

DOL Publishes Model Notices for COBRA Subsidies

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As we previously reported, on March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 (“ARPA”) into law, which includes a COBRA premium assistance program.

Pursuant to ARPA, the Department of Labor (DOL) was instructed to issue model notices regarding the six-month subsidy period, the extended election period, the alternative coverage option, and the expiration of premium assistance. On April 7, 2021, the DOL published those notices, as well as a summary and FAQs regarding the COBRA premium assistance program, all of which can be found at [COBRA Premium Subsidy | U.S. Department of Labor \(dol.gov\)](#). Employers should review this information closely.

Among other things, the FAQs clarify that an employee who experiences any reduction in hours, including via temporary leave or a change from full-time to part-time status, is eligible for the COBRA subsidies. The FAQs also make clear that the subsidy is available for group health insurance coverage under comparable state continuation coverage laws like Massachusetts mini-COBRA, which applies to employers with between 2 to 19 employees.

Employers have until May 31, 2021 to provide these notices to any employee who lost healthcare coverage because of an involuntary termination or reduction in hours on or after November 1, 2019. If you have any questions regarding the new COBRA subsidy or any other COBRA-related issues, please do not hesitate to reach out to any member of Mirick O’Connell’s Labor, Employment and Employee Benefits Group.



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[Ashlyn E. Dowd](#)

