

## Assistance Eligible Individuals (AEIs)

- How will I know if I qualify for the Subsidy?  
Isolved Benefit Services will be providing required notices to anyone who qualifies for the ARPA subsidy. Once a subsidy has been applied to your record, you can view that within the COBRA portal. No invoice will be sent for a \$0.00 amount due.
- If a participant is already on COBRA effective 4/1/21 would or would they not qualify for the 100% subsidy?  
A participant's status on COBRA does not determine their AEI status. AEI status is based only on the qualifying event being involuntary termination or involuntary reduction of hours and COBRA not expired as of April 1, 2021. However, if a participant has an election in effect on April 1, 2021, they are not eligible for the special second election period but would still be eligible for the subsidy.

## Payments and Subsidy

- Should I pay for my April COBRA premium?  
We recommend you make your premium payments until you have received notification that you qualify as an Assistance Eligible Individual (AEI), who would then receive a 100% subsidy on your COBRA coverage. Isolved Benefit Services is still reviewing and waiting on further guidance to confirm all information. If you do pay and then receive the subsidy, Isolved Benefit Services can apply the additional monies to future periods or post a refund to you for the payment received for the subsidized periods.

If you do not make your April premium payment, you may encounter a temporary interruption to your coverage.

- What happens if a participant pays for April before the subsidies can be applied?  
Isolved Benefit Services will facilitate a refund in these cases.
- Will payments previously made by the participants in the subsidy period (4/1/21 to 9/30/21) be refunded or reallocated forward?  
If COBRA continues beyond September 30, 2021, it will be the participants option to receive a refund or to reallocate their payments.
- When will the subsidy start?  
The subsidy will begin on the later of April 1, 2021, or the effective date of COBRA. For AEIs whose event date is before April 1, 2021, the subsidy can begin April 1. For Qualifying Events reported to us after April 1, as a subsidized event, the subsidy will be applied on the first day of COBRA coverage, or April 1, whichever is later.
- When will the subsidy be applied?  
Isolved Benefit Services is reviewing our system and will be applying any subsidies identified by customers following additional guidance.

- Can the subsidy be applied to other months of coverage, or only to April-Sept?  
The subsidy can only be applied between April and September 2021.
- Is the government going to pay me so I can pay you?  
The government is not issuing COBRA payments to participants. Rather, the employer will carry the burden of paying the carrier for coverage, and then claiming that amount as a credit on their payroll tax filing.
- Can the participant just take the money instead of getting it applied to their account?  
This is not allowed.
- When and how will the participant(s) be notified the subsidy has been applied to their account?  
AEIs will receive a special notification regarding their subsidy following identification from customers. Invoices do not generate when there is no amount due.
- If the employer is subsidizing the former employee's COBRA (for example, as part of a severance arrangement), can the employer now revoke that arrangement due to the federal subsidy?  
The answer to this question is unclear right now, and we hope that guidance will address it.

## Special Election Notice and Special Election Period

- If COBRA participants have already elected COBRA but haven't paid in a few months and are AEIs, would the subsidy be applied to their record as of 4/1/2021?  
isolved Benefit Services is awaiting further guidance.
- Can a participant cancel coverage as of 1/31/21 and then ask to be reinstated as of 4/1/21?  
isolved Benefit Services is waiting for further guidance on this.
- How soon can a participant have coverage reinstated?  
isolved Benefit Services is developing plans to be as ready as possible to generate notices shortly after guidance and model notices are issued by the Department of Labor. However, we expect the mailing process to take 30 days or more. AEIs will have 60 days to elect after their notice is sent, and special elections will be retroactive to April 1, 2021.
- If a participant has individual coverage thru December (2020). Could the participant elect again on 4-1-21 and add all family members?  
This may be somewhat of a gray area (please refer to the first question in this section). The ability to elect for other family members will remain dependent upon Qualified Beneficiary status. In order to be an AEI, you must also first be a Qualified Beneficiary.
- If a participant does participate in the special election, their coverage would begin on 04.01.2021. Would the coverage then end at the end of the ARPA period (09.30.2021)?  
Coverage will end at the date that is the "maximum coverage period" from the event date. Therefore, coverage may very well extend beyond September 30, 2021, but the subsidy will end on September 30. Conversely, COBRA may expire between April 1, 2021 and September 31, 2021. Remember, ARPA does not change the maximum coverage period.