

DOL Issues New FAQs Related to COBRA Premium Subsidy

The American Recovery and Reinvestment Act of 2009 ("ARRA"), enacted on February 17, 2009, provides a federal subsidy for COBRA premiums for certain employees and covered family members who lost or will lose coverage due to involuntary termination of employment from September 1, 2008 through December 31, 2009. ARRA requires that group health plans provide certain notices to plan participants who may be eligible for this COBRA subsidy.

Previously, the Department of Labor ("DOL") issued four model notices to assist group health plans and employers in complying with ARRA's notice requirements. Today, DOL released thirteen new Frequently Asked Questions ("FAQs"), which provide additional guidance on ARRA's notice requirements. These FAQs address topics such as:

- The types of individuals for whom the different DOL model notices are intended;
- How the notice requirements apply with respect to comparable state continuation coverage requirements; and
- How the timing of COBRA qualifying events affects the types of notices that individuals should receive.

These FAQs are attached, with new FAQ's highlighted. DOL's model notices and FAQs are available at: http://www.dol.gov/ebsa/COBRA.html

We will provide updates on further developments. In the meantime, if you have any questions, please contact your regular Groom attorney or any of the Health and Welfare Practice Group attorneys listed below:

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