



New COBRA and CHIP Notices Highlight Affordable Care Act Marketplaces

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The Department of Labor recently issued updated model COBRA continuation coverage and Children's Health Insurance Program ("CHIP") notices. Plan administrators should begin using the new notices immediately.

The revised model COBRA notices address the availability of coverage through Affordable Care Act Health Insurance Marketplaces. The model general notice explains that Marketplace coverage may be more affordable than COBRA coverage and that a special enrollment opportunity to elect other health plan coverage may exist. The model election notice describes the Marketplace, the availability of tax credits and cost sharing reductions through the Marketplace, and how to enroll in health coverage through the Marketplace. As always, group health plans must provide the COBRA general notice to participants within 90 days after the participant is enrolled. The COBRA election notice must be provided to qualified beneficiaries no later than 14 days after the plan administrator is notified of a COBRA "qualifying event." Plans that use the new model notices are deemed to comply with the COBRA notice requirements.

Similarly, the new CHIP notice highlights the availability of coverage through the Marketplace. The CHIP notice must be provided to employees annually.

The new notices may be found here: <http://www.dol.gov/ebsa/>

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