

**Frequently Asked Questions  
about the Transition to UC's New  
FSA and COBRA Administrator - Discovery Benefits**

**Flexible Spending Accounts (FSA)**

**Q1: When will participants get their FSA debit card?**

A: New FSA debit cards are expected to arrive around December 31, 2020. Participants will receive two debit cards imprinted with their name and branded with the logos of the University of California and Wex, the parent company of Discovery Benefits. The cards will be mailed to the participant's home address. Participants should look for the envelope stamped "Your new employee benefits materials are enclosed." Debit cards will be ready for use on January 1, 2021.

**Q2: For what expenses can the debit card be used?**

A: The Discovery Benefits debit card may be used for both Health FSA and DepCare expenses.

**Q3: Can participants use the debit card to pay or reimburse themselves for over-the-counter (OTC) medicines?**

A: Yes, the Coronavirus Aid, Relief and Economic Security (CARES) Act passed by Congress and signed into law on March 27, 2020, repealed the prohibition on account owners paying or reimbursing themselves for OTC medicines, such as pain relievers, cold and flu medicines, and more. The act also added menstrual supplies to the list of items that can be reimbursed from a tax-qualified health account. These changes were effective January 1, 2020. If participants use the FSA debit card to pay for those products, in most cases the transaction should auto-adjudicate, meaning no additional documentation should be necessary. Discovery Benefits has updated their systems to reflect these products as eligible, but individual merchants must have updated their systems as well, in order for the FSA debit card to pay for those products. Due to the pandemic, it is possible that some merchants may not have updated their systems yet. If the debit card declines at the point of sale for these eligible expenses, participants should keep the receipt and file a claim for reimbursement.

**Q4: Can members still access their WageWorks online account to submit FSA claims?**

A: Yes, online access will still be available through April 15, 2021 to file claims incurred during the 2020 plan year. Online access will be de-activated after April 15, 2021, when the run-out period ends. Claims for expenses incurred in 2021 must be submitted to Discovery Benefits.

**Q5: Will participants receive an Open Enrollment confirmation?**

A: If UC has their e-mail addresses on file, participants will receive an e-mail notice from Discovery Benefits (noreply@discoverybenefits.com) with instructions for creating an online account. Once an account has been created, participants will be able to review their 2021

election(s) through Discovery Benefit's online portal. Enrollees with no email address on file will receive a postcard in December with similar login instructions.

**Q6: Where should participants submit their 2020 claims after 1/1/2021?**

A: All claims for expenses incurred in 2020 should be submitted to WageWorks, for both Health and DepCare FSAs, no later than April 15, 2021. In addition, all claims for DepCare expenses incurred during the grace period of January 1 – March 15, 2021 to be reimbursed using 2020 plan year funds must be submitted to Wage Works no later than April 15, 2021.

**Q7: When will the carryover balances become available for Health FSA participants? If a 2020 participant does not enroll in the Health FSA for 2021, when will they receive access to carryover funds?**

A: 2020 Health FSA carryover funds will be transitioned from WageWorks to Discovery Benefits after the claim submission deadline of April 15, 2021, and participants will have access to their carryover funds in early May 2021. Those who did not enroll in 2021 but have a carryover balance from 2020 will receive a debit card in May 2021, once the carryover is credited to their accounts.

## **COBRA Administration**

**Q1: When will Discovery Benefits start sending COBRA qualifying event packages?**

A: Employment terminations and other qualifying events entered in UCPATH by December 21, 2020 will have COBRA qualifying event packages sent by WageWorks. Qualifying events processed in UCPATH after December 21, 2020, will be sent to Discovery Benefits. Discovery Benefits will begin sending COBRA packages in early January 2021.

**Q2: Does a COBRA-eligible participant need to make an election within the 60-day timeframe after the qualifying event? How about the payment deadline?**

A: No. Due to the COVID-19 National Emergency, deadlines for selecting continuation of health care coverage under COBRA have been extended, from March 1, 2020 until 60 days after the end of the COVID-19 National Emergency (the "Outbreak Period"). Participants can defer making COBRA election(s) and submitting premium payments during the Outbreak Period. Once a participant elects COBRA continuation, coverage is retroactive to the date their employer coverage ended. However, claims may not be paid if participants are not current on their premium payments.

