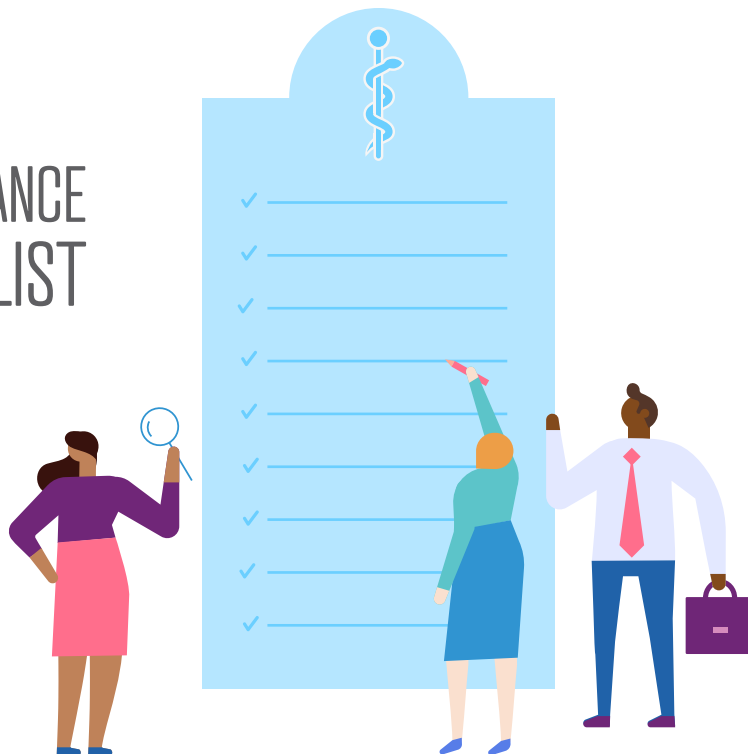


# COBRA COMPLIANCE CHECKLIST

The IRS estimates that **9 out of 10** employers are out of COBRA compliance.

COBRA administration may seem small in the grand scheme of your day-to-day tasks, but falling out of compliance can lead to big fines. *(A headache no one wants to deal with!)*

An important part of staying in compliance is having all of your documentation in order in the event of an audit. While we hope you don't have to deal with that any time soon, it's important to be prepared.



## + Employer-Specific Documentation:

- ✓ A copy of your internal audit procedure
- ✓ A copy of the health care continuation coverage procedures manual
- ✓ Copies of all group health care plans
- ✓ Copies of standard COBRA coverage letters sent to qualified beneficiaries
- ✓ Details on any lawsuits—past or pending—for failing to provide COBRA coverage
- ✓ Copies of all standard health care continuation coverage form letters
- ✓ Copies of federal and state tax returns for the last two years
- ✓ A list of all employees affected by a qualifying event in the last year
- ✓ If an employee was denied coverage due to misconduct, you must also have proof the employee was denied unemployment for the same reason

## + Documentation you should always have handy for each beneficiary:

- ✓ Name and address
- ✓ Qualifying event date
- ✓ Copies of COBRA notices
- ✓ Type of COBRA coverage received
- ✓ Premium payments required under COBRA
- ✓ A copy of the employer's letter to the insurance company/plan administrator notifying them of a qualifying life event
- ✓ Reasons for the termination of the COBRA coverage properly elected by a beneficiary
- ✓ Reasons why employment was terminated

