



COBRA Administration

Services Outline

Prepared by:
Stirling Benefits, Inc.
Claim & Benefit Administrators
Milford, Connecticut 06460
www.stirlingbenefits.com

COBRA Administration

The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) requires most employers with group health plans to offer employees the opportunity to continue temporarily their group health care coverage under their employer's plan if their coverage otherwise would cease due to termination, layoff, or other change in employment status (referred to as "qualifying events").

The responsibility for COBRA rests with the Plan Sponsor. The task managing the compliance requirements under COBRA can be overwhelming and Stirling Benefits can alleviate the responsibility by handling the services on your behalf.

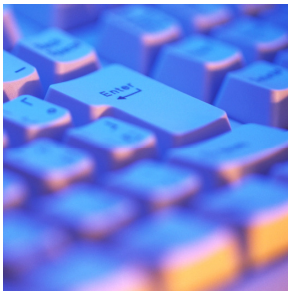
Our compliance d has successfully met the challenges posed by the recent American Recovery and Reinvestment Act of 2009, which include the new notice requirements, subsidy collection procedures, and procedures for employers to obtain their FICA tax reduction.

We are fully trained to handle all telephone calls on day-to-day general questions or complex compliance inquiries.



Web-based COBRA Portal

We can take care of everything using paper forms, or the employer can use our web-based system.



Capabilities include:

- Real-time 24/7 access for employers and participants
- Add newly participating employees
- Update personal information for participants
- View and download reports
- Ad-hoc activity reporting
- Verify premium amounts
- Participant access to status, enrollment and premium due dates.

Our Standard COBRA Services Include:

- Qualifying Event Notices to eligible beneficiaries
- Collection of election notices
- Preparation and timely mailing of additional required notices
- Employer and qualified beneficiary 24/7 online account management services
- Distribution of payment coupons to qualified beneficiaries
- Premium collection
- Premium allocation reports to employer
- Monthly activity reporting
- Toll-free customer service number



Our Commitment:

By outsourcing your COBRA administration to Stirling Benefits you can have peace of mind in knowing that we will take care of your COBRA obligations. Our staff of specially trained COBRA experts is available to assist participants between 8:30 a.m. and 4:30 p.m. EST, Monday through Friday (excluding holidays) In addition, we will also:

- Efficiently interpret new regulations
- Modify any current processes to accommodate new requirements
- Keep both the employer and participants informed of changes to processes or procedures



Implementation and Monthly Administration

Installation

First Plan:

Each Additional Plan:

Includes the following:

- Participant database loading
- Collection of data for current COBRA participants
- Client administration training
- Identifying reporting requirements
- Customer service toll free access and 24/7 Internet access for on-line premium information.

Renewal and Subsequent Plan Year

Includes:

- Update rate information and plan or contribution changes
- Monitoring and updating COBRA services as a result of regulatory updates

Monthly COBRA Administration Fees

The monthly administration fee applies to all COBRA eligible employees. Alternatively, we can offer our services based on a fee for each transaction.

Please contact Laurie Gallup at (203) 647-0601 or Andrea Gambardella at (203) 647-0621 for more information.