

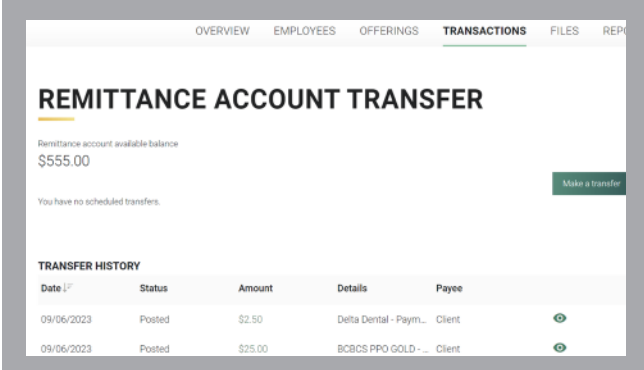
To transfer funds, click the **Make a Transfer** button.

Select the Frequency (the default is Monthly) and click **Next**.

Enter a Start Date when you would like automatic transfers to begin. Then, either enter an End Date when you would like automatic transfers to stop or check the No End Date box to have automatic transfers continue indefinitely.

Select the day of the month that you want the transfer to occur. Please be aware that while remittance funds are usually posted to your Remittance Account on the 7th of each month, the timing may be affected by weekends, holidays or other circumstances.

Add a Transfer Note and click **Next**.





OVERVIEW EMPLOYEES OFFERINGS **TRANSACTIONS** FILES REP

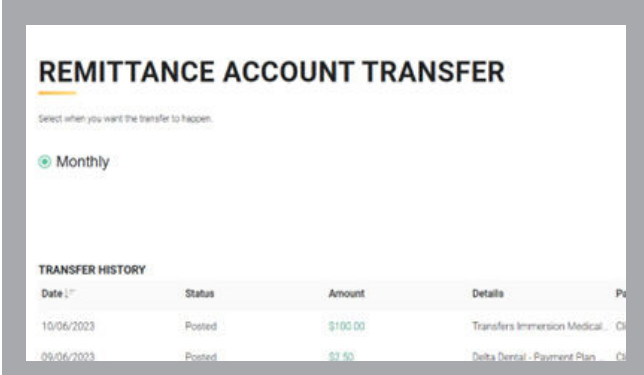
REMITTANCE ACCOUNT TRANSFER

Remittance account available balance
\$555.00

You have no scheduled transfers.

TRANSFER HISTORY

Date	Status	Amount	Details	Payee	
09/06/2023	Posted	\$2.50	Delta Dental - Paym...	Client	
09/06/2023	Posted	\$25.00	BCBS PPO GOLD - ...	Client	



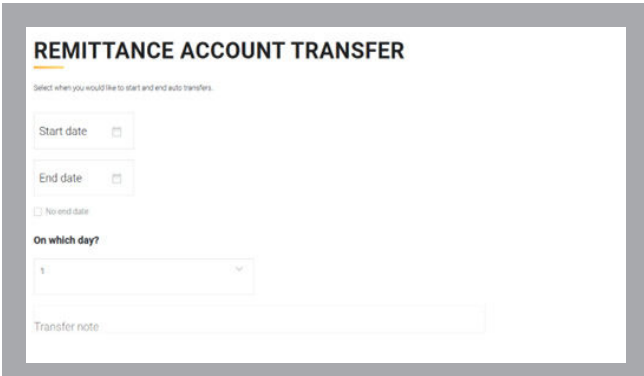
REMITTANCE ACCOUNT TRANSFER

Select when you want the transfer to happen.

Monthly

TRANSFER HISTORY

Date	Status	Amount	Details	Payee
10/06/2023	Posted	\$100.00	Transfers Immersion Medical...	Client
09/06/2023	Posted	\$2.50	Delta Dental - Payment Plan...	Client



REMITTANCE ACCOUNT TRANSFER

Select when you would like to start and end auto transfers.

Start date

End date

No end date

On which day?

Transfer note

Select how you would like to receive your transfer and click **Next**. For your convenience we recommend transferring funds to your bank account on file; this is the fastest, most secure way to receive your funds.

To add a bank account, complete an *ACH Authorization for Remittance Account Transfer Form* and submit via support request. To add a payee that is a separate business entity, BASIC Agent/broker, or carrier, additional information is needed. See [Premium Disbursements](#) for details.

