

Federal COBRA/Cal-COBRA Status Notification Form

RESPONSE REQUIRED: Please complete the form and submit to CoPower via E-mail to copower.requests@amwins.com or via fax at **650.348.1149**

In order to ensure compliance with the state and federal laws, we require you to update CoPower annually with your company’s Cal-COBRA or COBRA eligibility. Eligibility is determined by the number of employees in your group. If you need help in determining your status, use worksheet calculation below and refer to the general guidelines on page 2.

Group Information

Group Name:

CoPower Group ID Number:

Fed-COBRA or Cal-COBRA status is determined each calendar year based on the previous calendar year’s total employee count and does not change mid-year.

As of January 1, 20 , our company is subject to:

- Cal-COBRA (2 to 19 Full Time Equivalents)
- Fed-COBRA (20 or More Full Time Equivalents)
- Exempt from COBRA Requirement (Church Plans ONLY – see page 2)

Signature

Plan Administrator Name:

Signature Date: / /

Plan Administrator’s Signature: _____

FTE Calculator

Full-Time Equivalent (FTE) can be derived from the total number of full and part-time employees.

- 1 Full Time Employee = 1 FTE
- 1 Part Time Employee = a fraction of 1 FTE

Example:

- 1 Part-time employee who works 10 hours per week = ¼ FTE
- 1 Part-time employee who works 20 hours per week = ½ FTE
- 1 Part-time employee who works 30 hours per week = ¾ FTE
- 3 Full-time employees who work 40 hours per week = 3 FTEs

Company’s Total Full Time Equivalents = 4 ¼ FTEs

Include: Seasonal Employees, Owners and Officers

Exclude: Self-employed Persons, Independent Contractors, and Board of Directors.

- A. How many **full-time** employees did your company have for at least 50% of the business days in the last Calendar Year? .
- B. How many **part-time** employees did your company have for at least 50% of the business days in the last Calendar Year? .

Add the answers from A and B to calculate the Full Time Equivalents (FTE).

Fed-COBRA and Cal-COBRA: General Guidelines

Federal (COBRA) and California State (Cal-COBRA) laws allow for continuation of group health benefits by individuals who lose coverage as a result of certain 'qualifying events'. In order to maintain compliance with these laws, notification of your current group status must be submitted to CoPower on an annual basis.

Fed-COBRA or Cal-COBRA status is determined each calendar year based on the previous calendar year's total employee count and does not change mid-year.

Federal COBRA (20 or more employees for at least 50% of the previous calendar year)

- An employer with a group health plan that employs 20 or more 'employees' on at least 50% of its 'typical business days' during the preceding calendar year is generally subjected to Federal COBRA law.
- 'Employees' are full-time and part-time common law employees, whether or not they are eligible for coverage under the employer's group health plan.
- Self-employed individuals or independent contractors are not treated as employees for Federal COBRA purposes and need not to be counted toward the total employee count.
- Part-time employees may be counted as a fraction of an employee. The fraction is based on the number of hours actually worked compared to the number of hours required to be considered a full-time employee, but not greater than 40 hours per week.
- Employers must aggregate employees from all divisions, subsidiaries, and any other entities that make up a controlled group of corporations in determining total employee count.

Cal-COBRA (2 to 19 employees for at least 50% of the previous calendar year)

- An employer with only 2 to 19 employees on at least 50% of its 'working days' during the preceding calendar year is generally subject to Cal-COBRA law.
- All full-time, part-time, leased and self-employed persons are considered 'employees' regardless of whether or not they are eligible for coverage.
- Agents, independent contractors, and corporate directors are counted as eligible employees if they are eligible for the group plan coverage.
- Employers must aggregate employees from all divisions, subsidiaries, and any other entities that make up a controlled group of corporations in determining total employee count.

Exempt from COBRA Requirement (Church Plans only)

- Employers maintaining a church plan may be exempt from Federal COBRA requirements.
- Not all church-controlled organizations are exempt — legal counsel should be sought in determining if your group qualifies for this exemption.
- Church plans are 'plans established and maintained by a church or by a convention or association of churches which are exempt from taxes under Internal Revenue Code Section 501.'
- Employers maintaining a church plan for only 2 to 19 employees **will not** be exempt from Cal-COBRA.

QUESTIONS? Do not hesitate to contact CoPower if you have any questions regarding this form. If you are unsure of how to calculate your COBRA designation, we advise you to contact your legal counsel.