

Department of Labor Final Rule

Extensions of Timeframes

HCC Life Insurance Company, operating as Tokio Marine HCC – Stop Loss Group (“TMHCC”), has reviewed the US Department of Labor (“DOL”) Final Rule; Extensions of Timeframes released at the end of April 2020 (“Rule”).

We understand the immediate impact the Rule has on our stop loss policyholders and the entire self-funded health market.

The Rule requires that ERISA Plans disregard the Outbreak Period when determining deadlines related to certain events outlined within the Rule. TMHCC views the Outbreak Period as an extension to normal timing requirements for those events.

Based on our analysis, TMHCC has identified four extensions that could have an impact on our policyholders’ stop loss coverage.

(Note – We are using the DOL’s definition of Outbreak Period which is the period from March 1, 2020 until 60 days after the announced end of the National Emergency or such other date announced by the DOL in a future notice.)

1. HIPAA Special Enrollments –

TMHCC will ask that all stop loss claims submitted on enrollees or claimants that have received a HIPAA Special Enrollment within the Outbreak Period also include documentation detailing the circumstances of the Special Enrollment. This should include all relevant dates, the nature of the Special Enrollment event that occurred and either confirmation that all plan premiums have been paid and are current on behalf of the enrollee or claimant, or that the enrollee or claimant has elected to postpone paying back premiums until a later date. TMHCC will not require notification or documentation for any of these HIPAA Special Enrollments that do not result in stop loss claims.

2. COBRA –

Similar to HIPAA Special Enrollments, TMHCC will ask that all stop loss claims submitted on enrollees or claimants that selected COBRA during the Outbreak Period also include documentation detailing the circumstances of the COBRA election. This should include the date of the COBRA Qualifying Event, the date the enrollee or claimant made the COBRA election, the nature of the Qualifying Event and confirmation that either all plan premiums have been paid and are current on behalf of the enrollee or claimant, or that the enrollee or claimant has elected to postpone COBRA paying premiums until a later date. TMHCC will not require notification or documentation for any of these COBRA elections that

do not result in stop loss claims.

3. Receipt date of first dollar claims

– TMHCC recognizes that we will receive stop loss claims containing first dollar claims received for payment outside of normal claims receipt deadlines but within the Outbreak Period. We will accept and process these claims as we would any other claim eligible under the stop loss policy.

4. External reviews –

Every stop loss policy issued by TMHCC contains our [Independent Review Organization Endorsement](#). The Endorsement contains a requirement that, in order to be reimbursable under the stop loss, TMHCC be notified within 30 days of an appeal’s referral to the Independent Review Organization.

TMHCC will not adjust specific rates or aggregate factors as the result of these extensions nor will we require any Plan Document amendments in response to the Rule.

Lastly, we recognize that not all of our policyholders are ERISA plans and we anticipate that our non-ERISA policyholders are likely to adopt the extensions set out in the Rule. We simply ask that these policyholders follow the same processes as outlined above.