Select the amount to be transferred (the default is your full available balance; minimum \$25) and click **Next**.

Review the transfer details. If all details are correct, click **Confirm**, or use the **Back** button to go back and make changes.

REMITTANCE ACCOUNT TRANSFER

Select how you would like to receive transfer.

New Account
Ending in 1033

Check
54321 American Lane, Schemetady, NY 12345

REMITTANCE ACCOUNT TRANSFER

Select how much you want to transfer.

Remittance account available balance
\$655.00

Transfer Amount

Full Available Balance
(minimum transaction \$25)

REMITTANCE ACCOUNT TRANSFER


Please review transfer details:

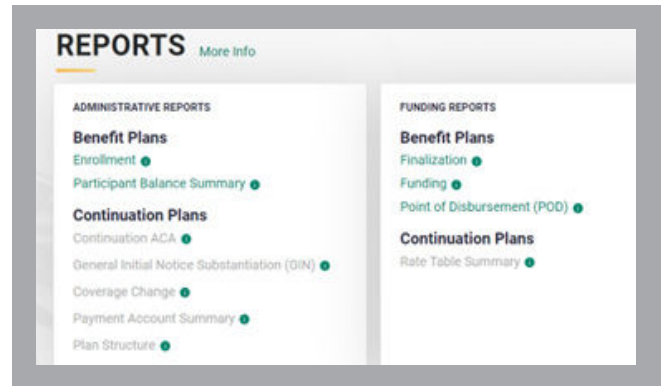
How Often	Monthly
How to receive	New Account Ending in XXX1233
On what day	The 1st of every month
First transfer on	12/01/2023
Transfer amount	Full Available Balance

It will take 7-10 business days to mail a check.

Reports

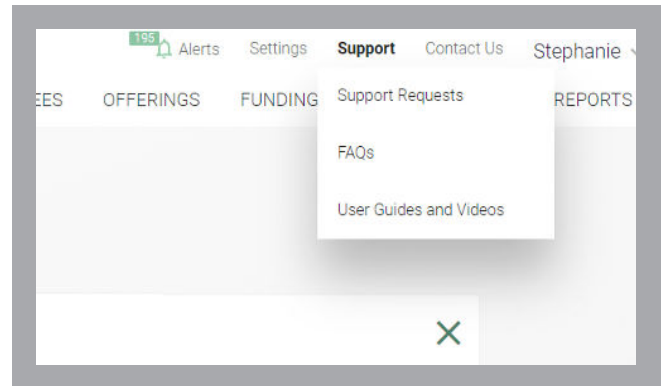
To access reports for your BASIC offerings, select **Reports** from the top menu. Reports that are provided without special request are listed by date order. See the documents listed under the **Continuation Plans** headings.

Click the  icon next to any report for a brief description.



Support

Select **Support** from the top menu to find answers to frequently asked questions (FAQs) and browse through the list of User Guides and Videos as well as other materials available. You can also search this section by keyword to quickly find what you're looking for.



Support Requests

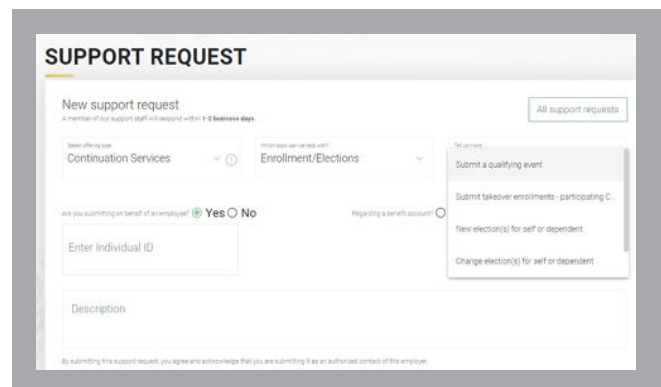
Also under **Support** you can view your submitted Support Requests and a detailed status of each. To submit a new support request, click the **Create Support Request** button on this page, or select **Contact Us** from the top menu.

First, select the offering type. Next, choose from a list of common support topics from the drop-down menu.

Based on your topic selection, you will be presented with a focused set of related sub-topics. Choose the one that fits best.

