

Do Your COBRA Notices Comply with the ACA?

Labor & Employment Law Update

By Kelly Haab-Tallitsch on May 29, 2014

Earlier this month, the Department of Labor (DOL) issued proposed regulations revising the COBRA notice requirements to align with the Affordable Care Act (ACA) and make clear to workers that if they are eligible for COBRA, they have the option to choose to purchase coverage on the exchange instead. The DOL also issued two new model COBRA notices to help employers comply with the revised notice requirements.

The updated Model General COBRA Notice is similar to the previous model notice, but includes a new page of instructions for administrators, as well as additional information specific to the coverage options available under the exchanges and special enrollment options. The Model COBRA Election Notice underwent more significant changes, with two new pages of information devoted entirely to the exchanges.

Although the proposed rules won't be finalized for several more months, the DOL has stated that it will consider use of the new model notices as "good faith compliance" until final rules are released, in the event final requirements are different. No immediate action is required by the proposed regulations, but they do provide a reminder for employers to review their notices for ACA compliance.

You can find the updated model notices at <https://www.dol.gov/> and the proposed regulations at www.federalregister.gov/articles/2014/05/07/2014-10416/health-care-continuation-coverage.