



BURNHAM BENEFITS
INSURANCE SERVICES

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COBRA Subsidy *Update*

Press Release: Statement of Phyllis C. Borzi on COBRA Subsidy Extension

Issued by: [U.S. Department of Labor, Employee Benefits Security Administration \(EBSA\)](http://www.dol.gov/ebsa)

Washington, D.C., December 21, 2009 – Phyllis C. Borzi, Assistant Secretary of the Employee Benefits Security Administration (EBSA) today released the following statement regarding the Consolidated Omnibus Budget Reconciliation Act (COBRA) and the recent extension of the premium reduction under the COBRA subsidy:

I am pleased Congress has acted and the President has signed the Fiscal Year 2010 Defense Appropriations Act. The act extends the eligibility period for the ARRA premium reduction for an additional two months (through February 28, 2010) and the maximum period for receiving the subsidy for an additional six months (from nine to 15 months). Millions of unemployed Americans and their families will be better able to afford and keep their health benefit coverage because of this new law.

Individuals who had reached the end of the reduced premium period before the legislation extended it to 15 months will have additional time to pay the reduced premiums related to the extension. To continue their coverage they must pay the 35% of premium costs by (60 days after date of enactment) or, if later, 30 days after notice of the extension is provided by their plan administrator.

Burnham Benefits subscribed to the EBSA COBRA website, www.dol.gov/cobra, and will forward information on the new notice requirements, updated guidance, fact sheets, and frequently asked questions as they become available.

The EBSA has advised individuals to contact their plan administrator or health insurance provider for information regarding the COBRA Subsidy extension under their health plan.

Please contact your Burnham Benefits representative with any questions.

Source: <http://www.dol.gov/ebsa/cobra.html>



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The information contained in this Burnham Benefits Update contains emerging healthcare news from a limited perspective and does not encompass all views. The information was assembled from a wide range of sources selected on the basis of their potential impact on Employers and/or their Employee Benefits Plans. Please contact your Burnham Benefits representative for more information.