Indicate whether you're submitting the support request on behalf of someone, or about an account.

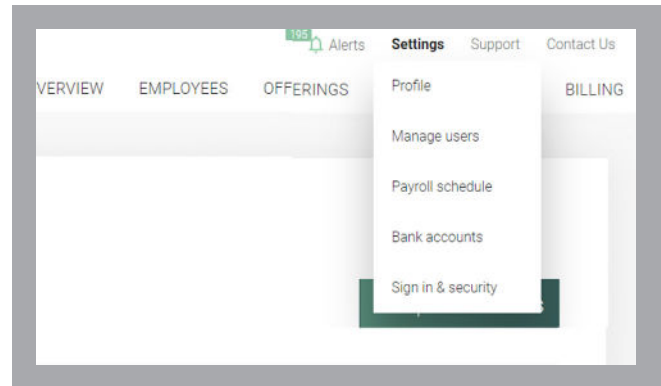
Describe your support request in the box provided, upload a file for reference (optional) and click **Submit**.



Settings

This is where you'll go to find important information about your account and to manage access for you and others.

Some information, like your Profile, Payroll Schedule, and Bank Accounts, is view-only. Submit a support request if you need to make changes to that information.

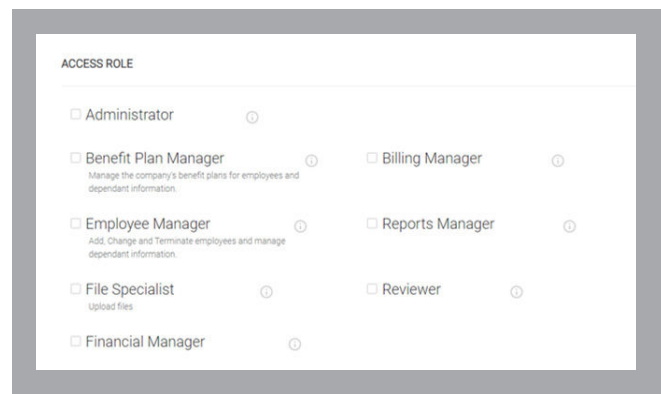


Setup User Access

Select **Manage Users** to see a list of all users for your account with their ID, business function and access role. The individuals listed are authorized contacts for your account.

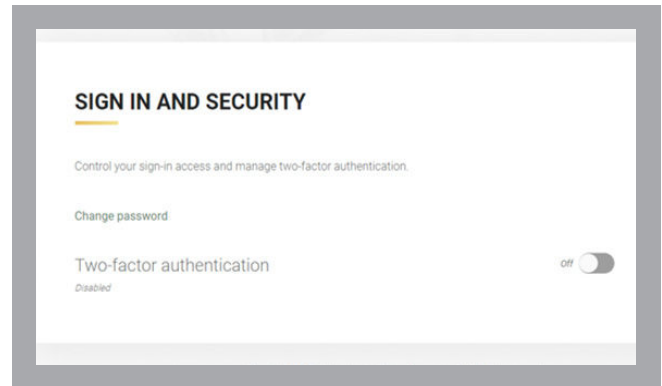
Please be aware that emails regarding continuation participant activity will be sent to the primary contact for your organization. In addition, the phone number that will be printed on any General Initial Notices of COBRA Rights that you request will be the contact phone number of the primary contact person. A phone number is required to be present by COBRA regulation.

To add a new user, click the **Setup User Access** button and enter the new user's contact information, user type and position, then select their **User Access Role** from the list. These roles govern what those users can access and what we are allowed to discuss with them.



Sign In & Security

In this area, you can change your password and manage two-factor authentication.



Sign Out

When you are finished, select your name from the top menu and click **Sign Out** to securely exit your account. If you manage multiple accounts, sign in again and select another account from the drop-down list.

COMPLIANCE MANUAL

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What is COBRA?

In 1985, Congress enacted the Consolidated Omnibus Budget Reconciliation Act, continuation of healthcare coverage requirements commonly referred to as COBRA, designed to protect certain current and former employees and their dependents when they experience a loss of coverage under a group health plan. COBRA provides continuation of health coverage that otherwise would have been terminated due to certain qualified events.

