

CLIENT BULLETIN

COBRA Subsidy Extended Until May 31, 2010

Late yesterday, the President signed into law H.R. 4851, the *Continuing Extension Act of 2010*. The law extends the 65% COBRA premium which ended March 31, 2010 through May 31, 2010. Bills are under consideration that would extend the subsidy through the end of the year. The Senate has passed H.R. 4213, which would do so, but the House has not voted on it yet.

A copy of H.R. 4851 is available by "[clicking here](#)." The text of just the COBRA extension is found in Section 3 of the law and is available by "[clicking here](#)." The law also provides short-term extensions of (1) unemployment compensation; (2) Medicare physician payments; (3) Federal poverty guidelines; (4) flood insurance programs; and (5) small business loan guarantee programs.

Once again, plans will be required to send out notices of the extended subsidy coverage and election period. Undoubtedly, the DOL will be issuing revised model notices and forms and Q&As for guidance.

We will report on any guidance or model notices as soon as such is available.

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