

# ADP's COBRA Services



ESSENTIALS

# When ADP provides your essential COBRA administration services, you can count on...

Compliance management to help you navigate  
complex regulations

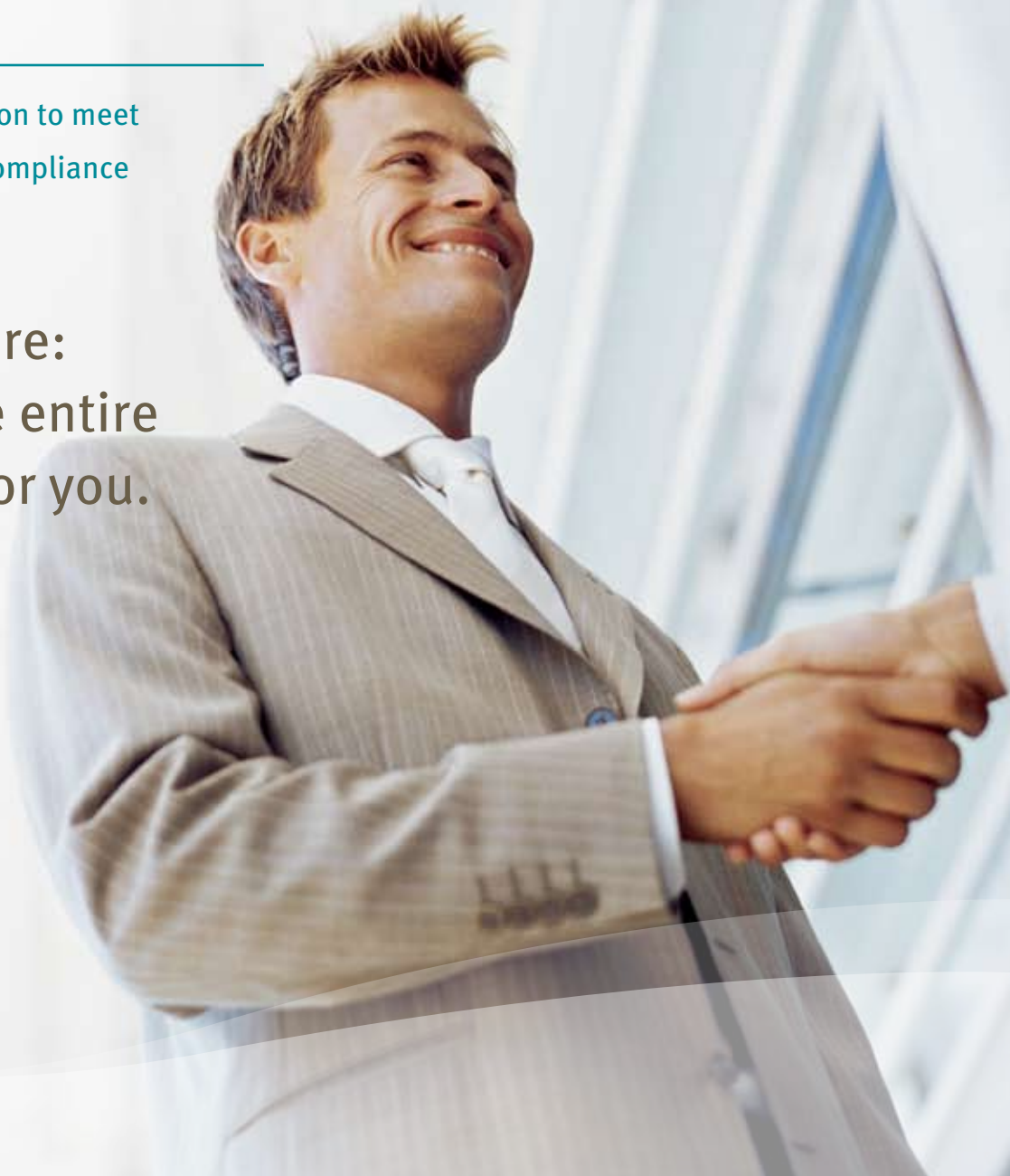
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Convenience you depend on to save time and  
increase efficiencies

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Communications you rely on to meet  
deadlines and maintain compliance

...and even more:  
ADP makes the entire  
process easy for you.



# ADP'S COBRA ADMINISTRATION DELIVERS CONFIDENCE

Most large organizations have evaluated how to administer government-regulated COBRA services, and the majority made the decision to outsource for various business reasons. Many chose to mitigate the risk of non-compliance with complex and ever-changing federal regulations. Others decided to outsource rather than overload human resources (HR) practitioners with the burdens of tracking qualifying events and sending mandated notifications. Some were unpleasantly surprised by the costs of system enhancements involved with the changing regulations. Regardless of why they outsource the challenges of COBRA administration, all organizations seek confidence in and value from their provider.

**Organizations turn to ADP as the experienced partner they can count on to handle their entire COBRA process and assist with compliance. They rely on our comprehensive COBRA administration services to provide a total service solution with the professionalism that delivers confidence.**

With ADP as your COBRA administration partner, you no longer have to commit your company's time, personnel and other valuable in-house resources to manage the intricacies of COBRA administration. By combining advanced technologies with our domain expertise, ADP's COBRA administration services provide the compliance, convenience and communications that businesses value.

