

COBRA Subsidy Extended to May 31, 2010

Congress last week approved another extension of the COBRA premium subsidy. The eligibility period was extended to include those who experience an involuntary termination of employment during the period April 1 through May 31, 2010. President Obama signed the bill late on April 15, 2010.

Employees who are involuntarily terminated between April 1 and May 31, 2010 and who lose group health coverage in connection with the involuntary termination are now eligible for the 15 month COBRA subsidy. Employers will need to amend their notices by replacing "March 31, 2010" with "May 31, 2010" and continue to utilize the subsidy notices through May 31, 2010 until the Department of Labor updates them.

We will place a link to the Department of Labor cite that contains the model notices from the previous extension out on our website at www.bankers-ins.com, IBBP, then forms.

If you have questions, please contact our office at 1-800-258-1415, option 2.

Thank you!

Ms. Christina Wehde
Vice President, Compliance Officer