



COBRA Subsidy Extension Has Been Signed into Law

The President signed the COBRA subsidy expansion as part of the Department of Defense Appropriations Act, 2010 extending many of the ARRA COBRA subsidy dates and requiring a special Notice to certain Assistance-eligible individuals (AEIs):

- AEIs involuntarily terminated from employment on or before February 28, 2010 are now eligible to receive the subsidy;
- The ARRA premium subsidy period is extended to a maximum of 15 months;
- The law requires a minimum period of 60 days from the date enacted for the retroactive payment of premiums for individuals who were entitled to the subsidy and/or individuals who elected the subsidy and whose subsidy period expired on November 30th and who failed to pay or short-paid their premium for December coverage;
- A special Notice describing the new 15 month premium subsidy must be sent to all AEIs who were on COBRA on or after November 1st or whose qualifying event is a termination of employment occurring on or after November 1st.

CPI-HR is awaiting Department of Labor requirements for the new special Notice and will send an additional advisory as soon the requirements are issued. We will continue to keep you informed of the impact of the law as DOL requirements are finalized.

Please feel free to call our Director of Benefits Administration and Compliance at 877-542-7833 ext. 247 if you would like to discuss the above information or require additional clarification.

Please find additional information located on the Department of Labor Website:

Click Here: [Fact Sheet: COBRA Premium Reduction](#)

Click Here: [Provision Language: H.R. 3326-64](#)