



BURNING BENEFITS NEWS

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A S S O C I A T E S

March 19, 2009

DOL ISSUES MODEL NOTICES RELATING TO THE COBRA SUBSIDY

The recently enacted American Recovery and Reinvestment Act of 2009 (“ARRA”) provides for a 9-month 65% subsidy to certain former employees who were involuntarily terminated between September 1, 2008 and December 31, 2009. ARRA directed the Department of Labor to issue model notices by March 19, 2009. The DOL issued the model notices on its website this morning. There are 4 model notices depending on the identity of the qualifying beneficiaries.

- The first model notice is a general notice directed at anyone who became a qualified beneficiary between September 1, 2008 and December 31, 2009. This notice must be sent to all who became qualified beneficiaries during the relevant time period regardless of the qualifying event.
- The second notice is similar to the first general notice, but is abbreviated since it goes to those who became qualifying beneficiaries during the relevant time period and who elected COBRA and are still participating in COBRA. The use of this abbreviated form appears to be optional.
- The third model notice is an alternative model notice for certain states with “mini-COBRA” statutes.
- And the final model notice must be given by April 18, 2009 and is directed at those qualified beneficiaries who are eligible for the subsidy, but did not elect or could not maintain COBRA coverage at the time of enactment, advising them of the special second 60-day election notice.

Model election forms are included with the model notices.

Click [here](#) to view the model notices at the DOL website.

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