

DOL Publishes Model Notices and Other New ARRA Information

The Department of Labor published model notices this morning, along with updated ARRA administrative information.

Model Notices

Four model notices were created. Each was designed for a particular group of qualified beneficiaries.

General Notice - Full Version

Plans subject to the Federal COBRA provisions must send the General Notice to all qualified beneficiaries, not just covered employees, who experienced a qualifying event at any time from September 1, 2008 through December 31, 2009, regardless of the type of qualifying event. This full version includes information on the premium reduction as well as information required in a COBRA election notice. Click on the links below for more information.

General Notice - Abbreviated Version

The abbreviated version of the General Notice includes the same information as the full version in regard to availability of the premium reduction but does not include the election information. It is designed for individuals who have had an event on or after September 1, 2008 and have elected COBRA coverage and still have it.

Alternative Notice

Insurance issuers that provide group health insurance coverage must send the Alternative Notice to persons who became eligible for continuation coverage under a State law. Continuation coverage requirements vary among States, and issuers should modify this model notice to conform to state requirements.

Notice in Connection with Extended Election Periods

Plans subject to the Federal COBRA provisions must send the Notice in Connection with extended Election Periods to any assistance eligible individual (or any individual who would be an assistance eligible individual if a COBRA continuation election were in effect) who:

1. Had a qualifying event at any time from September 1, 2008 through February 16, 2009; and
2. Either did not elect COBRA continuation coverage, or who elected it but subsequently discontinued COBRA.

The notice includes information about ARRA's additional election opportunity, as well as premium reduction information. This notice must be provided by April 18, 2009.

Other New Information

In addition to the model notices information was added to the following DOL brochures:

FAQs for Employers on the COBRA Premium Reduction

Expanded FAQs for Employees on the COBRA Premium Reduction

Updated FAQs for Employees on General COBRA Provisions

Who Must You Notify

The DOL clarified the issue of whether you need to provide the ARRA notice to all individuals who had an event on or after September 1, 2008 or just those who experienced an involuntary loss of employment. Question and answer 13 & 16 below is reprinted from the **FAQs for Employees About COBRA Premium Reduction Under ARRA**.

Q13: Does ARRA impose any new notice requirements?

Yes, plans and issuers are required to notify qualified beneficiaries regarding the premium reduction and other information about their rights under ARRA as follows:

A general notice to all qualified beneficiaries, whether they are currently enrolled in COBRA coverage or not, who have a qualifying event during the period from September 1, 2008 through December 31, 2009. This notice may be provided separately or with the COBRA election notice following a COBRA qualifying event.

A notice of the extended COBRA election period to any Assistance Eligible Individual (or any individual who would be an Assistance Eligible Individual if a COBRA continuation coverage election were in effect); who had a qualifying event at any time from September 1, 2008 through February 16, 2009; and who either did not elect COBRA continuation coverage or who elected but subsequently discontinued COBRA. This notice must be provided within 60 days following February 17, 2009.

Unless specifically modified by ARRA, the existing COBRA notice manner and timing requirements continue to apply.

Under the State programs, the issuer of the group health plan must provide the notice to qualified beneficiaries with the information on how to apply for the premium reduction. These notices must be provided within the time required by State law.

Q16: I was laid off from my job in December. Is that an Involuntary termination of employment?

Being told not to come back to work until further notice is a termination of employment for purposes of COBRA and the ARRA premium reduction provisions.

Links To The DOL

<http://www.dol.gov/ebsa/COBRAmodeNotice.html>

<http://www.dol.gov/ebsa/COBRA.html>

COBRA EAS ARRA Updates

BPSC is forwarding the ARRA version 6.1.3 updates out by first class mail. All customer updates are expected to be in the mail no later than Friday, March 20, 2009. Model notices, released today, will be available for electronic update on Monday, March 23, 2009.