



Just in...the Department of Labor has issued further information regarding the **American Recovery and Reinvestment Act of 2009 (ARRA)** regarding what an employer's requirements are in regards to COBRA.

WASHINGTON — Secretary of Labor Hilda L. Solis today issued the following statement regarding the Consolidated Omnibus Budget Reconciliation Act (COBRA) and the premium reduction under the American Recovery and Reinvestment Act (ARRA):

Last month President Obama signed into law the American Recovery and Reinvestment Act to create jobs, provide training opportunities for new jobs, extend unemployment benefits and help relieve the burden of health benefits. "These programs are vitally important to the economic well-being of people who lost their jobs. Right now the federal government is beginning to implement the law to meet some of the basic needs of its citizens.

"The ARRA provides a 65% tax subsidy for the cost of health benefits, making them more affordable for the unemployed and their families. Millions of individuals, including those who previously declined employer-provided coverage under COBRA, will be eligible to receive a subsidy on their premiums for up to nine (9) months.

Today, the Labor Department published further information to help the public understand how the program works and how they can qualify for the premium subsidy for continuation of health coverage under private, state and federal programs. The model notices we are releasing enable employers to quickly spell out for former employees and their families how to take advantage of COBRA coverage and the subsidy.

Additional information is available at www.dol.gov/COBRA.

Sample notices to send to former employees and individuals currently on COBRA <http://www.dol.gov/ebsa/COBRAModelnotice.html>