

## **Department of Labor Issues New COBRA Notices for Employee Benefit Plans**

On May 1, 2020, the United States Department of Labor's Employee Benefits Security Administration ("EBSA") issued [frequently asked questions](#) under the Consolidated Omnibus Budget Reconciliation Act ("COBRA") and revised COBRA [model notices](#). The combined guidance answers key questions regarding health care coverage for employees who might otherwise lose their group health coverage due to recent hardships related to COVID-19, including termination or reduction in hours, among other qualifying events.

Under COBRA, group health plans provide covered employees and their families with certain notices explaining their COBRA rights. The group health plan must provide each covered employee and spouse with a written notice of COBRA rights "at the time of commencement of coverage", which is known as the general notice. The group health plan must also provide qualified beneficiaries with a notice describing their right to COBRA continuation coverage and how to make an election, which is known as the election notice. The DOL is now issuing updated versions of the model general notice and the model election notice to ensure that qualified beneficiaries better understand the interactions between Medicare and COBRA.

The revised model notices provide new information regarding COBRA's interaction with Medicare, emphasizing that there may be advantages to enrolling in Medicare instead of electing COBRA. If an individual does not enroll in Medicare when he or she first becomes eligible because the individual is still employed, the individual still has an 8-month special enrollment period to sign up for Medicare when group health coverage is terminated. Note that if an individual is enrolled in both COBRA continuation coverage and Medicare, Medicare will generally pay first and COBRA continuation coverage will pay second.

### **Contact**

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