

## NEW COBRA PREMIUM SUBSIDIES RECENTLY ENACTED AS PART OF AMERICAN RESCUE PLAN ACT

Hodgson Russ Food & Beverage Alert May 21, 2021

New COBRA premium subsidies were recently enacted as part of the American Rescue Plan Act, as mentioned in two previous alerts (here and here) issued by our Employee Benefits practice.

As a result of these subsidies, employers need to identify any individuals who may be eligible for free COBRA coverage from April 1 through September 30, 2021 and, if there are such individuals, send the statutorily required notices by May 31, 2021. Although there are still some open issues related to the scope of this relief and more guidance is expected, you need to be sure you are assessing those past employees who require notice – especially if you have had significant historic turnover of employees who received health insurance through their employment.

For more information on this topic, please reach out to Elizabeth McPhail (716.848.1530) or any member of our Food & Beverage practice.

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