

By May 31, 2021 Employers Are Required to Provide "Assistance Eligible Individuals" the COBRA Subsidy

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On March 23, 2021, our employment law blog notified employers about <u>the COBRA subsidy mandated by the</u> <u>American Rescue Plan Act</u>. The subsidy applies to group health plans subject to COBRA (employers with 20 or more employees) as well as health plans subject to similar continuation coverage requirements under applicable New Jersey Continuation Coverage Rules (commonly known as "mini-COBRA" laws for employers with 19 or fewer employees).

No later than May 31, 2021, employers are required to send the notice regarding the COBRA subsidy to the appropriate employees. The following Department of Labor link provides a model template for notification and related FAQs regarding the subsidy: https://www.dol.gov/agencies/ebsa/laws-and-regulations/laws/cobra/premium-subsidy.

If you are an employer with concerns about the American Rescue Plan Act COBRA subsidy, please contact <u>Tracy A. Armstrong, Esq.</u> or any member of our <u>Employment Law</u> Team.

Attorney

Tracy Armstrong

Practice

Employment Law