

Temporary COBRA Premium Assistance & ARPA-21

Nippon Life Insurance Company of America®



Temporary COBRA Premium Assistance also known as the American Rescue Plan Act of 2021 (ARPA-21), includes premium assistance relief for health plan continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). ARPA-21 makes available COBRA premium assistance (100% of premium plus administrative fees) to certain individuals, referred to as “assistance eligible individuals” (AEIs), for periods of coverage beginning on or after April 1, 2021 and ending on September 30, 2021. During this six-month time period, group health plans must treat an AEI as having paid the full amount of premiums for COBRA coverage.

To find out more information regarding Employer based responsibilities and a list of Frequently Asked Questions please visit a new webpage created by the Department of Labor: <https://www.dol.gov/agencies/ebsa/laws-and-regulations/laws/cobra/premium-subsidy>, for the following information:

- Guidance related to an employer’s obligations to comply with the mandated COBRA premium assistance under The American Rescue Plan Act of 2021’s (ARPA)
- Model notices
- FAQ’s for employers or plans regarding handling requirements.

We encourage all employers to confer with their legal and/or tax counsel on how best to comply with The American Rescue Plan Act of 2021 to ensure proper tax credits and employer notification requirements.

What actions will Nippon be taking for employer groups that directly bill their COBRA members themselves? (We refer to these as Group Billed)

- There is no change to our current processes for COBRA enrollment notifications.
- Nippon is accepting employer approved APRA COBRA reinstatements via email and web portal.

Does Nippon require a copy of the model forms?

- No, Nippon does not require a copy of the model forms.

How will Nippon handle if a model form is submitted?

- If we receive one of the new Model Notices from the broker or Client, we will assume the employer has approved the member is AEI eligible and will enroll through the date of their Federal COBRA qualifying event.

Can Employers provide a COBRA Subsidy continuation update to Nippon via the Web Portal?

- Yes, the Qualifying Event (QE) Reason is “Other” and Action is “reinstate”. Comments should be entered as ARPA COBRA. We will also accept Employer Change forms for the notifications.