

COBRA SUBSIDY TERMINATION NOTICES ARE DUE

Hodgson Russ Employee Benefits Newsletter September 8, 2021

Employers that provided subsidized COBRA coverage to assistance eligible individuals (AEIs) through the American Rescue Plan Act (ARPA) may now need to prepare subsidy termination notices. Under ARPA, plan administrators must notify AEIs about the end of their premium assistance period. This "Notice of Expiration of Period of Premium Assistance" must be furnished to AEIs no later than 15 days and no earlier than 45 days before the end of the subsidy period. If an AEI remained eligible for a subsidy through September 30, 2021 (the end of the maximum COBRA subsidy period), the termination notices must be sent no later than September 15, 2021. Although the COBRA subsidy period is coming to an end, COBRA qualified beneficiaries may remain eligible to continue COBRA coverage at their own cost. Here is a link to the Department of Labor model notice: https://www.dol.gov/sites/dolgov/files/ebsa/laws-and-regulations/laws/cobra/premium-subsidy/notice-of-premium-assistance-expiration-premium.pdf

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