

# Arkansas Insurance Department

Mike Beebe  
Governor



Jay Bradford  
Commissioner

## NEWS RELEASE

### FOR IMMEDIATE RELEASE

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### **Group Health Coverage Continuation Subsidy Signed Into Law**

LITTLE ROCK, ARKANSAS (January 6, 2010) —State Insurance Commissioner Jay Bradford today announced the issuance of [Bulletin 5A-2009](#), which discusses the extension of the COBRA subsidy for individuals terminating employment between January 1, 2010, and February 28, 2010. The American Recovery and Reinvestment Act of 2009 (ARRA) as amended was signed into law by President Barack Obama on December 19, 2009. Previously, the COBRA subsidy eligibility date for termination of employment was December 31, 2009.

In addition, the COBRA subsidy has been extended from nine months to fifteen months. Bradford stated, "It is important to note the subsidy for individuals under the state group continuation coverage will remain at 120 days."

The new law also allows eligible individuals who exhausted the nine month COBRA subsidy period and then dropped COBRA coverage, to elect COBRA coverage retroactively for up to six additional months. These individuals will receive the subsidy for this coverage.

Individuals who exhausted the nine month COBRA subsidy, but continued to maintain COBRA coverage by paying the full COBRA premium may receive a payment or credit for any premiums paid above the 35% required amount.

Group health plans will be required to provide notices of the extension and also retroactive COBRA elections. Group health plans have been instructed to go to the [U.S. Department of Labor's Web site](#) for instructions on notices to send consumers.

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