



Employee Benefits

Consulting and Administration to Fit Your Organization's Needs

KUSHNER
& COMPANY, INC.
Employee Benefit Consultants and Administrators

For Your Benefit

DOL Releases ARRA-Required Model Notices for COBRA

Ben Cohen, CEBS

Practice Leader – Health and Welfare Benefits, Kushner & Company

On March 19, 2009, DOL provided Model Notices as required under ARRA (30 days after enactment). The DOL model notices can be found [here](#).

DOL produced four model notices depending upon the type of Qualified Beneficiary. Particular attention should be paid to DOL's instruction that **all** qualified beneficiaries, regardless of qualifying event, must be provided with one or more notices.

There is a full general notice ([General Notice - Full](#)) for plans subject to the Federal COBRA requirements that must be provided to all Qualified Beneficiaries (not just employees) who had or have a qualifying event between September 1, 2008 and December 31, 2009.

There is a second abbreviated general notice ([General Notice - Abbreviated](#)) in lieu of the full version for plans subject to the Federal COBRA requirements to send to individuals who experienced a qualifying event on or after September 1, 2008, have already elected COBRA coverage, and still have it in effect.

A third alternative notice ([Alternative Notice](#)) is provided to insurance issuers for those plans that are not covered under Federal COBRA requirements but rather are covered under state continuation laws (often referred to as "mini-COBRA").

Lastly, a fourth notice ([Extended Election Period Notice](#)) is for plans subject to the Federal COBRA requirements (note: Q/A 6 "Under ARRA, this special election period opportunity is not required to be provided with respect to State continuation coverage that is provided pursuant to State insurance law") who had any assistance eligible individuals (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.

All affected plans now have until April 18, 2009 to review their notices against the model notices provided by DOL, make any adjustments necessary [or use the

appropriate model notice(s)], and then distribute them to affected individuals. For many, notices and ARRA materials may have already been distributed to some or all of the necessary qualified beneficiaries. If an outside COBRA vendor is used, plan sponsors will want to work with those vendors to determine what information was sent and what additional information now needs to be sent. For those who administer COBRA in-house, careful review and possible use of the model notices is now called for.

For Your Benefit articles are provided as a service by [Kushner & Company](#) for the exclusive use of our clients and subscribers. From our highly trained, knowledgeable staff to our leading edge technology systems, Kushner & Company's comprehensive employee benefits services guarantee our clients ease and excellence. If you would like to speak to someone about how our services could benefit your organization, please contact your representative, email us at info@kushnerco.com, or call 800-KUSHNER.

- *Strategic Benefit Reviews*
- *Health and Welfare Plan Design*
- *Plan Implementations*
- *Benefit Communication*
- *Flexible Benefit Plans*
- *FSA/HRA/HSA Plan Administration*
- *COBRA Administration*
- *Retirement Plan Design*
- *Retirement Plan Administration*
- *Signature-Ready IRS Form 5500s*

©2009 Kushner & Company