

## COVID-19 Premium Payment Grace Period Extension Guidelines

CalCPA Health is sensitive to our clients' needs and understands the financial impact this pandemic may cause some of our clients. Since the duration of the current situation is unknown, CalCPA Health will update its grace period policy as needed, going forward.

- California law provides for a 30-day premium grace period for payments to be made. The California Insurance Commissioner has asked carriers to consider up to a 60-day grace period for clients that have a need for payment extensions.
- Following the Commissioner's request, CalCPA Health may allow a grace period extension for those clients in need, employers requesting an extension should check with their ERISA attorney regarding the possible violations of proper plan asset handling under ERISA and other applicable regulations.
- All other provisions of the Subscription Agreement, Plan Document, state and federal regulations remain in effect.
- Currently, premiums due April 1 have a 30-day grace period extending payment receipts through April 30. Firms that have a business need to extend this grace period may request up to 60-days, extending April premiums to May 31, 2020.
- Requests to extend the grace period will be reviewed on a case by case basis by CalCPA Health. Please email your formal request to [calcpahealth@calcpahealth.com](mailto:calcpahealth@calcpahealth.com) by providing the details of your circumstance and the date of your expected payment.
- **IMPORTANT NOTE:** A signed Grace Period Acknowledgement must be returned to CalCPA Health before an extension may be put into effect.