

# ClientAlert

March 3, 2010

## COBRA Subsidy Extended Through March 31, 2010

Yesterday, President Obama signed the Temporary Extension Act of 2010, extending the COBRA premium subsidy to individuals who are involuntarily terminated through March 31, 2010. The premium subsidy had expired on February 28, 2010. The law is retroactive, so individuals involuntarily terminated on March 1st and 2nd are eligible to receive the subsidy.

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. For more information on the COBRA premium subsidy and prior extension, see our [prior client alerts](#).

This extension is considered a stop-gap measure while Congress considers additional extensions. In the meantime, employers should update their COBRA notices to reflect this new change. We expect that the [Department of Labor](#) and [Internal Revenue Service](#) will provide updated COBRA notices and forms on their websites 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:**

### Authors

Marjorie M. Glover  
+1 (212) 408-1016  
[mglover@chadbourne.com](mailto:mglover@chadbourne.com)

Rachel M. Kurth  
+1 (212) 408-5185  
[rkurth@chadbourne.com](mailto:rkurth@chadbourne.com)

### Contacts

David Gallai  
+1 (212) 408-1033  
[dgallai@chadbourne.com](mailto:dgallai@chadbourne.com)

Rachel M. Kurth  
+1 (212) 408-5185  
[rkurth@chadbourne.com](mailto:rkurth@chadbourne.com)

Marjorie M. Glover  
+1 (212) 408-1016  
[mglover@chadbourne.com](mailto:mglover@chadbourne.com)

Edward P. Smith  
+1 (212) 408-5371  
[esmith@chadbourne.com](mailto:esmith@chadbourne.com)