## COMPLIANCE

COBRA is complex, and non-compliance can be costly. Fines of hundreds of dollars per employee can be assessed for every day your organization is not in compliance. You can feel confident in ADP's track record for solid compliance support.

Leave COBRA to the professionals at ADP. Our team helps you maintain compliance by keeping up with constantly changing regulations. And our Employee Retirement Income Security Act (ERISA) attorneys make it their business to understand all the implications of the latest COBRA guidelines. Expert compliance monitoring and appeals processing helps your business stay informed of the regulations, and your COBRA appeals are handled accurately. A nationally recognized public accounting firm performs rigorous SAS 70 Type II audits on our COBRA operations as required so you don't have to.

ADP's turnkey solution eliminates detailed, event-driven processing. We send premium coupons via mail or e-mail reminders to participants to facilitate timely payment. We invoice and collect monthly premiums and distribute funds to you or directly to the carrier. And because our service professionals know exactly how to work within the complex regulations, you are reassured that you made the right decision when you chose ADP as your partner.

## ADP'S COBRA SERVICES



### Compliance for your business

- Monitors regulations changes
- Adapts systems to support compliance
- Trains associates on updated regulations

### Relieve administrative complexity

- Insurance plan set-up
- Distributes notifications, enrollment packets
- Flexible systems to support complex COBRA timelines

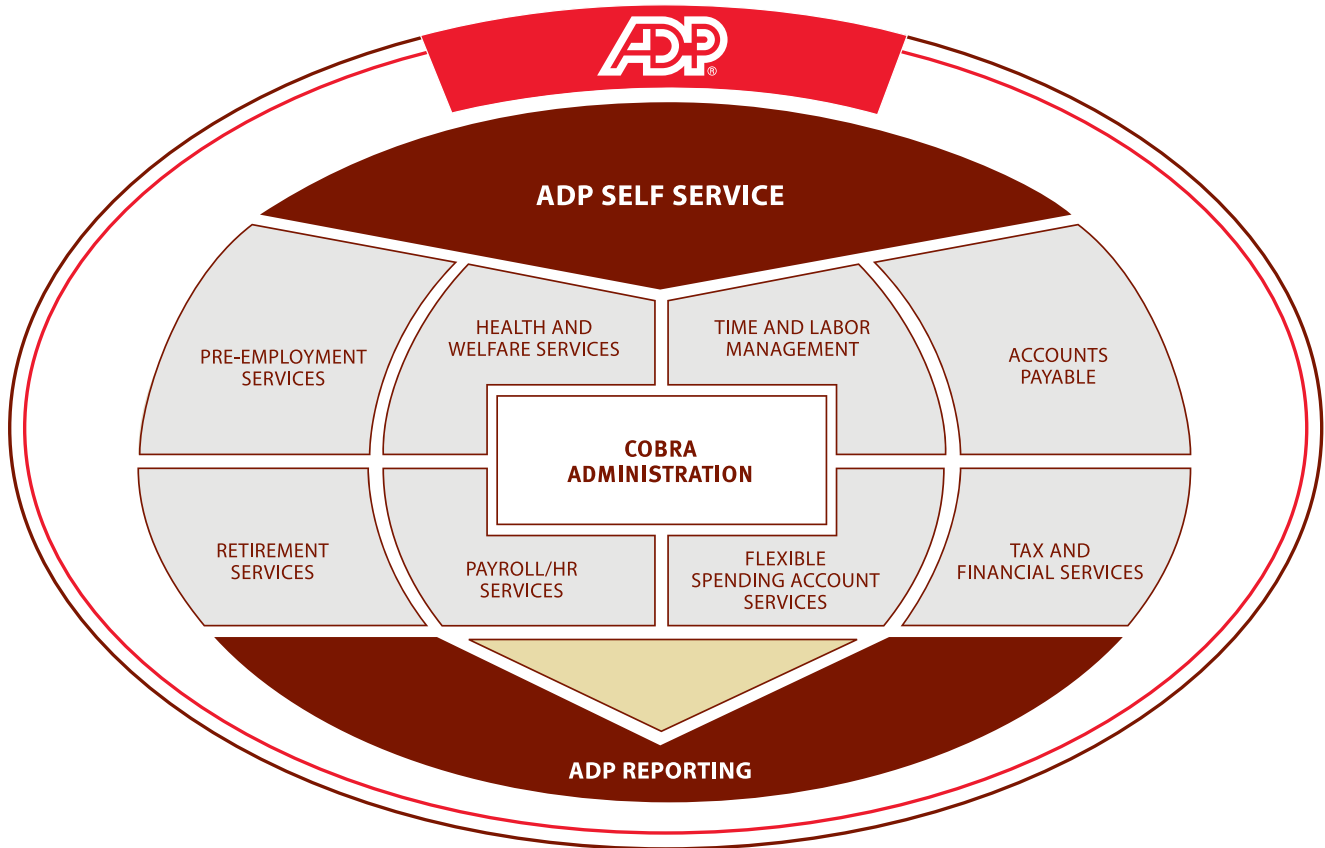
### Reporting Solutions

- Reporting for essential COBRA information
- Provides carrier reporting
- Online reporting view

