

DECEMBER 22, 2009



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**2010 DEPARTMENT OF DEFENSE APPROPRIATIONS ACT
COBRA SUBSIDY CHANGES**

On December 19, 2009, President Obama signed the 2010 Department of Defense Appropriations Act (DoDAA) into law. The Act impacts the previous ARRA subsidy COBRA provisions in the following way:

- Extends the eligibility of “involuntary terminations” of employment an additional two months; from December 31, 2009 to February 28, 2010.
- Extends the eligibility period for receiving the COBRA subsidy for an additional six months (from nine to 15 months) for Assistance Eligible Individuals (AEIs).
- For any AEI whose ARRA subsidy ended on November 30, 2009, they now have an extended grace period to pay their COBRA premium of **60 days** after the date that the DoDAA was enacted or, if later, 30 days after a DoDAA notice is sent to the AEI.

PLEASE BE PATIENT AS MORE INFORMATION IS COMING:

COBRA Administrators are in a holding pattern right now as they themselves wait for more information. We do know the Department of Labor has not issued sample letters as of yet. Nor have they provided fact sheets, guidelines, or frequently asked questions. However, as soon as they become available, we will provide you with more updates.

QUESTIONS:

If you have any questions regarding COBRA administration or the COBRA subsidy please contact your COBRA Administrator. For general questions please contact your Account Manager at **248.355.9600**.