



**Kansas State Council
Society for Human Resource Management**

Legislative Alert

April 6, 2009



ARRA - COBRA and COB Notices

The federal stimulus package, known as the American Reinvestment and Recovery Act (ARRA), authorized up to a 65% premium assistance subsidy for any worker who has been laid off since September 1, 2008 that opts to continue their health insurance under the federal COBRA or a state Continuation of Benefits (COB) program.

Eligibility for the premium assistance program is retroactive for both COBRA and COB programs. Employers who offer health insurance programs are charged with notifying former employees of opportunity at a second chance to elect to participate in COBRA or COB. Only those employees meeting the following criteria must be notified:

- *Have been laid off since September 1, 2008 and*
- *Who did not elect to participate in COBRA or COB at the time of separation*

The ARRA requires that employers' notices must be sent to all eligible workers by APRIL 17, 2009.

In order to assist employers with complying with the notification requirement, the following links are available:

- Model notices provided by the Department of Labor can be found at www.dol.gov/ebsa/COBRAModelNotice.html
- A web seminar, hosted by the Wichita Independent Business Association, outlines ARRA, recent regulation changes to COBRA and COB and instructions for employers on how to comply with the new regulations. The web seminar may be found by going to www.wiba.org
- The Kansas Insurance Department's website hosts a Question & Answer format which outlines the requirements for the ARRA. It may be found at http://www.ksinsurance.org/gpa/news/2009/Federal_Stimulus_Package_Info.pdf

As mentioned above, employers who offer health insurance programs are charged with notifying ALL laid-off workers that meet the criteria outlined above **of their right at a second chance to participate in COBRA or COB. NOTIFICATION TO ELIGIBLE LAID OFF WORKERS MUST BE SENT BY APRIL 17, 2009.**

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The above Alert is supplied by the KS-SHRM Lobbyists, Natalie Bright and Marlee Carpenter. The KS-SHRM Lobbyist can be contacted at natalie@brightcarpenter.com. If you have any questions or updates to forward to the KS-SHRM Legislative Director please contact:

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