



### Summary

In April, Covered California for Small Business launched a new program aimed at helping hundreds of small businesses continue to provide insurance to their employees during the current COVID-19 pandemic.

Recognizing the continued challenge to our valued businesses during the pandemic, Covered California for Small Business will continue to offer added flexibility to pay premiums and keep employees covered for the month of June with the Premium Deferral Program. Under the Premium Deferral Program, an employer can pay at least 25% of the premiums due for June. Any deferred premium amounts will be spread across the remaining months of the calendar year.

### Who is eligible for the Premium Deferral Program?

The Premium Deferral Program is currently being offered to employers that have not yet paid their June Invoice.

### If I have not yet paid my May invoice can I participate in the Premium Deferral Program?

No. Employers must pay their May invoice to participate in the Premium Deferral Program for June.

### Is supporting documentation required to participate in the Premium Deferral Program?

No. Employers that have not paid their June invoice are eligible to participate in this program, and do not need to provide any financial or supporting documentation.

### Can newly enrolled employers participate in the Premium Deferral Program?

No. Newly enrolled employers with Covered California for Small Business that have not paid their binder payment are not eligible for this program. New employers must pay at least 85% of the invoiced total premium amount due before coverage will be effective.

### How will Premium Deferral Program work?

Employers that participate in the Premium Deferral Program that did not pay for their June invoice can pay as little as 25% of the invoice total amount due. The remaining deferred premium amounts will be spread across the remaining months of the calendar year. The remaining premium amounts will not be subject to any interest or penalty charges.

*Example:*

#### ***An employer that did not pay their June invoice:***

If your regular monthly premium due is \$1000- The total amount due for June \$1,000 and the employer pays the minimum 25% (\$250). The remaining 75% (\$750) will be divided across the remaining calendar year (i.e.,  $\$750/6 \text{ months} = \$125$ ). Moving forward, the employer's July and following monthly invoices for 2020 will include the additional \$125, which for this example would be \$1,125.



### **What happens if I do not participate or cannot pay monthly premiums?**

*Employers that do not pay their June invoice:*

Employers that have not paid their June invoice may contact Covered California for Small Business to request to end their group's coverage for an effective date of June 30, 2020. If Covered California for Small Business does not receive a response from an employer group and does not receive payment for the June invoice, coverage will be terminated for non-payment effective June 30, 2020. The employer and employees will continue to be covered during this period; however, the employer will still be responsible for premiums for the month of June.

### **Can I suspend my group's coverage effective immediately, and re-activate it once we are able to re-open for business?**

No. Employer groups cannot currently suspend coverage. Employers may request to terminate their group policy no sooner than the last day of the month in which Covered California for Small Business received the request. However, the employer would be required to enroll as new group to begin employee coverage when they are able to re-open for business.

### **Will the remainder of the deferred payments be spread across the remaining 2020 months, or across the next 12 months?**

After submitting payment for at least 25% of current invoiced premiums due, deferred payments spread across the remaining months of the 2020 calendar year.

### **When is the initial payment of at least 25% of my premiums due?**

Employers must submit their initial payment of at least 25% by June 30, 2020.

### **Now that I am enrolled in the Premium Deferral Program, how do I submit my monthly premium payments?**

Covered California for Small Business will provide a monthly Premium Deferral Program Statement that will be emailed and included with your monthly invoice. The Premium Deferral Program Statement will include the employer's initial payment amount, monthly premiums deferred, and the total amount due for your current month's invoice. You can submit your payments online at [MyCCSB.com](https://myccsb.com) or send your payment to:

Covered California for Small Business  
PO Box 740167  
Los Angeles, CA 90074-0167

### **What if I am unable to pay my premiums after I am enrolled in the Premium Deferral Program?**

An employer that does not pay the total amount due as indicated on their monthly Premium Deferral Program Statement, will be considered delinquent and will be mailed a notice from Covered California for Small Business of their grace period.

### **Will the Premium Deferral Program be extended for future months beyond June 2020?**

Covered California understands the impact the COVID-19 pandemic is currently having on our valued small business partners and will work to support employers and employees during these difficult times. We will continue to reassess the Premium Deferral Program eligibility dates and update our employer groups on any changes as we move forward.



**COVERED CALIFORNIA**  
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## Covered California for Small Business Premium Deferral Program FAQ

### **When is the deadline to sign up for the Premium Deferral Program?**

The deadline for groups that have not paid their June invoice is June 30, 2020.

### **Who do I contact to get more information or participate in the Premium Deferral Program?**

Covered California for Small Business is here to help you during these hard times, please reach out to us for any additional questions or concerns. Contact us at [CCSB@covered.ca.gov](mailto:CCSB@covered.ca.gov) or call the Covered California for Small Business Service Center: **(855) 777-6782**