

DOL Issues Model Notices for Federal 65% COBRA Subsidy

Karen S. Aframe | 20 March 2009

This alert is a follow-up to the Bernstein Shur alert regarding the COBRA Subsidy sent on February 23, 2009 ([click here](#)).

Under the recently enacted American Recovery and Reinvestment Act (ARRA), the federal government will pay for 65% of the cost of COBRA coverage for the first nine months of coverage. This federal COBRA subsidy applies only to involuntarily terminated employees and their covered family members. In addition, the new federal law requires employers to notify former employees who are eligible for the federal COBRA subsidy, and notice must be given within 60 days of ARRA's enactment, which was on February 17, 2009. The US Department of Labor has just released model notices that satisfy the requirements of ARRA. The model notices can be accessed at <http://www.dol.gov/ebsa/COBRAmodeInotice.html> . Please let us know if you have any questions relating to the use or content of these notices.

For additional information on this subject, please contact Karen Aframe (kaframe@bernsteinshur.com, 603 623-8700) in our Manchester office, or Lori Londis-Dwyer (ldwyer@bernsteinshur.com, 207 228-7145) or Jim Houle (jhoule@bernsteinshur.com, 207 228-7268) in our Portland office.