

**From the Desk of**

**Larry Grudzien**  
ATTORNEY-AT-LAW

## **Administration Announces Proposal to Clarify Availability of Marketplace Coverage to Workers Eligible for COBRA**

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**WASHINGTON - The Obama administration today announced updates to model notices informing workers of their eligibility to continue health-care coverage through the Consolidated Omnibus Budget Reconciliation Act. The updates make it clear to workers that if they are eligible for COBRA continuation coverage when leaving a job, they may choose to instead purchase coverage through the Health Insurance Marketplace.**

**"In many cases, workers eligible for COBRA continuation coverage can save significant sums of money by instead purchasing health insurance through the Marketplace," said Assistant Secretary of Labor for Employee Benefits Security Phyllis C. Borzi. "COBRA continues to play an important role in helping workers and families maintain coverage after a job loss, and it is important that workers know that in some cases there is a Marketplace option as well."**

**Workers and their families who are eligible for employer-sponsored coverage generally must be informed of their right to COBRA continuation coverage at the start of employment. They must also be informed of their right to purchase COBRA coverage when separating from a job. The proposed changes to the model notices would offer information on more affordable options available through the Marketplace, where workers and families may be eligible for financial assistance that would not otherwise be available for COBRA continuation coverage. In most cases, workers and their families eligible for, but not enrolled in, COBRA continuation coverage would be able to enroll in Marketplace coverage outside of the normal open enrollment period.**

**"We are pleased that the Marketplace is providing affordable health insurance options to consumers," said Centers for Medicare & Medicaid Services Administrator Marilyn Tavenner. "With over eight million enrollees, we know that the Marketplace is working and is providing consumers with additional choices and control over their health care."**

**The Departments of Labor, Health and Human Services, and Treasury are also publishing frequently asked questions related to the proposed changes to model notices.**

**The FAQs are posted on the Department of Labor website at <http://www.dol.gov/ebsa/fags/faq-aca19.html> and the HHS website at [http://www.cms.gov/CCIIO/Resources/Fact-Sheets-and-FAQs/aca\\_implementation\\_fags19.html](http://www.cms.gov/CCIIO/Resources/Fact-Sheets-and-FAQs/aca_implementation_fags19.html).**

**In addition, HHS is publishing a clarifying bulletin regarding a special enrollment period in the Marketplace for individuals already enrolled in COBRA continuation coverage. The bulletin is posted on the HHS website at <http://www.cms.gov/CCIIO/Resources/Regulations-and-Guidance/Downloads/SEP-and-hardship-FAQ-5-1-2014.pdf>.**

**The updated model notices are posted on the Department of Labor website at <http://www.dol.gov/ebsa/modelgeneralnotice.doc> and <http://www.dol.gov/ebsa/modelectionnotice.doc>.**

**A related notice of proposed rulemaking on the COBRA notice requirements will be published in the May 7 edition of the Federal Register.**

**The notice of proposed rulemaking can also be viewed at <http://www.dol.gov/ebsa/pdf/cobranprm.pdf>.**