BENEFITS

Benefits & COBRA

Full lifecycle — catalog to carrier to COBRA — administered by the PEO, without middleware.

Benefits run end to end on Stratum: the PEO broadcasts one plan catalog and one open-enrollment window to every client, enrollments transmit to carriers over EDI 834, and COBRA is PEO-owned and automated — with no third-party benefits-admin middleware in the middle.

1 The enrollment lifecycle

Catalog broadcast »» Open enrollment / new-hire / QLE »» Elections »» EDI 834 to carrier »» Payroll deductions

Stage	How it works
Plan catalog	The PEO maintains one master catalog; a broadcast fans each plan into every tenant's schema, so all clients work from the same plans.
Open enrollment	One PEO-set global annual OE window (a singleton), broadcast to all tenants — the client screen is read-only.
New-hire enrollment	Opens automatically off the employee's hire date, per each client's waiting-period policy.
Qualifying life events	A QLE enrollment window auto-opens when a life-event case resolves in the CRM.
Default enrollment	A never-elected WSE is default-enrolled into the client's cheapest active medical plan (employee-only) and retro-billed for the missed premiums — so coverage, COBRA eligibility, and billing reflect the coverage that really existed.

2 Carrier transmission & money movement

No middleware between the platform and the carrier

- **EDI 834 to the carrier.** Enrollments and terminations transmit as X12 834 maintenance transactions (030 add / 024 termination) to the EDI-integrated carriers — Aetna, BCBS, Cigna, UnitedHealthcare, Guardian, and CMS.
- **EDI 820 premium remittance.** The 820 remits the full premium to the carrier, driven by a single benefits-side premium definition so internal totals and the 820 tie to the same number.
- **FSA / HSA under §125.** Elections flow console → benefits → payroll deduction, with §125 cafeteria-plan guardrails. **Imputed income** (group-term life, domestic partner) is computed and carried to the W-2.

3 COBRA — PEO-owned and automated

This is the part most platforms bolt on. On Stratum it's first-class — administered by the PEO, furnished on the statutory clock without a human nudge.

Automated on the statutory clock

- **Auto-furnished, not nudged.** The moment a qualifying event occurs (termination, etc.) the COBRA event and its notice clock are created and the election notice is furnished automatically. A daily sweep is the safety net that catches anything that slipped in (a legacy or manually-added event), so the clock is never missed.
- **The full notice set.** General/initial notice of COBRA rights, election notice, notice of unavailability, and early-termination notice.
- **Seamless coverage hand-off.** Active coverage runs through the end of the termination month, so it flows into COBRA with no gap.

Compliance, alongside: ACA 1094-C / 1095-C generation and AIR e-file; dependent verification; and the benefits filing deadlines tracked with the rest of the compliance calendar.

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The result: a client's benefits — enrollment through COBRA, plus the ACA and carrier paperwork — are administered by the PEO on one platform, with the money legs (premium billed, 820 remitted, payroll deducted) tied to a single source of truth instead of reconciled by hand across a benefits-admin vendor.