



Legislative Update

March 4, 2010

President Signs Federal COBRA Subsidy Extension

On March 2, 2010, the President signed into law the Temporary Extension Act of 2010 which provides a stopgap, 31-day extension of the 65% federal COBRA premium subsidy. Under the new law, the 15-month premium subsidy is extended to those involuntarily terminated from March 1 through March 31. The eligibility period for the subsidy had expired as of February 28, 2010. In addition, the law will also allow employees to receive the subsidy if they first lost group coverage due to a reduction in hours and then were terminated after enactment of the law, if certain conditions are met. Meanwhile, the Senate is also considering a further extension of the COBRA premium subsidy in a separate bill, which would extend the program through December 31, 2010.

The Act also temporarily extends unemployment benefits through April 5, 2010 and extends a Medicare physician payment update (sustaining the current Medicare payment rates for physicians) through March 31, 2010.

Please contact your Conner Strong representative with any questions, toll-free at 1-877-861-3220.

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