

Best Practice Guideline Reduction in Hours COBRA Qualifying Event

Introduction

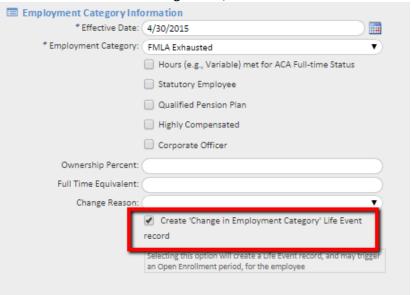
When an employee has a reduction in hours or a change in employment category that results in a loss of his/her coverage for one or more COBRA eligible benefit plans, he/she experiences a COBRA Qualifying Event. The following steps are the Best Practice for ensuring that the Qualifying Event data are transmitted to the Infinisource COBRA Event System.

NOTE: Qualifying Events are not queued in the Task Manager; they can only be entered after the event has actually taken place.

'Change in Employment Category' Life Event

On the Employee Management>Employee Maintenance> Employment screen, ADD NEW Employment Category record for the employee, marking the "Create 'Change in Employment Category' Life Event Record" checkbox.

NOTE: Do not edit the existing record, but create a new one.



The Effective Date should be the date on which his/her employment category changed.

When this is completed, the employee will have a new employment category record on the Employee Management>Employee Maintenance>Employment screen and a new life event record on the Employee Self Service>Life Events History screen.





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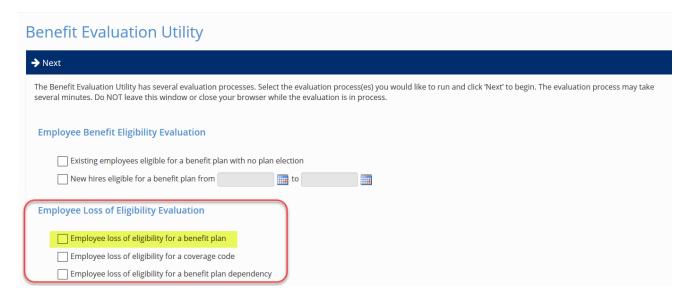


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Triggering the Qualifying Event Sync to COBRA

Use the Benefit Evaluation Utility (Employee Management>Employee Management Tools>Benefit Evaluation Utility) to identify employees who are no longer eligible for the benefit plans in which they are enrolled – including the employee having the recent change in employment category.

To process a COBRA Life Event, you will select the "employee loss of eligibility for a benefit plan" to identify which plans the employee(s) will be offered COBRA for.



Enter a date in the Update Stop Date field for each applicable benefit if the Calculated Stop Date is incorrect. (This will update the Stop Date on the employee's benefit record.) The Stop Date should be the last date on which the employee is covered by the active employee benefit plan.

- 1. Select "Change in Normal Hours Reduction" as the Benefit End Reason.
- 2. SAVE



IMPORTANT NOTE: Any dates in any field when the Benefit Evaluation Utility is saved will be updated in the employee and dependent records and may result in an inadvertent termination of benefits. Remove the dates or resolve any other employee eligibility issues reported in the Benefit Evaluation Utility before saving.

COBRA Qualifying Event Confirmation

The customer's COBRA Integration contact will receive a message indicating the successful creation of a COBRA Event Record for the employee. The COBRA Qualifying Event notice will mail within approximately 2-3 business days.

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