

THE DOL ISSUES ITS MODEL COBRA SUBSIDY NOTICES

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On March 19, 2009, the DOL released the following model notices in connection with the COBRA subsidy outlined in the American Recovery and Reinvestment Act of 2009 ("ARRA"):

1. **General Notice (Full Version)**. This General Notice is to be sent to all qualified beneficiaries who experienced a qualifying event at any time from September 1, 2008 through December 31, 2009, regardless of the type of qualifying event. This full version includes information on the COBRA subsidy (or premium reduction) as well as information required in a standard COBRA election form.
2. **General Notice (Abbreviated Form)**. The abbreviated version of the General Notice includes the same information as the full version regarding the availability of the COBRA subsidy (or premium reduction) and other rights under the ARRA, but does not include the COBRA coverage election information. Pursuant to the DOL, it may be sent in lieu of the full version of the General Notice to individuals who experienced a qualifying event during, on, or after September 1, 2008, who have already elected COBRA coverage and still have it.
3. **Alternative Notice**. Insurers that provide group health insurance coverage must send the Alternative Notice to persons who became eligible for continuation coverage under a State law. As the DOL indicates, continuation coverage requirements vary among States and insurers should modify the model Alternative Notice as necessary to conform their notice to the applicable State law.
4. **Notice in Connection with Extended Election Periods**. This Notice must be sent to any assistance eligible individual (or any individual who would be an assistance eligible individual if a COBRA continuation election was in effect) who:
 - a. had a qualifying event at any time from September 1, 2008 through February 16, 2009; and
 - b. either did not elect COBRA continuation coverage, or who elected it but subsequently discontinued COBRA.

This Notice includes information on ARRA's additional election opportunity, as well as information regarding the COBRA subsidy (premium reduction). **This Notice must be provided by April 18, 2009.**

More information and the model notices listed above can be found at the DOL's website at: www.dol.gov/ebsa/COBRAmodeInotice.html.

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