

ClientAlert

April 19, 2010

COBRA Subsidy Extended Through May 31, 2010

On April 15th, the Continuing Extension Act of 2010 ("Extension Act") was signed into law, extending the COBRA premium subsidy to individuals who are involuntarily terminated through May 31, 2010. Previously, the premium subsidy was only available to individuals involuntarily terminated through March 31, 2010.

The COBRA premium subsidy was introduced by the American Recovery and Reinvestment Act in February 2009 and was originally set to expire on December 31, 2009. In December 2009, the COBRA premium subsidy was extended for individuals involuntarily terminated through February 28, 2010, and in March 2010 the COBRA premium subsidy was extended again for individuals involuntarily terminated through March 31, 2010. For more information on the COBRA premium subsidy and prior extensions, see our [prior client alerts](#).

Employers should update their COBRA notices to reflect this new change. The [Department of Labor](#) has updated its [COBRA Premium Fact Sheet](#) to reflect the Extension Act, and we expect it will provide updated COBRA notices and forms on its website in the near future.

Our client alerts are for general informational purposes and should not be regarded as legal advice. If you would like additional information or have any questions, please contact:

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