

Agents Required to Provide Information under Emergency Law

In the March 2009 issue of *W3*, we explained how the American Recovery and Reinvestment Act of 2009 (ARRA) would affect COBRA/State Continuation coverage. In short, ARRA offers a 65% COBRA/State Continuation subsidy to Assisted Eligible Individuals (AEIs) and their families. AEIs are generally defined as workers involuntarily terminated between September 1, 2008, and February 28, 2010.

On October 2, 2009, an emergency rule was passed requiring health insurers to continue coverage for AEIs whose group health policy was/will be terminated on or after June 30, 2009. For example, if a business closes, terminates all employees, and cancels its group health plan, those terminated employees may be AEIs and therefore entitled to continuation coverage. [Click here](#) to view the legislation.

According to the Wisconsin law, WPS must identify any potential AEIs and request that their former employers provide them the required notice. In addition, the law states that insurance intermediaries (agents) make reasonable efforts to assist insurers in providing this notice and identifying former employers who they may have assisted in providing a replacement policy.

In December of 2009, ARRA was amended by the Department of Defense Appropriations Act, 2010 (2010 DOD Act). The 2010 DOD Act extends the premium reduction eligibility period for two months, until February 28, 2010 and increased the maximum period for receiving the subsidy for an additional six months (from nine to 15 months).

At this time, WPS is requesting that you continue to assist us in identifying any small or large employers who discontinued coverage with WPS on or after June 30, 2009. Please report those employers to us and include the following information:

- Name of group
- Date of discontinuation
- Do you know if this group replaced the discontinued policy?
- Did you assist this group in finding replacement coverage?

We appreciate your assistance and ask you to continue to provide this information going forward.

Please fax this information as soon as possible to:

Attention: Michelle Johnson, WPS Member Services, (608) 243-6138