

[COBRA Subsidy Extended...Again...And Again?](#)

March 4, 2010 by [Adam Santucci](#)

On March 3, 2010, President Obama signed the [Temporary Extension Act of 2010 \(.pdf\)](#) into law. The Act provides for the continuation of the extended unemployment compensation benefit program and the availability of the COBRA premium subsidy, which expired February 28, 2010. The COBRA premium assistance program was extended to allow those involuntarily terminated through March 31, 2010 to receive the 65 percent premium subsidy. More information regarding the COBRA premium subsidy was posted on [our blog on January 6, 2010](#).

The Act also clarifies that if an individual has a COBRA qualifying event due to a reduction in hours, and is later involuntarily terminated, then the involuntary termination must be treated as a qualifying event and the employee must receive a new, appropriate COBRA notification.

Finally, the Act clarifies certain interpretative guidance, and indicates that certain portions of the Act are retroactive.

Employers and Plan Administrators should be sure to incorporate these changes into their COBRA notification procedures and COBRA notices.

Congress is also said to be considering a bill that would extend the COBRA premium subsidy program further.

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