

# COBRA ADMINISTRATION



Although COBRA has been federal law for more than 30 years, the law remains a challenge for many employers. While the basic rules of COBRA may seem straight-forward, it's a complex law with many nuances that present unique administrative obstacles for employers.

Properly administering COBRA can be very costly to an employer – the time and resources required can be significant – but failing to administer COBRA properly can be devastating. Employers face substantial fines and penalties for non-compliance as well as lawsuits from qualified beneficiaries.

## Why Outsource COBRA Administration?

Outsourcing COBRA administration allows an employer to meet their compliance obligations while saving time and money.



**Save time.** Administering COBRA requires serious resources. Your team has to learn – and stay up to date with – complex rules so they can set up the necessary processes for preparing and mailing notices, tracking election and grace periods, processing COBRA elections and payments, updating carrier eligibility, answering participant questions, and responding to complaints and appeal requests.



**Save money.** COBRA participants cost employers more than their active counterparts. Studies conducted by the Employee Benefits Institute of American (EBIA) have shown that COBRA participants average over 160 percent higher claims than active employees. This increased claims exposure – roughly \$11,000 per COBRA participant per year – translates into greater claim losses for self-insured plans, and larger renewal increases for fully-insured plan sponsors.



**Reduce risk.** Complying with COBRA is challenging, and the burden of compliance rests with the employer. Outsourcing COBRA administration to a trusted partner can help shield an employer from this risk, but employers must ensure they choose a partner that offers contractual indemnification for work performed on the employer's behalf.



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## Why Choose UnifyHR?

Our management team has more than 100 years of combined COBRA experience and includes the co-founders of one of the largest and most successful COBRA administration vendors.

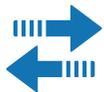
We've heard from many clients and business partners who have expressed serious frustration with their current COBRA solution and the lack of options in the marketplace, so we set out to create a program that eliminates those frustrations by offering services that truly make a difference:



**Dedicated, Responsive Account Management.** Every UnifyHR client is supported by a small group of US-based client service team members which is lead by the employer's designated account manager. This approach ensures you're always able to talk to someone who is familiar with your company and your unique needs. No long hold times. No unreturned calls. Just accurate, responsive support you can trust.



**Flexible Services Built Using the Latest Technology.** We created our proprietary system using the latest technology and taking full advantage of cloud-based services. This frees us from the constraints of legacy systems built on out-of-date technology or inflexible third-party software used by other administrators. This freedom allows us to accommodate complex business rules and provide advanced reporting capabilities and unique service features that other administrators can't match.



**Easy Data Transfer Processes.** We know many employers prefer to send electronic files to communicate COBRA activity, so easy transfer processes are a must. We built a nimble EDI "engine" that allows us to aggregate data from multiple sources and map that data to our file layout – that means you don't have to program to our file specs.

## We Do the Heavy Lifting

We've designed our COBRA administration service to reduce the work required of employers as much as possible. Once an employer notifies us of COBRA-related events, we do the rest of the work and provide updates to the employer so they can update their records and take any actions necessary on their end (such as processing the premium remittance checks we send each month).



Employers that contract with UnifyHR for ACA administration have a huge advantage when they also contract with us for COBRA administration. Using the same data we receive for ACA administration, we can identify COBRA events and present them to employers for review and confirmation, greatly reducing the work involved in notifying us of COBRA-related events (employers must still notify us of certain events like divorce or legal separation).

## Get Started Today

Our flexibility allows us to meet even the most challenging business requirements, and our firm commitment to providing outstanding service makes us the clear choice for COBRA administration.



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