

**THE COBRA PREMIUM SUBSIDY IS NOT OVER (AGAIN)!**

We just want to make sure all our employers are aware that on April 15, 2010 President Obama extended your obligation to pay 65% of the COBRA premiums for any employee who has been involuntarily terminated since February of 2009 to also cover those who are going to be or already have been involuntarily terminated at any time through May 31, 2010. (Under the previous expansion of this subsidy, the involuntary termination had to occur by March 31, 2010).

Now, any employee who has been laid off or otherwise involuntarily terminated since February of 2009, regardless of the reason, (i.e., "cause" or "no cause"), or who will be included in any planned reductions between now and May 31, 2010, is eligible for the same subsidy of your paying 65% of their COBRA premiums for 15 months following their termination of employment, if they elect to continue their group health insurance coverage through COBRA.

You also will need to make sure to the extent you provide COBRA notices for your own terminated employees that you use the new modified COBRA notice which includes information concerning the subsidy. You can obtain this new notice on the Department of Labor's web-site at <http://www.dol.gov/ebsa/cobramodelnotice.html>.

If this is the first you have heard about this subsidy OR you have had an involuntary termination between April 1, 2010 and today for which you used a "regular" COBRA notice, you will need to print out this modified notice from the DOL website and send it to any affected former employee(s) along with a cover letter explaining that they should disregard the information provided on the "regular" COBRA notice and follow the instructions provided on this new one instead, as it is the one which now applies to them.

If you have any questions regarding the COBRA subsidy or employee benefits administration generally, please contact Drew Spry [dspry@millermartin.com](mailto:dspry@millermartin.com) or your Miller & Martin Employee Benefits attorney:

Chris Crevasse  
[ccrevasse@millermartin.com](mailto:ccrevasse@millermartin.com) | 423-785-8420

Ian Leavy  
[ileavy@millermartin.com](mailto:ileavy@millermartin.com) | 423-785-8493

Scott Ruth  
[sruth@millermartin.com](mailto:sruth@millermartin.com) | 423-785-8437

Clay Walts  
[cwalts@millermartin.com](mailto:cwalts@millermartin.com) | 404-962-6409

*The opinions expressed in this bulletin are intended for general guidance only. They are not intended as recommendations for specific situations. As always, readers should consult a qualified attorney for specific legal guidance. Should you need assistance from a Miller & Martin attorney, please call 1-800-275-7303.*

**ATLANTA**

1170 Peachtree Street,  
N.E., Suite 800  
Atlanta, GA 30309-  
7706

**CHATTANOOGA**

832 Georgia Avenue,  
Suite 1000,  
Volunteer Building  
Chattanooga, TN 37402-  
2289

**NASHVILLE**

150 Fourth Avenue North,  
Suite 1200, One Nashville Place  
Nashville, TN 37219