### Continuant/Participant Solutions/Support

- Knowledgeable associates to support continuants
- IVR, online access
- Premium processing
- Optional annual enrollment

## The Essential Services Your HR Practitioners and Employees Need



### CONVENIENCE

When you outsource your COBRA administration to ADP, you gain a cost-effective way to manage your company's priorities. By eliminating time-consuming COBRA interactions and tasks, you have the freedom to reallocate resources to focus on other benefit programs. From participant enrollment to carrier billing and reporting, ADP relieves you of COBRA's administrative complexity.

Together we establish how you want your programs administered. ADP offers you the convenience of a flexible partner who works with you to design a service solution that fits your needs now and as the law continues to evolve.

ADP runs all COBRA activities on deadline-driven automated processes. System audits enforce eligibility rules and verify data accuracy. This proactive data management translates into premium savings for you by making certain you cover only those former employees and their dependents who are eligible for COBRA.

We make it easy for you to send qualifying event information to ADP by file transfer or Web input, enhancing accuracy and speed. For even more convenience, we offer tools for entering qualifying events, accessing online reports and viewing participant information. We accept payments via lock box and process electronic files within 24 hours.

## COMMUNICATIONS

Employers have legal obligations to impart specific information within strict time limitations. A breakdown in communications anywhere in the process can result in penalties and litigation. Trust ADP's exceptional COBRA expertise to keep all parties informed. We know that notifying employees about their rights under the COBRA regulations is more than good policy—it's the law. Our services help you communicate with your COBRA-eligible employees on the legally mandated schedule.

And it's not only at termination that COBRA correspondence occurs. You also need communications for new employees, annual enrollment and ongoing participants. Added to that is the often overwhelming task of communicating COBRA data to each of your carriers.

Our specialized team gathers all the necessary personalized information and premiums from participants in accordance with requirements. Our precise record keeping and reporting ensure prompt notifications, which help eliminate unnecessary participant health care costs and reduce the potential for fines or penalties.

ADP offers multiple service options. Our professional client service representatives, convenient phone-based communications and online information services can help participants make payments, obtain coverage status and access expert assistance. This frees up your personnel to focus on other benefits programs.


Relying on ADP's COBRA administration services solution can help organizations contain costs, improve productivity and provide outstanding service to your workforce.

## ADP'S COBRA SERVICES DO IT ALL FOR YOU:

- Communicate with participants
- Monitor and react to key deadlines
- Invoice and collect monthly payments
- Comply with federal regulatory guidelines
- Distribute timely materials
- Provide Web-based self service tools
- Verify and pay premiums to carriers
- Terminate accounts efficiently
- Report and document account status
- Offer optional comprehensive annual enrollment services

### ADP REPORT

### INTEROPERABILITY ADDS COST-SAVING EFFICIENCIES



COBRA is the most often outsourced benefit service. Many organizations like yours have realized it's not worth their time, effort or risk of non-compliance to administer these services in-house. But for businesses using ADP payroll or human resources services, there is a unique bonus of outsourcing COBRA administration to ADP. It's the savings generated by eliminating the hidden, but very real, cost of processing information across separate functions and systems.

Combining COBRA data directly with ADP's payroll and human resources processes offers the added value of complete coordination. Immediately COBRA premiums can be calculated; participant term of eligibility automated; and processing maximized for efficiency, accuracy and compliance.

## LARGE COMPANIES WORLDWIDE RELY ON ADP

ADP offers the broadest range of human resources, benefits and payroll administration services that companies need to provide essential employment functions with unparalleled reliability. Organizations count on ADP's extensive expertise, technology and operations precision to process critical transactions accurately every time. When companies depend on multiple services from ADP, they gain additional advantages created from streamlining processes, people and systems to integrate data from separate functions through one gateway.

**ADP is the world's leading provider of outsourced payroll, human resources and benefits.**

## PAYROLL

Comprehensive ADP solutions provide the peace of mind that comes from knowing payroll and payment of payroll taxes are consistently efficient, correct and easy to manage. And our interactive online resource empowers employees and supervisors with essential productivity tools. ADP's time and labor management services yield an immediate return on investment through faster, more accurate payroll and tighter control of employee time and attendance. Better workforce management, improved productivity and enhanced decision making can help your organization optimize labor resources and reduce time and labor management costs with time and labor tracking software.

## HUMAN RESOURCES

ADP's established HR platform and employee and manager self service applications allow your organization to take advantage of the flexibility and efficiencies provided by ADP for everyday tasks such as personnel and payroll administration, data management, performance management and compensation management.

## BENEFITS

ADP's wide array of solutions deliver programs with the superior service that helps retain employees, while freeing in-house resources to focus on strategic business goals. Services include Health and Welfare, COBRA, Flexible Spending Accounts (FSA), Commuter Benefits, Total Compensation Statements and Carrier Enrollment Services.



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