

LEGAL UPDATE

Federal Agencies Issue COVID-19 Relief for Employee Benefit Plans

On April 28, 2020, the Departments of Labor (DOL) and the Treasury (Departments) issued deadline relief to help employee benefit plans, plan participants and plan service providers impacted by the COVID-19 outbreak.

Extension of Participant Timeframes

The Departments issued a [final rule](#) to provide plan participants with additional time to comply with certain deadlines affecting COBRA continuation coverage, special enrollment periods, claims for benefits, appeals of denied claims and external review of certain claims. With regard to disability, retirement and other plans, the final rule provides additional time for participants and beneficiaries to make claims for benefits and appeal denied claims.

According to the Departments, without the extension, individuals might miss key deadlines during the COVID-19 outbreak that could result in the loss or lapse of group health coverage or the denial of a valid claim for benefits.

Deadline Extension for ERISA Notices and Disclosures

The DOL issued [Disaster Relief Notice 2020-01](#) to extend the time for plan officials to furnish benefit statements, annual funding notices, and other notices and disclosures required under ERISA if they make a good faith effort to provide the documents as soon as **administratively practicable**. The notice explains that good faith acts include use of **electronic means of communicating** with plan participants who the plan sponsor reasonably believes have effective access to electronic means of communication, including email, text messages and continuous access websites.

The DOL also issued a set of [Frequently Asked Questions](#) (FAQs) to help plan participants and employers impacted by the COVID-19 outbreak understand their rights and responsibilities under ERISA.

Highlights

A final rule extends the timeframes for health plan participants to:

- Request special enrollment under HIPAA;
- Elect COBRA continuation coverage, pay COBRA premiums and notify the plan of a COBRA qualifying event; and
- File benefit claims and appeals and request external review of denied claims.

This deadline relief begins on March 1, 2020, and goes until 60 days after the end of the COVID-19 National Emergency.

Provided to you by [Rue Insurance](#)

This Legal Update is not intended to be exhaustive nor should any discussion or opinions be construed as legal advice. Readers should contact legal counsel for legal advice. Design ©2020 Zywave, Inc. All rights reserved.

RUE
Insurance