In the absence of COBRA, many people would be without health insurance if their employer-provided coverage terminated due to certain events, such as termination of employment. In sum, COBRA's aim is to cover individuals during the "transition period" (from the time of loss of coverage until the individual obtains other health insurance coverage).

Employers Subject to COBRA

All employers who had 20 or more employees in 50% of their typical business days during the preceding calendar year must comply with COBRA. If you need help to use one of the two available methods to count employees for COBRA purposes, contact BASIC for assistance. Two exceptions apply to this rule:

- The federal government has its own rules regarding continuation coverage.
- Church plans (within the meaning of 414(e) of the Internal Revenue Code).

All common law employees must be counted, regardless of whether or not they have health coverage. Part-time employees must be counted on a prorated basis. Self-employed individuals, independent contractors, and directors are not counted.

For example, an employer uses 40 hours as the determining factor for full-time status. An employee working 20 hours/week counts as one-half employee for purposes of COBRA. Another employee working at the same company 10 hours per week would be counted as one-quarter employee. Employers who are participants of a controlled group must offer COBRA as well.

Benefits Subject to COBRA

The following benefits maintained by the employer are subject to COBRA:

- Group Health Plans. A plan maintained by an employer or employee organization to provide health care to individuals (or to their families) who have an employment-related connection to the employer or employee organization.
- Individual Insurance Policies. If they involve the provision of health care to two or more employees.

The following are examples of healthcare plans that are subject to COBRA continuation (not an exhaustive list):

- Medical plans
- Dental, vision and prescription drug plans
- Drug and alcohol treatment programs
- Employee Assistance Plans (EAPs) providing medical care such as trained counseling or psychological treatment
- On-site healthcare, including discount or free medical services or medical personnel, providing free, non-occupational treatment
- Some Health Flexible Spending Accounts (FSAs)
- Health Reimbursement Arrangements (HRAs)
- Individual Coverage HRAs

Qualified Beneficiaries

For purposes of COBRA, a covered employee is any individual who was or is currently provided coverage under a group health plan that comes under the provisions of COBRA as a result of “the performance of services by the individual for one or more persons maintaining the plan (including as an employee defined in 401(c)(1) of the Internal Revenue Code).”

The term Qualified Beneficiary (QB) refers to individuals who are covered under the employer’s group health plan the day before a COBRA qualifying event takes place. A qualified beneficiary is the covered employee, covered spouse of the employee, covered dependent child of the employee, or any child born to, or placed for adoption with the covered employee during the period of continuation coverage.

Each qualified beneficiary has the same rights under the group health plan as a “similarly situated active employee.” It is important to stress that once a COBRA event occurs, an employee’s covered spouse or dependent child, regardless of age, has the same rights under the plan as an active employee.

COBRA Premiums

As a QB elects COBRA coverage in order to continue coverage of their health plan, they are generally charged 102% of the applicable premium for continuation coverage. See the example below:

Premiums for an Active Employee

(No employer contributions)

Single Health: \$100

Family Health: \$300

Premiums for a COBRA Continuee

Single Health: \$102

Family Health: \$306

Qualifying Events and Coverage Periods

Qualifying Events (QEs), also known as eligibility events, are those circumstances under which an individual would lose health coverage. Technically these are defined as “an event, which, but for the continuation coverage required by COBRA, would result in the loss of coverage of a qualified beneficiary.” The nature of a qualifying event will determine how long a plan must offer continuation of the health insurance coverage under COBRA.

The following events allow for 18 months of coverage continuation for all qualified beneficiaries from the date of the qualifying event:

- Voluntary termination
- Involuntary termination, with the exception of gross misconduct (BASIC does not define “gross misconduct;” the employer must make this determination)
- Reduction of hours below the minimum required to participate in benefit plan(s)



The following events allow for 36 months of coverage continuation for all qualified beneficiaries from the date of the qualifying event:

- Death of the employee (the spouse and dependents are the only QBs)
- Divorce or legal separation (the spouse and dependents are the only QBs)
- Dependent child ceasing to be a dependent (the dependent is the only QB for this event)

When the bankruptcy of the employer is a qualifying event, the maximum coverage period for the “retired” covered employee is the date of the retired covered employee’s death. For the qualified beneficiary who is the spouse, surviving spouse or dependent child of the retired covered employee, the maximum coverage period is 36 months after the date of the retired covered employee’s death. COBRA continuation following a company bankruptcy is dependent on the company maintaining a COBRA eligible health plan for at least one participant. If said company ceases to continue with their health plans, no COBRA continuation is available.