**Q3: Who will be sending Open Enrollment (OE) packages to COBRA participants?**

A: Discovery Benefits will send Open Enrollment packages. Existing COBRA participants who are already enrolled in COBRA continuation will receive Open Enrollment packages in early December 2020. They have 30 days after the date the package was issued to make changes. The OE package will contain a cover letter, Rate Sheet and Open Enrollment Election Form. Participants can return the election form in one of the following ways:

- E-mail: [cobraadmin@discoverybenefits.com](mailto:cobraadmin@discoverybenefits.com)
- FAX: 1 (888) 408-7224
- Mail: Discovery Benefits  
PO BOX 2079  
Omaha, NE 68103-2079

Once participants submit their 2020 December premiums, they will also receive a Takeover Notice from Discovery Benefits, including payment coupons and instructions to create an online account. This allows participants to manage their accounts going forward.

Discovery Benefits will not process Open Enrollment elections until December 2020 premiums are received by WageWorks. We encourage COBRA members to submit their December payments to WageWorks as soon as possible to avoid future disruption.

**Q4: If a COBRA qualifying event was in 2020 but a beneficiary did not elect COBRA continuation until 2021, will they be allowed to make an Open Enrollment change?**

A: Yes. However, participants will need to pay all premiums up to December 31, 2020, then the Open Enrollment elections will become effective.

**Q5: If a participant whose qualifying event occurred in 2020 decides to elect COBRA after December 31, 2020, where should the COBRA election form and payment be sent?**

A: Participants should send their initial COBRA election forms and payments to Discovery Benefits at the mailing address listed above. Discovery Benefits will accept the election form issued by WageWorks and start collecting the premiums as of January 1, 2021. As soon as the December 2020 premium is paid, the Open Enrollment package and Takeover Notice will be sent to participants.

Please note that WageWorks will stop processing payments from COBRA participants as of January 15. Any payments received by WageWorks after January 15, 2021 will be returned to the participants. Any initial enrollment forms received by WageWorks will be forwarded to Discovery Benefits. Once an enrollment is processed by Discovery Benefits, a Takeover Notice with instructions on how to remit future premiums will be delivered to the participant.

**Q6: What actions do COBRA participants need to take before the year ends?**

A: If current COBRA participants have auto-payment setup with WageWorks, they need to cancel this arrangement after the December premium has been sent to WageWorks.

Once the December 2020 payment is confirmed, Discovery Benefits will send participants Takeover Notices which include instructions to set up auto-pay to Discovery.

**Q7: How will Discovery Benefits know a participant has paid premium for December 2020?**

A: WageWorks will provide a weekly status report to Discovery Benefits for December 2020. If Discovery Benefits confirms an existing COBRA participant paid through December 31, 2020 via WageWorks, a Takeover Notice will be sent to the participant.

**Q8: If a qualified beneficiary has an urgent request to be enrolled after January 1, 2021, how will Discovery Benefits facilitate the enrollment process?**

A: The qualified beneficiary should contact Discovery Benefits at 1 (844) 561-1338, the UC-designated participant services line, for assistance. Discovery Benefits will expedite the enrollment process.

**Q9: What if participants paid 2021 premiums in advance to WageWorks?**

A: Any 2021 premium payments to WageWorks will be credited to the participant's account with Discovery Benefits. The Discovery Benefits payment coupons will have those credits applied and included in the Takeover Notice package to the participant.

**Q10: What if a pending COBRA beneficiary has lost their 2020 COBRA package but needs it to enroll?**

A: An electronic version of the initial COBRA package can be offered. A COBRA beneficiary may contact WageWorks to request a copy.

**Q11: Will UC benefits professionals be able to access WageWork's system after December 31, 2020? How will historical information be provided?**

A: Effective January 1, 2021, WageWorks will terminate all access for participants and Benefits Professionals. If you need to retrieve any historical information, please contact [Hui-Ling.Wang@ucop.edu](mailto:Hui-Ling.Wang@ucop.edu) for assistance.

**Q12: Can a COBRA beneficiary still access WageWorks' online account in 2021?**

A: No. Access will be terminated as of January 1, 2021.

#### Tips for You – Packages from Discovery Benefits for COBRA members

**\* Open Enrollment Package includes:**

2021 COBRA OE Booklet, Rate Sheet and Open Enrollment Election Form

**\* Takeover Notice includes:**

Payment Coupons and instructions for creating an online account, including a new member login code