



COBRA and CHIP Notices Updated

The Department of Labor (DOL) has updated both the model [General Notice](#) of COBRA Continuation Rights and the model COBRA Continuation [election notice](#) to include information about the Marketplace. The model general notice now includes basic information about Marketplace coverage and includes a web address the participant can consult for more information. The model election notice, which was revised in 2013 to include information about the Marketplace, has been revised again to include more detailed information about Marketplace coverage, enrollment rules, subsidies, and things the participant should consider when deciding between COBRA, Marketplace coverage, or other alternatives. Employers are not required to re-distribute these notices. However, employers may wish to redistribute the General Notice as part of the next open enrollment period to help ensure that individuals who become COBRA-eligible consider the possibility of purchasing Marketplace coverage, rather than COBRA.

The election notice must be provided to new qualified beneficiaries within 14 days after the plan administrator is notified that a qualifying event has occurred. There is also a 30-day period for an employer to notify the plan administrator that a qualifying event has occurred, so in many cases the notice does not need to be given until 44 days after the qualifying event. Employers may wish to provide election notices well before the deadlines to give qualified beneficiaries adequate time to choose between COBRA and Marketplace coverage, since the special enrollment period for Marketplace coverage ends 60 days after employer-provided coverage ends. Also, while COBRA is retroactive to the date of the qualifying event, Marketplace coverage is prospective only.

There is no deadline to begin using the updated notices, but employers should begin using them as soon as they can. The notices are models, so the employer may modify them to better fit its situation.

Many states provide premium assistance to individuals who are eligible for Medicaid or whose children are eligible for coverage under the Children's Health Insurance Program (CHIP). Employers who have employees living in these states must give the employee the CHIP Notice at least once each year. This [CHIP notice](#) also has been revised to notify individuals that if they are not eligible for Medicaid or CHIP, they may be eligible for subsidies through the Marketplace.

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This information is general and is provided for educational purposes only. It is not intended to provide legal advice. You should not act on this information without consulting legal counsel or other knowledgeable advisors.