As employees experience these qualified events, it is the responsibility of the employer to know and inform the third party administrator when the following events have occurred:

- Voluntary/involuntary termination
- Reduction of hours
- Death of the employee
- Medicare entitlement if loss of benefit eligibility occurs (see [Note on Medicare Entitlement](#))
- Employer’s bankruptcy
- Divorce or legal separation
- Dependent child ceasing to be dependent

Standard Secondary Events

A standard secondary event simply means that an employee already on COBRA experiences another qualified event. Such an event allows QBs who are already on COBRA to extend their COBRA coverage. In sum, a standard secondary event is where

the first event was termination or a reduction in hours, followed by a second event.

- Death of the employee
- Divorce or legal separation
- Dependent child ceasing to be a dependent
- Disability determination by Social Security Administration (some secondary qualifying events mean a change in premium)

COBRA Notifications

The laws are very clear and specific in respect to notifications under COBRA. Timely mailing of COBRA notifications is vital for a plan to be in compliance. If the employer notice to the administrator is beyond normal deadlines, special handling will be necessary. Employers may be advised to seek the assistance of an experienced benefits attorney.

Initial Notification

Generally referred to as the General Initial Notification (GIN), the intent of this notice is to acquaint employees, spouses, and dependents with the COBRA law, their notification obligations, and their possible rights to COBRA continuation.

This notice must be provided to all covered employees (and spouses) when the plan becomes subject to COBRA continuation. In addition, it must be sent to all new plan enrollees and their spouses. It should be sent upon commencement of coverage under the plan.

The initial notice is sent by BASIC by first-class mail to both the employee and spouse at the last known address once employee demographic and plan start information is entered online. If all covered family members live at the same address, only a single notice is needed.

Qualifying Event Notification

The Qualifying Event Notification informs each QB of their rights to continue their group health insurance coverage under COBRA. Plan administrators must distribute this notice within 14 days of the day they learn of the event if a third-party administrator is not present. This notice can be sent to all QBs at the last known address via first class mail.

Election Period and Time Frames

The laws pursuant to COBRA identify specific time frames related to the notice requirements for employers, plan administrators, and qualified beneficiaries. Once a qualified event occurs, these requirements must be satisfied within specific time periods. This would include: the employer informing the plan administrator of the Qualifying Event, the plan administrator notifying Qualified Beneficiaries of their rights, the management of the election period, collection of retroactive premiums, and prospective premium payment.

1. Notice to Plan Administrator. The employer has 30 days to notify the plan administrator that a Qualifying Event has taken place.
2. Notice to Qualified Beneficiaries. The plan administrator has 14 days (from the date they received notice from the employer) to generate the Qualifying Event Notification and mail the notification to all qualified beneficiaries if a third-party administrator is present.
3. COBRA Election Period. Each Qualified Beneficiary has a minimum election period of 60 days in which to elect COBRA coverage. The 60 days must be based on either the date of the Notice or on the date of the loss of coverage, whichever is later.

Termination, Reduction of Hours, Death, and Bankruptcy Timeline

For divorce or legal separation and cessation of dependency events, the above applies with one exception. Under these events, the employer has 60 days to notify the plan administrator of the event.

COBRA Terminating Events

Various conditions may cause termination of COBRA coverage:

- The maximum available period of continuation coverage has been reached.
- A Qualified Beneficiary fails to make a timely payment.
- A Qualified Beneficiary becomes covered by another group health plan after the date of the COBRA election.
- A Qualified Beneficiary first becomes entitled to (enrolled in) Medicare Part A or Part B after the date of the COBRA election.
- Employer ceases to provide any group health plan to any employee.
- A Qualified Beneficiary ceases to be disabled according to Social Security Administration after the 11-month disability extension has begun.

Employer Learns of the Event	Notice to Plan Administrator	Notice to Qualified Beneficiary	Premium Payment Period
Up to 30 days	Up to 14 days	60-day election period	Up to 45 days

