BlueCross BlueShield of Illinois

COBRA Administration

Blue Cross and Blue Shield of Illinois provides a system designed specifically to handle all COBRA Federal Laws and Regulation.

The Blue Cross and Blue Shield of Illinois COBRA administration system offers:

- Timely notification of COBRA rights
- Expedient processing of COBRA acceptances
- Display COBRA notices to clients and COBRA members
- Complete monthly reporting package
- Generation of COBRA termination notices
- Premium payment tracking and member payment tool
- Accurate claims payment records

Eligibility, Enrollment, and Administration

Using information provided by the employer and maintained in our systems, we automatically mail an offer of COBRA coverage to a former employee when his or her eligibility period ends.

- Personal information entered into system
- Letter offering former employees and dependents COBRA coverage
- Payment instructions sent to those who elect
- Payments recorded

If a former employee doesn't send a payment by the due date, Blue Cross and Blue Shield of Illinois will hold claims for payment. And if a former employee hasn't made his or her payment by the end of the 30 day grace period, we will send a termination letter.

COBRA Coverage Will Be Terminated When:

- COBRA eligibility has expired (normally 18 or 36 months)
- The individual obtains coverage under another group health plan policy or Medicare
- The individual doesn't send payment before the end of the grace period (except for the first payment)
- The employer stops providing health coverage to its current employees.

Tracking and Reporting

We maintain a full record of former employees' information for compliance purposes. We also track acceptance notification for 60 days, receipt of the initial COBRA payment for 45 days, and receipt of subsequent payments for 30 days. To protect against overpayment, we hold claims during each of the grace periods.

Employers are able to fully track COBRA activity through a comprehensive monthly reporting package. Reports are available on the myBlueElement portal, and we can develop additional reports if needed.

Our COBRA Reporting Package:

- Identifies COBRA premiums remitted by continuant
- Isolates claim activity for COBRA continuants
- Identifies all active, pending, and terminated COBRA continuants

COBRA For All Benefit Programs

We can also centralize the collection and disbursement of premium payments for all of your benefits programs, even programs administered by other carriers, like dental and vision. Blue Cross and Blue Shield of Illinois can provide details on each continuant to the carrier and work with those vendors to transmit and receive eligibility and payment information on participants.

View COBRA Notices

The Department of Labor requires that the COBRA coverage offer letter is sent within 14 calendar days of receiving notice of a qualifying event. When a participant's coverage ends, the COBRA coverage offer letter is automatically generated and mailed.

Clients and COBRA members can access their COBRA notices quickly and conveniently from the myBlueElement portal. The notice will be available on the portal within 1-2 business days of generation. This means clients and participants can view the document on the portal sooner than they will receive it in the mail.

*Additional COBRA services are available for run-in, run-out and open enrollment mailings. Information is available upon request.

For more information on COBRA administration, please contact your sales executive or client manager.